



Peabody Municipal Light Plant

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PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF REGULAR MEETING FOR JANUARY 26, 2017

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Thursday, January 26, 2017 at the Peabody Municipal Light Plant, 201 Warren Street Ext., Peabody, Massachusetts at 6:30 p.m.

Present for the meeting were Commissioners William Aylward, Charles Bonfanti, Thomas D'Amato, Thomas Paras and Robert Wheatley; Manager Glenn Trueira, Attorney Philip Durkin and Recording Secretary, Barbara Previte.

Chairman Wheatley asked if there were any additions to the agenda and Manager Trueira stated no.

1. Agenda Item A: Approval of Agenda

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER AYLWARD AND UNANIMOUSLY VOTED (4-0):

MOVE TO APPROVE THE AGENDA.

2. Agenda Item B: Announcement:

Chairman Wheatley acknowledged that this is an open meeting and informed the public that the meeting is being recorded by hand and voice recorder.

3. Agenda Item C: Election of Officers

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER AYLWARD WITH COMMISSIONERS AYLWARD, BONFANTI, PARAS AND WHEATLEY VOTING IN THE AFFIRMATIVE AND COMMISSIONER D'AMATO VOTING PRESENT AND VOTED BY ROLL CALL (4-0):

17-01 MOVE TO NOMINATE COMMISSIONER D'AMATO AS CHAIRMAN OF THE PEABODY MUNICIPAL LIGHTING COMMISSION FOR THE YEAR 2017.

Chairman D'Amato thanked Commissioner Wheatley for his work this past year. He complimented Commissioner Wheatley and stated he did a good job.

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER BONFANTI WITH COMMISSIONERS BONFANTI, PARAS, WHEATLEY AND D'AMATO VOTING IN THE AFFIRMATIVE AND COMMISSIONER AYLWARD VOTING PRESENT AND VOTED BY ROLL CALL (4-0):

17-02 MOVE TO NOMINATE COMMISSIONER AYLWARD AS VICE CHAIRMAN OF THE PEABODY MUNICIPAL LIGHTING COMMISSION FOR THE YEAR 2017.



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MOTION BY COMMISSIONER BONFANTI, SECONDED BY COMMISSIONER AYLWARD WITH COMMISSIONERS BONFANTI, D'AMATO, AYLWARD AND WHEATLEY VOTING IN THE AFFIRMATIVE AND COMMISSIONER PARAS VOTING PRESENT AND VOTED BY ROLL CALL (4-0):

17-03 MOVE TO NOMINATE COMMISSIONER PARAS AS SECRETARY OF THE PEABODY MUNICIPAL LIGHTING COMMISSION FOR THE YEAR 2017.

4. Agenda Item D: Selection of Voting Order:

The Commission drew numbers for their 2017 seated voting order. The voting order is as follows:

Seat 1	Robert Wheatley
Seat 2	William Aylward
Seat 3	Charles Bonfanti
Seat 4	Thomas Paras

5. Agenda Item E: Approval of Minutes:

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER AYLWARD AND VOTED UNANIMOUSLY (5-0):

17-04 MOVE TO APPROVE THE REGULAR MEETING MINUTES OF DECEMBER 15, 2016.

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER AYLWARD AND VOTED UNANIMOUSLY (5-0):

17-05 MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF DECEMBER 15, 2016.

6. Agenda Item F: Appointments:

- **REMARKS OF THE GENERAL PUBLIC:** There being none, the meeting continued.

7. Agenda Item G: Correspondence

There being none, the meeting continued.

8. Agenda Item H: Manager's Reports:

- **VMWARE UPGRADE**—Manager Trueira deferred to Joe Anastasi, IT Director to present a proposal for the computing power and storage capacity of the existing VMWare Virtual Data Center. Joe Anastasi spoke about the increase in demand on our system because of the influx of services such as AMI, VOIP telephone system, Surveillance Network. The PMLC approved this request in the 2016 budget. Joe spoke about the pricing for this and the Commission approved \$45,000. Joe is seeking to revise the original budget request of \$45,000 by \$8,000 making the cost \$53,000.



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Discussions ensued about the 2016 budget and allocation. Commissioner Wheatley stated that the Commission cannot change the 2016 budget and proposed allotting \$8,000 to the 2017 budget.

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER AYLWARD AND VOTED BY ROLL CALL (5-0):

17-06 MOVE THAT WE APPROPRIATE \$8,000 FROM THE 2017 CAPITAL BUDGET TO SUPPLEMENTAL THE \$45,000 IN THE 2016 CAPITAL BUDGET TO PURCHASE THE VMWARE VIRTUAL DATA CENTER INFRASTRUCTURE FOR A TOTAL COST OF \$53,000.

- **AMI UPDATE** – Manager Trueira deferred to Manole Agouridis, Assistant Superintendent of Electric Distribution / Metering who spoke about the AMI project schedule. Manole stated that meter deployment should be the week of February 21, 2017. Manole thanked Will Cardello, Junior Electrical Engineer, Alex Bacon, Junior Systems Integration Specialist, and Jennifer Santoro, Community Relations Manager for their hard work on the AMI project. Commissioner Paras asked if the Commission could see the new meters. Manole brought the old and new meters for the Commission to examine. Manole further spoke of the 30 day letter and door hangers. Samples were passed out for the Commission to see. Chairman D'Amato asked about communicating this deployment. Jennifer Santoro, stated that the 30 day letter, door hangers, etc. will inform our customers. Commissioner Paras invited the Commission to attend the St. Val's Men's Club on February 22, 2017 to hear Emmanuel Agouridis speak about this exciting project.
- **IPSWICH RIVER/JOHNSON STREET SUBSTATION** – Manger Trueira deferred to Roy Simoes, Associate Electrical Engineer, to brief the Commission on the project. Roy discussed the water quality permit and steps being taken to obtain such permit. It is a joint permit between National Grid and PMLP which will be submitted to DEP early next week. Once submitted, PMLP will move on attending the Peabody Conservation Commission as well as seeking approval from the Army Corp of Engineers. Roy discussed briefly the materials that will be ordered for this project—such as power transformers, switchgear, construction contract, and he will be back before the Commission with these requests.
- **GT-2** – Manager Trueira deferred to Chuck Orphanos, Associate Electrical Engineer, to discuss the status of GT-2. Chuck gave an overview of the 18 month project. He explained the fire in August 2015, switchgear replacement in October 2015, the control panel / boroscope went well. Chuck explained he worked with a dream team. The project was complete December 2016. The next step was the fire inspection which occurred January 11, 2017. On or about January 13, 2017, PMLP performed a remote access start. Chuck explained that it takes approximately 22 minutes to start and because PMLP is in the forward reserve market. When GT2 is called upon, it has 30 minutes to start. GT2 is back online as of January 24, 2017. GT2 is back in service and has not been called to run. Chuck took a moment to recognize the hard work by Engineering, Power Plant Equipment Maintencemen, Distribution, Linemen. It was truly a team effort to repair.



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9. Agenda Item I: Committee Assignment / Report

- **COMMITTEE ASSIGNMENTS** – Chairman D’Amato said that he was aware that Commissioner Wheatley worked on the policies last year. Commissioner Wheatley said he believes there are three or so policies that still need to be updated and would be happy to work on them with Jennifer Santoro, Community Relations Manager. Commissioner Wheatley also stated that he has been attending the union contract negotiations. Chairman D’Amato thanked Commissioner Wheatley for assisting.

10. Agenda Item J: Award of Bids

- **AMI PROJECT ELECTRICIANS** – Manager Trueira deferred Manole Agouridis, Assistant Superintendent of Electric Distribution / Metering. Manole explained that PMLP determined that bringing in an outside contractor to support this 9-month deployment. Staff determined that procuring for an outside Licensed Electrical Contractor was the best approach to support this function. Staff went through the formal bid process by advertising a RFP. Four proposals were received. PMLP staff proceeded with consulting with the City of Peabody’s wiring inspector as well as internally with project leads and internal staff with electrician’s licenses. PMLP created scenarios to evaluate the bids. The evaluated costs based on the different scenarios resulted from \$241,877 to \$460,132.50 from the four vendors. PMLP staff determined that Sanibel has the requisite abilities to provide AMI Project Electrical Contracting Services to meet our requirements as part of the AMI project.

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER WHEATLEY AND VOTED WITH COMMISSIONERS WHEATLEY, AYLWARD, BONFANTI, AND D’AMATO VOTING AFFIRMATIVELY AND COMMISSIONER PARAS VOTING PRESENT BY ROLL CALL (4-0):

17-07 TO ACCEPT THE RECOMMENDATION OF STAFF AND AUTHORIZE THE MANAGER TO ENTER INTO A CONTRACT WITH SANIBEL ELECTRICAL CORPORATION FOR LABOR FOR AMI PROJECT ELECTRICIANS FOR THE PER UNIT, TIME AND MATERIALS FOR THE BUDGETED AMOUNT OF \$300,000 WITH A CONTINGENCY BUDGET OF \$30,000 AS OUTLINED IN THEIR PROPOSAL.

- **PIPE MODIFICATIONS AND SUPPORT OF IN-LINE INSPECTION OF 10” NATURAL GAS PIPELINE** – Manager Trueira deferred to Bryan Howcroft, Principal Electrical Engineer, Energy Services, to discuss the pipe modification and support of the in-line inspection of 10” natural gas pipeline. Bryan explained the process. In order to perform an in-line inspection, a pipeline contractor is required to support the work by cutting the pipe and installing flanges, grade the area, flare off and vent the pipe gas. PMLP worked with Tri-Mont Engineer to create specification for these services. PMLP did not have a formal pre-bid conference but did allow



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the bidders to tour the site by appointment. Two vendors—NEUCO and RH White did visit the site. Four bids were opened and received on January 12, 2017.

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER PARAS AND VOTED BY ROLL CALL (5-0):

- 17-08** MOVE THAT WE ACCEPT THE RECOMMENDATION OF STAFF TO ENTER A CONTRACT WITH NEW ENGLAND UTILITY CONTRACTORS (“NEUCO”) IN THE AMOUNT OF \$133,425 PLUS \$32,000 FOR ADDITIONAL SERVICES, AS WELL AS A 10% CONTINGENCY FOR A TOTAL PROJECT AMOUNT OF \$181,867.50 PROVIDED THAT THE TERMS AND CONDITIONS CAN NEGOTIATED ARE MUTUALLY AGREED UPON.
- **IN-LINE INSPECTION OF PMLP’S 10” NATURAL GAS PIPELINE** – Manager Trueira again deferred to Bryan Howcroft, Principal Electrical Engineer, Energy Services, to discuss the inspection of the natural gas pipeline at Waters River Substation. Engineering staff began working with an energy consulting firm, CHA Consulting, to update our natural gas pipeline Integrity Management Plan as required by Federal Regulations. One of the requirements elements of the IMP is to have an individual identified as PMLP’s Pipeline Manager. PMLP did not have these qualifications in-house and therefore sought out a firm that was capable of acting as our Pipeline Manager. PMLP teamed up with Tri-Mont Engineering to perform these services. PMLP and Tri-Mont began working on finalizing and implement the IMP. As part of that process, PMLP is required to assess the condition of our pipeline. To do so PMLP and Tri-Mont created an RFP seeking the services of a pipeline In-Line Inspection contractor. Bryan explained the role of the ITI contractor is to supply a “smart PIG” that would be launched through PMLP’s pipeline while taking continuous measurements and assessments along the way. In order to accept the PIG launcher and receiver, our pipeline needs to be cut and flanges installed. The previous bid and recommendation is to fulfill that requirement. There are not many companies in the United States that are capable of pipeline ILI work. PMLP sent out the RFP to three companies that are capable of handling this type of work—TD Williamson, Rosen-USA and N-Spec. PMLP staff and Tri-Mont met at the site with each of the bidders.



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MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER PARAS AND VOTED BY ROLL CALL (5-0):

- 17-09** MOVE THAT WE ACCEPT THE RECOMMENDATION OF STAFF TO ENTER A CONTRACT WITH TD WILLIAMSON FOR THE BID AMOUNT OF \$124,500 PLUS \$18,000 FOR ADDITIONAL SERVICES AS WELL AS A 10% CONTINGENCY FOR A TOTAL PROJECT AMOUNT OF \$156,750 PROVIDED THAT THE TERMS AND CONDITIONS NEGOTIATED ARE MUTUALLY AGREED UPON.
- **DISTRIBUTED ANTENNA SYSTEM** – Manager Trueira deferred to Brian Abcunas, Senior Electrical Engineer, to discuss the award of a contract to a firm to design, construct, and operate a neutral host distributed antenna system in partnership with PMLP. Brian Abcunas gave background of the process. PMLP prepared an RFP and solicited proposals for a new city-wide DAS system with a number of goals. The goals are to provide the City with an acceptable method to ensure adequate wireless telecommunication coverage. The second goal would be to provide a new revenue stream for PMLP by leasing pole space for new wireless antennas. A goal for PMLP is that is to install and operate a fiber optic system around the City for substation communications, security cameras, as well as new upcoming needs for AMI. A major part of the design and installation of this DAS system will be a new fiber optic system. The fiber optic system will be owned and maintained by PMLP on our poles, and will be designed to include many extra fiber lines that can be used for PMLP's current and future uses and possibly for City needs as well. A portion of the cost of this fiber optic system will be paid for by the DAS company with the majority of the cost being reimbursed by the wireless providers. The bid package was sent directly to 9 specific tower companies and wireless providers in early September 2016 and advertised in the Salem Evening News, Dodge Reports, and on PMLP website. Four firms submitted bids—Mobilitie; Extenet; Crown Castle and American Tower. The team evaluated the proposals and determined that American Tower is the best choice to partner with to build a DAS system in Peabody.

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER AYLWARD AND VOTED BY ROLL CALL (5-0):

- 17-10** MOVE THAT WE ACCEPT THE RECOMMENDATION OF STAFF AND AUTHORIZE THE MANAGER TO ENTER INTO A CONTRACT WITH AMERICAN TOWER FOR A DAS SYSTEM IN THE CITY OF PEABODY, WITH FINAL COSTS AND PROJECTED REVENUES TO BE PRESENTED TO THE PMLC FOR APPROVAL AFTER CONTRACT NEGOTIATIONS ARE COMPLETE.

11. Agenda Item K: General Business

- **NEW PMLP WEBSITE** – Manager Trueira deferred to Jennifer Santoro, Community Relations Manager, to present the new PMLP website. The Commission stated it is exciting. Jennifer is requesting the Commission review their section of the website for further comments and/or



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revisions. Commissioner Paras suggesting maybe putting a link for Nixel. Jennifer stated that she is seeking \$1,000 additional costs for the add-ons. This would include having the website design company support us for several months with updates. Discussions ensued regarding the additional request. The Commission suggested that Jennifer come before the Commission at next meeting for additional funding.

- **GT#3 PARTICIPATION VOTE (MMWEC SPECIAL PROJECT 2015A)** – Manager Trueira deferred to Bryan Howcroft, Principal Electrical Engineer / Energy Services, to discuss the Special Project 2015A at Waters River for potentially a new generator at Waters River site. Bryan spoke about the rising costs for capacity. Bryan stated that generation assets shift our capacity costs from the highly variable open market. Bryan spoke about PMLP's GT#1 and GT#2 are 45 and 26 years old. PMLP staff worked with MMWEC to review our power supply portfolio and to develop recommendations for the future. MMWEC examined a potential new 55 MW generator for Waters River. Since Waters River is very unusual in that it is set up for gas supply and transmission lines. PMLP does not need the entire 55 MW from this peaking unit, the project would be owned by MMWEC with various MMWEC members. MMWEC would be responsible for the management of the construction of the project thereby relieving PMLP of much of the risk. MMWEC's recommended share of the project is 26.7% or 14.675 MWs to 32.5% or 17.86 MWs. Bryan discussed the costs of the project to be about \$67.89M. On February 6, 2017, ISO-NE will hold a Forward Capacity Auction to which this project will bid. If the bid is accepted, this project would have to be online by June 2020. The Commission is excited about the project.

MOTION BY COMMISSIONER WHEATLEY, SECONDED BY COMMISSIONER AYLWARD AND VOTED BY ROLL CALL (5-0):

- **17-11** MOVE THAT WE ACCEPT THE RECOMMENDATION OF STAFF AND AUTHORIZE THE MANAGER TO ENTER INTO A POWER SALES AGREEMENT WITH MMWEC FOR SPECIAL PROJECT 2015A AT A PARTICIPATON LEVEL OF 14.675 TO 17.86 MWs.
- **REAFFIRMATION OF POLICIES** – Manager Trueira stated that the Policy Committee worked hard on updating the policies last year and divided them into two books—(1) operational policies and procedures and (2) orientation policies.

MOTION BY COMMISSIONER PARAS AND SECONDED BY COMMISSIONER AYLWARD AND UNANIMOUSLY VOTED BY ROLL CALL (5-0):

- **17-12** TO REAFFIRM FOR THE YEAR 2017 ALL EXISTING PMLP POLICIES.



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- **NATIONAL GRID** – PMLP received a check in the amount of \$51,866.49 because of local transmission charges. The money is deposited in the cash account but subtracted off of the power supply bills.
- **REMARKS OF COMMISSIONERS**
- Commissioner Wheatley wished Chairman D'Amato good luck in 2017.
- Commissioner Aylward thanked Chairman Wheatley for a successful 2016 and looking forward to continuing that success in 2017 with Chairman D'Amato.
- Commissioners Bonfanti thanked Commissioner Wheatley for his work in 2016 as Chairman.
- Commissioner Paras echoed his sentiments on the hard work of Commissioner Wheatley in 2016 and thanked the employees for their hard work as well as Manager Trueira.
- Chairman D'Amato thanked Commissioner Wheatley and stated it is exciting times at PMLP. Good year, lots of exciting projects and PMLP has the best employees around.

MOTION BY COMMISSIONER PARAS, SECONDED BY COMMISSIONER AYLWARD AND UNANIMOUSLY VOTED BY ROLL CALL (5-0):

MOVE TO ADJOURN.

Chairman D'Amato declared the Regular portion of the Meeting of January 26, 2017 adjourned at 8:15 p.m.

A TRUE RECORD

Attest:


Thomas Paras, Secretary
Peabody Municipal Lighting Commission