



Peabody Municipal Light Plant

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PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF REGULAR MEETING JUNE 27, 2019

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Thursday, June 27, 2019 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 Charles Orphanos, Assistant Manager Bryan Howcroft, Attorney Philip Durkin and Recording Secretary, Barbara Previte.

Chairman Paras asked if there were any additions to the agenda and Manager Orphanos stated there were the Executive Session Minutes of May 25, 2019 have been revised. Manager Orphanos distributed a revised copy of the Executive Session Minutes of May 25, 2019 to reflect the discussion of the PILOT. There is also correspondence from Attorney Durkin an update on the City Charter.

- Agenda Item A: Approval of Agenda:

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

MOVE TO APPROVE THE AGENDA AS AMENDED.

- Agenda Item B: Announcement:

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

- Agenda Item C: Approval of Minutes:

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

19-32 MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF APRIL 25, 2019.

MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER BONFANTI AND UNANIMOUSLY VOTED (5-0):

19-33 MOVE TO APPROVE THE REGULAR MEETING MINUTES OF MAY 25, 2019.



Peabody Municipal Light Plant

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Minutes of PMLC

June 27, 2019

Page 2

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

19-34 MOVE TO APPROVE AS AMENDED AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF MAY 25, 2019.

- Agenda Item D: Appointments:

- **REMARKS OF THE GENERAL PUBLIC:**

There being none, the meeting continued.

- Agenda Item E: Correspondence

- Manager Orphanos stated and distributed a memo to the Commission regarding the City Charter.

- Agenda Item F: Manager's Reports:

STATUS REPORTS:

- **IPSWICH RIVER SUBSTATION** – Manager Orphanos deferred to Brian Abcunas, Associate Electrical Engineer, to update the Commission. Brian stated that the station has now been energized for a couple of months. The old station (former substation) has been demolished and most of the big equipment is removed. The structure is gone as well as the equipment inside. The old power transformer is being moved. It will be moved to Waters River. It has been scheduled to move and the State Police have cancelled. The move is now scheduled to take place on Sunday, June 30, 2019 on Route One southbound and then make a U-turn and go over the railroad tracks by the Hallmark Building and continuing along Lowell Street. PMLP has been working with the State Highway department to coordinate this move. This move will begin at 3:00 a.m. and they will build a temporary land bridge and depart between 6:00 a.m. or 7:00 a.m. Brian also stated that PMLP is very fortunate to have an extra power transformer. Discussions ensued about oil and containment. Brian Abcunas spoke about T1 and T2 lines which feed into National Grid lines would not be compatible; therefore, there is not an oil issue.
- Brian continued to speak about Johnson Street and integrating the new equipment such as relays and control panels. Brian stated that the running of cables should occur the week after July 4, 2019.



Peabody Municipal Light Plant

Community Owned. Not for profit. It's Ours.

Minutes of PMLC

June 27, 2019

Page 3

- Manager Orphanos is suggesting that PMLP have a ribbon cutting/ceremony to introduce the Ipswich River site. He believes it will occur sometime in September and/or October. Commissioner D'Amato asked if photographs would be taken on Sunday. Brian Abcunas said pictures will be taken.
- **STRATEGIC PLAN** – Manager Orphanos stated that the strategic plan is part of Administration's Action Plan – specifically A-14 which states Continue implementation (all of 2019) of PMLP's Strategic Plan. He stated we have a lot of experience and knowledge in our Management Team and would like to work with our Division Managers to create a new 3–5 year Strategic Plan for PMLP. Manager Orphanos said he will be working on this over the next couple of months. Manager Orphanos has asked his Division Managers to start thinking about ideas and personnel to create a road map.
- Agenda Item G: Committee Reports:
- Chairman Paras deferred to Commissioner Wheatley who stated that they are currently reviewing the Leave Policy.
- Commissioner Bonfanti asked if we have a policy on irate customers that would handle the situation that the dispatcher and Karen Repucci were dealing with. Manager Orphanos stated that we don't have a policy specially for irate customers however dispatch can call the police and/or the on-call supervisor. Manager Orphanos was going to speak with the dispatchers and give them specific details on how to handle.
- Agenda Item H: Award of Bids:
- **Three Phase 23KV Padmount Transformers** – Manager Orphanos deferred to Karen Repucci, Business Manager, to begin the information brief and defer to Brian Abcunas, Associate Electrical Engineer, to talk about the specifics of the job. Karen informed the Commission that PMLP determined they need to purchase various sizes and secondary voltages to ensure there is adequate inventory of three-phase padmount transformers. Karen stated the bid package was posted on May 16, 2019 and notified potential bidders, posted it on the PMLP website as well as advertised in the Salem News and Dodge Report. The bid opening occurred on June 6, 2019. Karen deferred to Brian Abcunas to speak about the technical aspect of the bid. PMLP requested the vendors to provide an alternate price for a transformer including a third primary switch which would increase the safety and simplify the switching operations and allow us tremendous flexibility. Most vendors did provide an alternate price and the additional costs were very small for the third switch. Engineering



Peabody Municipal Light Plant

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Minutes of PMLC

June 27, 2019

Page 4

Division performed the Cost Analysis to quantify the lowest evaluated cost for each item. The details of the results are listed on the information brief. The evaluation process determined that there would be two different lowest evaluated bidders, ERMCO (via WESCO) for 21 transformers and WEG Transformers USA (via IRBY) for 7 transformers. PMLP has done business with both firms. Brian Abcunas and Engineering is recommending that we purchase from Wesco and Irby as follows:

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

19-35 MOVE TO ACCEPT THE RECOMMENDATION OF STAFF FOR THE MANAGER TO ENTER INTO A CONTRACT WITH WESCO FOR THE PURCHASE OF TWENTY-ONE (21) THREE PHASE 23KV PADMOUNT TRANSFORMERS FOR A TOTAL COST OF \$223,888 AND TO ENTER INTO A CONTRACT WITH IRBY FOR THE PURCHASE OF SEVEN THREE PHASE 23KV PAD MOUNT TRANSFORMERS FOR A TOTAL AMOUNT OF \$63,035.

- Agenda Item I: General Business:
- **Approval and Implementation of the new Street Lighting Rate** – Manager Orphanos deferred to Kerriane O'Brien, Junior Electrical Engineer, to present the information brief regarding the street light rate. Kerriane gave a little background about how this is transpiring. The Massachusetts DOER issued a LED Street Lighting Accelerator Program. The purpose of the program was to facilitate the low cost bulk procurement of light-emitting diode (LED) street lights to municipal light plants in Massachusetts. PMLP applied for a grant where we could receive 50% of the material of the LED fixtures purchased and installed under this program. Kerriane explained that the LED street lighting offers many benefits over the existing High-Pressure Sodium (HPS) street lights. The LED lights are expected to last approximately 15 years and require significantly less maintenance as well as using half of the electricity of HPS light. PMLP replaced approximately 5,500 lights by the end of September. Since the new LED street lights have a different cost structure, require less maintenance and use of electricity, PMLP's costs associated with the public lighting system has changed. Therefore, the cost to the City of Peabody and the Town of Lynnfield as collected through the street lighting rate schedule for the municipality allows for rates calculated via a cost-based model, with no rate of return allowed. PMLP worked with Mayhew Seavey of PLM to assist with the development of this rate. Once and if approved, the new rate schedule needs to be



Peabody Municipal Light Plant

Community Owned. Not for profit. It's Ours.

Minutes of PMLC

June 27, 2019

Page 5

advertised for 14 days in a local newspaper and then submitted to the Massachusetts DPU for notification purposes.

MOTION BY COMMISSIONER D'AMATO AND SECOND BY COMMISSIONER AYLWARD AND UNANIMOUSLY VOTED BY ROLL CALL (5-0):

19-36 MOVE TO ACCEPT THE RECOMMENDATION OF STAFF FOR THE APPROVAL OF THE NEW LED STREET LIGHTING RATES, M.D.P.U #183, TO BE APPLIED TO THE CITY OF PEABODY AND TOWN OF LYNNFIELD WITH AN EFFECTIVE DATE OF AUGUST 1, 2019.

- **MMWEC BOARD OF DIRECTORS** -- Manager Orphanos explained the importance of Peabody being part of the MMWEC Board of Directors. Manager Orphanos was appointed to the Board on or about May 1 or 2, 2019 in Gardner at the Annual Meeting. A discussion ensued that Manager Orphanos should have requested his appointment to the Board.

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

19-37 MOVE TO AUTHORIZE THE MANAGER TO SERVE ON THE MMWEC BOARD OF DIRECTORS. THE MANAGER IS TO SERVE WITHOUT ADDITIONAL COMPENSATION. THIS APPROVAL IS SUBJECT TO RESCISSIONS, BY A MAJORITY OF THE PEABODY MUNICIPAL LIGHTING COMMISSION, IF ANY OF THE FOLLOWING CONDITIONS OCCUR:

- IF SUCH POSITION DOES NOT SERVE THE BEST INTEREST OF PEABODY MUNICIPAL LIGHT PLANT;
 - PEABODY MUNICIPAL LIGHT PLANT IS NO LONGER AN ACTIVE MEMBER OF MMWEC; AND
 - THE MANAGER IS NO LONGER EMPLOYED BY PEABODY MUNICIPAL LIGHT PLANT.
- **SPECIAL MEETING OF PEABODY MUNICIPAL LIGHTING COMMISSION** – Manager Orphanos stated that there is a calendar in their package to look for the Commission's availability for a special meeting in July/August. The Commission collectively agreed on July 25, 2019 (Thursday) at 6:30 p.m.



Peabody Municipal Light Plant

Community Owned. Not for profit. It's Ours.

Minutes of PMLC

June 27, 2019

Page 6

- **TOWN OF LYNNFIELD_– IN LIEU OF TAX PAYMENT**– Manager Orphanos stated that the Commission usually votes for the In Lieu of Tax Payment to the Town of Lynnfield at the June Commission Meeting. Manager Orphanos stated that the annual amount changed several years ago to \$30,000 per year. Manager Orphanos is seeking a vote for such payment for this year.

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

19-38 TO AUTHORIZE THE MANAGER TO MAKE AN IN LIEU OF TAX PAYMENT TO THE TOWN OF LYNNFIELD IN THE AMOUNT OF \$30,000.

- **MMWEC (\$47,946.35)** – This is a reimbursement regarding Hydro Quebec in the amount of \$47,946.35.
- **NATIONAL GRID (\$21,508.42)** – Manager Orphanos stated that this check is for network transmission service for the month of March.
- **REMARKS OF COMMISSION** – Commissioner Wheatley discussed the \$1 million transfer. Commissioner Wheatley also asked for a copy of the Power Supply Trust Fund document.
- Commissioner Bonfanti wanted to wish everyone a safe and good holiday.
- Commissioner D'Amato wanted to thank Bob for his work on the policy committee.
- Commissioners Paras thanked everyone for all their work.


MOTION BY COMMISSIONER D'AMATO, SECONDED BY COMMISSIONER AYLWARD AND UNANIMOUSLY VOTED (5-0):

MOVE TO ADJOURN.

Chairman Paras declared the Regular portion of the Meeting of June 27, 2019 adjourned at 7:50 p.m.

A TRUE RECORD

Attest:



Thomas M. D'Amato, Secretary
Peabody Municipal Lighting Commission