



Peabody Municipal Light Plant

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PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF REGULAR MEETING OCTOBER 22, 2020

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Thursday, October 22, 2020 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 Wheatley stated that the agenda says "Special Meeting" and Barbara Previte revised the agenda to state a "Regular Meeting".

Chairman Wheatley requested that we take a moment of silence for the COVID 19 victims. Chairman Wheatley suggested that we make this part of agenda each month prior to approving the Agenda.

Chairman Wheatley is looking for volunteers to serve on the Policy Committee. This will be discussed under Committee Reports.

- Agenda Item A: Approval of Agenda:

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

MOVE TO APPROVE THE AGENDA, AS AMENDED.

- 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.

- Agenda Item C: Approval of Minutes:

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

20-46 MOVE TO APPROVE THE REGULAR MEETING MINUTES OF SEPTEMBER 24, 2020.



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

- 20-47** MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF SEPTEMBER 24, 2020.

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

- 20-48** MOVE TO APPROVE THE SPECIAL MEETING MINUTES OF SEPTEMBER 29, 2020.

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

- 20-49** MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF SEPTEMBER 29, 2020.

- Agenda Item D: Appointments:

There being none, the meeting continued.

- **REMARKS OF THE GENERAL PUBLIC:**

There being none, the meeting continued.

- Agenda Item E: Correspondence

There being none, the meeting continued.

- Agenda Item F: Manager's Reports:

STATUS REPORTS:

- **COST OF SERVICES STUDY** – Manager Orphanos stated that PMLP has not done a cost of service study since 2010. This should be done approximately every three to five years. This is a study that looks at our rates to determine if the rates are being allocated correctly across our rate structure. What has happened over the recent years is, our power supply costs have been decreasing, while our expenses have been increasing. This study was budgeted for and is an Administrative action plan (A5). The cost to perform such study will be approximately \$19,500. Manager Orphanos explained that PMLP had obtained a quote from PLM, Mayhew Seavey, who actually worked on the last cost of service study. Manager Orphanos spoke about the changes because of the AMI meters, as well as time of use, electric vehicles affects rates, real time data. The study will take approximately 8 to 10 weeks.



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- Agenda Item G: Committee Reports:

BUILDING COMMITTEE (UPDATE)—Manager Orphanos deferred to Commissioner Paras who explained that there is currently a change order that includes sanding, painting and additional 2x4 blocking in the metal frame that was rusty from the leak in the drain pipes. A plumber is also quoting us on the cast iron drain pipes to replace the damaged ones and a roofer to replace the silicone seals for the glass roof. Fred Bettencourt, Inventory Control Coordinator, is monitoring the site every day and taking notes daily on their progress.

COMPENSATION COMMITTEE –Chairman Wheatley deferred to Commissioner Bonfanti to discuss Motion 20-44 that was voted upon in Executive Session on September 24, 2020.

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

20-50 TO ACCEPT AND RATIFY MOTION 20-44 EFFECTIVE OCTOBER 22, 2020.

POLICY COMMITTEE – Chairman Wheatley mentioned earlier that we need to appoint or have a commissioner volunteer for the Policy Committee. Commissioner D'Amato volunteered and Commissioner Aylward said he could assist him.

Commissioner Aylward deferred to Chairman Wheatley to ask about the \$49,000 Latitude bill. How could this happen? Manager Orphanos explained that the owner of the building is Latitude who leased the space/building to a company TSI. Latitude and TSI had a deal whereby TSI is not the customer on file. The bills were being paid until the coronavirus shut down. When the account fell behind, PMLP followed our normal notification process to delinquent customers, the Business office also stayed in close contact with accounts in the rears. The ownership of the property was never transferred to the new owners (TSI). When there is an owner of record, PMLP can lien the property but Latitude no longer owns the property so Karen is trying to determine our rights. TSI has filed for bankruptcy and we are not a lienholder under the bankruptcy. Karen Repucci will be working with Administration along with Attorney Durkin to determine our rights.

Commissioner Aylward asked about the electric charging stations at the North Shore Mall. Who pays their bill? Manager Orphanos said the charging stations have a meter just like everyone else. Their bill is current. Manager Orphanos will work with Assistant Manager Howcroft on approximately how much their bills. Manager Orphanos stated that he believes they are a P rate. Bryan Howcroft pointed out, that EV charging stations typically have a high demand which should benefit PMLP from our demand charge.

Commissioner Aylward asked what is the date of the Budget Meeting. Manager Orphanos stated that it is December 4, 2020. Commissioner also asked about the Christmas party and



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Manager Orphanos stated that we are probably not going to have a Christmas party due to the Coronavirus crisis and limited gatherings.

Commissioner Paras asked if Manager Orphanos was aware of Strategies. Commissioner Paras said it is an email from ENE entitled Strategies. It talks about what lobbyist are doing at the State House, etc. Manager Orphanos said he has been receiving an email from ENE and that he was asked if he wanted to subscribe to such service. Commissioner Paras said we are the only municipal not subscribing to this service. Manager Orphanos explained that we have lobbyists through MEAM as well as MMWEC. Manager Orphanos explained to ENE after he had a chance to review the program he would let them know if PMLP would like to subscribe. Commissioner Paras stated the cost is approximately \$600 and Manager Orphanos was not sure of the value. The ENE strategies service is a duplication of what he is already receiving from the legislative perspective from MMWEC and MEAM, he found some value to the daily Coronavirus updates that accompany the Strategies

- Agenda Item H: Award of Bids:

There being none, the meeting continued.

- Agenda Item I: General Business:

- **STRATEGIC PLAN** – Manager Orphanos stated that there have been three meetings with the Tiger Team. This team consists of Division Manager, Bryan Howcroft, Brian Abcunas, Tim Hennessey, and me (the key staff also now known as the Tiger Team). The team reviewed the Mission Statement and asked the question, does this serve the purpose of what we are trying to do? The three things that came out are guiding by principles: highly trained employees and highly informed customers; our purpose: enhance the quality of life for our customers and community; and values: safety, integrity, accountability, respect and fairness. Some general assumptions were mentioned. More and more customers are demanding online access and turnover without planned succession with have a negative impact on customer service and operations. There were three strategic themes that emerged, are we serving our stakeholder, what is our sustainability and succession planning. Then the Tiger Team discussed the key decisions for each theme, such as succession planning. More key decisions will lead to action items. They talked about developing a plan regarding succession structure and position to be successful. Joe and Karen are working together on the visions statement.

- **STRATEGIC PLAN** – Chairman Wheatley deferred to Commissioner Paras. Commissioner Paras stated very good job. Commissioner Paras spoke at length with Mike Tate and is very impressed. Commissioner Paras stated that he already picked up that we are archaic. Commissioner D'Amato also was impressed with Mike Tate. Collectively, they agreed his approach is better than previous consultants. Commissioner Paras questioned why are we using Mike Tate in Alabama via CMA. Manager Orphanos stated that when checked with



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CMA, all of the references spoke very highly of Mike, so he specifically asked for Mike Tate to be our project manager.

- **MMWEC (Commissioner Paras)** – Chairman Wheatley deferred to Commissioner Paras. Commissioner Paras who asked several questions about MMWEC's services and costs. Manager Orphanos repeatedly asked if Commissioner Paras would share the questions with him so he could accurately answer everything. Commissioner Paras asked how does our power supply budget compare to other systems? What specifically are the services MMWEC provides? Manager Orphanos stated that Ron DeCurzio is happy to bring the MMWEC team to explain the services MMWEC provides. The All Requirements Agreement lists all of the services. Manager Orphanos explained that MMWEC provides different services for many of their clients, but most utilize their expertise with power supply. Peabody has the lowest rates which must count for something on our power supply costs and relationship with MMWEC. Commissioner Paras asked who is watching the shop; keeping an eye on the bill. The Commission would like to see an MMWEC bill and its breakdown. Manager Orphanos stated that we could have MMWEC come before the Commission in November. Commissioner Paras said we should also bring ENE in to a meeting to hear their pitch. Manager Orphanos said that can be arranged.
- **RATIFY MOTION 20-44** – Chairman Wheatley stated that this was ratified during the Compensation Committee section above.
- **MMWEC CHECK (\$37,421.07)** – Manager Orphanos stated that this check (September) for Hydro Quebec which will be deposited in the rate stabilization fund.
- **NATIONAL GRID CHECK (\$162,040.12)** – Manager Orphanos stated that this is the monthly transmission for August.
- **REMARKS OF COMMISSION** – Commissioner Aylward stated that he is happy to see Commissioner Paras is on the mend. Commissioner D'Amato stated that we were all concerned about you. Collectively the entire Commissioner is happy to see you.

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

MOVE TO ENTER INTO EXECUTIVE SESSION IN ACCORDANCE WITH CHAPTER 30A, SECTION 21(a) FOR THE PURPOSE OF CONDUCTING STRATEGY SESSIONS IN PREPARATION FOR COLLECTIVE BARGAINING AND TO DISCUSS TRADE SECRETS OR COMPETITIVELY SENSITIVE INFORMATION AND RETURN TO PUBIC SESSION.

Chairman Wheatley declared the Regular portion of the Meeting of October 22, 2020 recessed for a short adjournment at 7:25 p.m.



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Chairman Wheatley returned to Regular Meeting at 7:30 p.m.

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

20-52 TO ACCEPT AND RATIFY MOTION 20-51 FOR THE UNION CONTRACT FOR ONE YEAR JULY 1, 2020 THROUGH JUNE 30, 2021.

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

MOVE TO ADJOURN OR END THE REGULAR MEETING OF OCTOBER 22, 2020 BUT RETURN TO EXECUTIVE SESSION.

A TRUE RECORD

Attest:

William C. Aylward, Secretary
Peabody Municipal Lighting Commission