



Peabody Municipal Light Plant

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PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF BUDGET MEETING FEBRUARY 12, 2021

A regular meeting of the Peabody Municipal Lighting Commission was held on Friday, February 12, 2021 at the Peabody Municipal Light Plant, 201 Warren Street Ext., Peabody, Massachusetts at 8:30 a.m.

Present for the meeting were Commissioners Charles Bonfanti, Thomas D'Amato, Thomas Paras and Robert Wheatley; Manager Charles Orphanos, Assistant Manager Bryan Howcroft, and Recording Secretary, Patricia Sears.

- Agenda Item A: Approval of Agenda:

Chairman D'Amato asked if there were any changes to the agenda and Manager Orphanos stated he had none.

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

MOVE TO APPROVE THE AGENDA.

Chairman D'Amato requested that we take a moment of silence for the COVID 19 victims.

- Agenda Item B: Announcement:

Chairman D'Amato 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: General Business:

Chairman D'Amato deferred to Manager Orphanos to present the 2021 budget. Commissioner Paras said that he had three things that he would like to discuss today: (1) he would like money put aside to review PMLP's interest in running fiber, (2) he wants PMLP to pursue the buying of Verizon poles, and (3) he wants to defund the Assistant Manager position after March. Commissioner Wheatley stated that we can't add money to the budget, only subtract.

Manager Orphanos presented the budget overview. Manager Orphanos summarized the 2020 results (revenue was down relative to budget, but expenses were down even further). Manager Orphanos then discussed the overview approach of the 2021 budget (based on 5-year



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average plus 1%). 2021 budget results in a small net profit (\$1,196). 3% capital depreciation rate was used and MMWEC bond flush amount of \$2.8M included, if needed.

Manager Orphanos reviewed the Administration Action Plans and summarized those Action Plans completed in 2020, those postponed for 2021, those that are new, and those in progress. Commissioner Paras' Action Plans of fiber feasibility and Verizon pole buy-out were included in the list of Action Plans that were deferred.

Manager Orphanos then presented the Administration budget. Commissioner Aylward proposed eliminating temporary workers. Commissioner Bonfanti added that Glenn provides value on projects that he is working on. Commissioner Aylward asked about Municipal Services (PILOT), requested that Peabody's budgeted amount be moved back to \$480k.

Assistant Manager Howcroft presented the Power Supply Budget. Chairman D'Amato requested the percentage of our power supply costs associated with each generator plus a quick description.

Engineering (Roy Simoes, Brian Abcunas, Timothy Hennessy, and David Hallahan) presented their budget. Roy Simoes presented 2020 accomplishments (new WR panels, radial system, arc flash protection, fiber network between main office, Johnson St. substation, and Ipswich River substation). Timothy Hennessy discussed GT2 spare engine, 2015A, and GT1 and GT2 maintenance that was completed. Brian Abcunas discussed Verizon small-cell agreement, air-break and insulator replacement program, NS Mall upgrades, and GIS project that is in development. Roy Simoes mentioned that we may be moving forward with two new Engineers and discussed 2021 Action Plans.

Business (Karen Repucci, Sharon Glavin, Michelle Michaelis, and Fernando Bettencourt) discussed accomplishments (developed process to recoup sales revenue through bankruptcies, better managing property owner data, painting, insurance requested upgrades in stock room, successful inventory audit, online service requests) and an audit was conducted on petty cash. Karen stated she worked with Mike Gingras to recover \$30,000 in COVID funds and then presented the 2021 Action Plans. Commissioner D'Amato asked Karen how productive employees are working from home and how that was going. Commissioner Aylward asked Karen if other employees in the Business Office were receiving "fill-in" pay, and she answered she was the only one.

Chairman D'Amato requested from Manager Orphanos and Assistant Manager Howcroft five duties of the Assistant Manager and Power Supply Analyst.

At noon, there was a 45-minute recess for lunch.

Distribution (Dennis Ahlin, Marshal Simpson, Michael Pazzanese) presented 2020 accomplishments (new trucks, tools, 60 new poles, new transformers) and handed out a list of Action Plans presented by category.



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Information Technology (Joseph Anastasi) stated that a noteworthy action plan for 2021 is new data center infrastructure which is needed due to GIS and other demands on infrastructure. The network is presently running at 75% capacity which is higher than he would prefer. The upgrade will cost approximately \$150,000 which is included in his budget. Commissioner Aylward asked Joe his opinion of installing fiber for residential internet services.

Human Resources / Community Relations (John Maihos) noted that things are different due to COVID; he is working through whether or not we can do anything "virtual" for Science Fair. Chairman D'Amato asked if we could use the funds for another educational program. Mr. Maihos reported that he has also been focusing on interviewing / hiring.

Commissioner Aylward suggested that we vote on Social Media Policy. Chairman D'Amato suggested that we read the draft one more time and vote at the next meeting.

Environmental (Dan Guitard) presented budget (trying to minimize consultant costs as much as possible, will need to buy REC credits in 2021, staying on top of compliance reporting). Costs related to clean-up of spills were higher than budgeted, but overall hazardous waste costs were below budgeted figures.

- Agenda Item D: Adjournment:

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

MOVE TO ADJOURN OR END THE MEETING OF FEBRUARY 12, 2021.

Chairman D'Amato declared the Budget Meeting of February 12, 2021 adjourned at 3:45 p.m.

A TRUE RECORD

Attest: *Charles W. Bonfanti*
Charles W. Bonfanti, Secretary
Peabody Municipal Lighting Commission