



# Peabody Municipal Light Plant

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## PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF REGULAR MEETING FEBRUARY 25, 2021

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Thursday, February 25, 2021 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 Patti Sears.

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

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

- Agenda Item A: Approval of Agenda:

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

MOVE TO APPROVE THE AGENDA.

- 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: Approval of Minutes:

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

**21-10** MOVE TO APPROVE THE REGULAR MEETING MINUTES OF JANUARY 28, 2021.

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



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**21-11** MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MINUTES OF JANUARY 28, 2021.

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

**21-12** MOVE TO APPROVE AND RELEASE THE BUDGET MEETING MINUTES OF FEBRUARY 12, 2021.

- Agenda Item D: Appointments:

- **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:

**2020 ANNUAL CHARGE-OFF** – Manager Orphanos stated that this comes before the Commission on an annual basis. He stated the 2020 charge-off list consists of delinquent accounts from 2019 and pointed out that the list is always one year in arrears. The charge-off list is compiled of three types of accounts: residential accounts, of which there were 160 totaling \$89,718.09, that are terminated for credit delinquency from April 15 through November 14 for balances over 60 days in arrears, unless designated as “protected”. There were 16 accounts in excess of \$1,000 with 9 of 16 accounts identified as “protected” customers. In addition, there were seven bankruptcies totaling \$7,559.80 and five non-residential accounts totaling \$799.81, which are terminated for credit delinquency for balances over 30 days in arrears.

Manager Orphanos stated that in 2019 the charge-offs totaled \$158,167.91 and for 2021 the grand total was \$98,086.63 or approximately \$60,000 less than last year. This drop-in charge-offs was mainly due to the reduction to the “protected” customers. The protected customers alone were \$50,000 less than last year. The 2020 total for “protected customers” were \$40,714.68. Manager Orphanos deferred any questions from the Commission to Karen Repucci (Business Manager).

Karen stated that our Credit Department personnel does a good job along with the third-party collection vendor that PMLP uses. Commissioner Aylward commended Karen for a great job as well as her Collection Staff, Darlene Harding, Sheila Barry, and Kim Lannon.



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

- 21-13** MOVE TO AUTHORIZE THE MANAGER TO CHARGE OFF THE RESIDENTIAL CUSTOMERS OF \$89,718.09; NON-RESIDENTIAL OF \$799.81; BANKRUPTCIES OF \$7,559.80; AND UNDER \$10 ACCOUNTS OF \$8.93 FOR A 2020 TOTAL CHARGE OFF OF 98,086.63

**SEASONAL EMPLOYEE PROGRAM – MINIMUM WAGE INCREASE** –Manager Orphanos handed out proposed language from the “PMLP Seasonal Employee Program – Commission Directive” from the Salaries section (page 5) to better define increases for returning employees. The first year will be paid at minimum wage and if they return for a second year, their pay will increase by \$1 and the third year an increase of \$2.

MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER BONFANTI, VOTED BY ROLL CALL WITH COMMISSIONERS AYLWARD, BONFANTI, PARAS, AND D’AMATO VOTING AFFIRMATIVELY WITH COMMISSIONER WHEATLEY VOTING PRESENT (4-1)

- 21-14** MOVE TO ACCEPT THE RECOMMENDATION OF THE MANAGER TO MODIFY SEASONAL EMPLOYEE PROGRAM SALARY SECTION TO REFLECT THE PRESENT MINIMUM WAGE FOR THE 1<sup>ST</sup> YEAR, 2<sup>ND</sup> YEAR WILL BE A \$1 INCREASE AND 3<sup>RD</sup> YEAR WILL BE A \$2 INCREASE.

Agenda Item G: Committee Reports:

- **POLICY COMMITTEE – SOCIAL MEDIA POLICY** – Commissioner Aylward

Manager Orphanos stated that he has asked Attorney Pender to review it, but has not received any response. Attorney Durkin reviewed the policy as to the consequences and limitations of the policy along with possible Union issues. The Commission asked, what happens when the Policy is violated? Commissioner Bonfanti stated that he feels the employee should have a right to speak their mind and not be fired and no progressive discipline should be taken. He also stated it is a form of freedom of speech. They collectively agreed to wait for the response from Attorney Pender.



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- **BUILDING COMMITTEE – FRONT ENTRANCE FOYER PROJECT** - Commissioner Paras

Commissioner Paras provided a brief progress update. He mentioned the plan is to address the Business Office this year along with updating the inside front entrance and customer service area. The security system will be reviewed. Included in this review are the architectural plans on what changes must be made and to see how we can address all the concerns. During this process, we will be asking the Commissioners for input and suggestions.

Agenda Item H: Award of Bids:

There being none the meeting continued.

Agenda Item I, General Business:

- **STRATEGIC PLAN** – Manager Orphanos discussed the Strategic Plan and identified the 3 key initiatives as follows: Serve Stakeholders, Sustainability, and Succession. Each theme has its own objectives and sets several goals to be accomplished over the next few years. Five objectives are targeted for completion in 2021 and were explained in the Commissioner's Status Report. It names the project leaders and their team members as well as the expected completion date of the project. He asked the Project Managers to review the timeline and advise if any of them need to be extended. Commissioner Paras requested a timeline sheet. The Document Management System project is expected to be the first to be completed. Manager Orphanos will send out the "action plan" template that the teams are using to see if they would prefer that format of the team's objective[OC1]. Commissioner D'Amato asked for a certain format showing the timeline with dates of each completion of the projects. Manager Orphanos stated he will send Chairman D'Amato an "action plan" for review.

- **EXEMPT EMPLOYEE FILL-IN PAY**

Manager Orphanos stated that he received comments from Commissioner Paras on the Exempt Employee Fill-In Pay directive that was handed out at the January meeting. He asked his fellow Commissioners for feedback and further review. Manager Orphanos briefed the Commission on the proposed revisions, which included to decrease the duration from 18 months down to a maximum of one year and that "fill-in" would be reviewed and explained every 3 months if continued. Commissioner Paras had revisions that he made and passed them out. Commissioner Aylward liked the report but felt one year is too long. There was further discussion. Phil Durkin will review. Commissioner Wheatley asked why isn't it a policy? Commissioner Aylward asked why we wouldn't make it a policy? Phil Durkin explained one of their roles is to set Policy, so a policy



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would hold more weight than a directive. Commissioner Paras said to move it to the policy Committee and Commissioner Aylward, as Policy Committee Chairman, agreed to a review by the Policy Committee

A discussion came up about the Boards responsibilities and their oversight ability to control the Manager. Attorney Durkin stated the Commission can give direction but cannot force the Manager to hire someone. There was some discussion about vacant positions and the length of time it takes to hire someone. A statement was made that the Manager should be accountable. Chairman D'Amato cautioned the Commission about grading the Manager on any one of the vacancies. Chairman D'Amato stated that we need to tread lightly on how we measure the speed of which we fill the positions and greater consideration needs to be given to the quality of the people being hired.

- **2021 BUDGET APPROVAL**

Chairman D'Amato asked if anyone here would want to move to approve the budget. Commission Aylward is not prepared to make a motion. Commissioner Paras asked if it should be discussed in Executive Session and Attorney Durkin said the overall discussion of the budget needs to be held in regular session. Commission Wheatley asked the Manager if there were any changes in the budget. Manager Orphanos summarized some of the budget concerns discussed at the February 12 meeting. The Fiber buildout (2020 action plan A4) was postponed until 2022 along with buying the Verizon pole plant (2020 action plan (A6), There was some discussion about de-funding for Assistant Manager's position as well as discussion about Municipal services. The pilot was higher than usually because it carries our share of the Pilot for the 2015A project and consideration for a small increase (\$24,000) to our annual Pilot to the City Temporary employees for the seasonal helper program, and in the Administration Budget the temporary employees also carried money for Glenn Trueira and Phil Rohn. Manager Orphanos pointed out that both positions were under budget in 2020. With the announcement of Mike Pazzanese resigning, he would like to keep the funding to assist Distribution if needed. He also recommended to keep the Funding for City Hazardous Waste Day, and the Bobcat action plan # D15. Manger Orphanos also explained in the General Budget, the Manager Contingency Fund has money allocated for potential Union wage increase, a percentage of Holiday payout liability and potential Exempt employee step raises. The budget as presented does not reflect these changes. Manager Orphanos mentioned he will make changes to the budget.

A discussion came up about added money to the budget to hire an attorney specifically to represent the Commission if a lawsuit came up over the Manger's contract and to also put in money for advertising.



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MOTION BY COMMISSIONER AYLWARD, SECONDED BY COMMISSIONER WHEATLEY, VOTED BY ROLL CALL WITH COMMISSIONERS WHEATLEY, AYLWARD, BONFANTI, AND PARAS ALL VOTED YES WITH COMMISSIONER D'AMATO VOTED NO. (4-1)

**21-15** MOVE TO ASK THE MANAGER TO ADD AND/OR FUND AN AMOUNT OF \$50,000 IN THE BUDGET FOR THE PURPOSE OF LEGAL COUNSEL OR EMPLOYMENT ADVERTISEMENT FOR THE COMMISSION.

Commissioner Aylward said he is considering the key duties of the Assistant Manager and Energy Services positions and added that the Seasonal Employee Program (SEP) and bobcat should remain in the budget.

Commission D'Amato thought the concern over the bobcat was that it was a superfluous spend but the Commission would like to include.

Attorney Durkin went over the roles of the Manager and that he has the power to hire and appoint positions. He stated the role of the Commission is to oversee and make suggestions to the Manager. The Commission could set a target number for the annual budget, but should not get into the cutting or funding of specific individual line items.

Commission Bonfanti asked how long can we go without approving the budget?

Manager Orphanos said he will move forward in paying the invoices and perform the day-to-day operation of the business but no new action plans will be implemented or major expenditures made until the budget is approved. The longer it takes to approve the budget, the longer the action plans get delayed. It will put a higher pressure on the company when the budget is not approved and/or delayed.

Commission Wheatley requested the sales for December and January. The Manager said that information was already provided in the January status report.

Manager Orphanos said he will address all the budget concerns and will give the revisions to the Commissioners next week.

- **MMWEC (\$784,934.47)** – Manager Orphanos stated that this check is for Hydro Quebec flow rights (\$784,934.47) which will be deposited in the rate stabilization fund.
- **MMWEC (\$37,276.79)** – Manager Orphanos stated that this check is for Hydro Quebec flow rights (\$37,276.79) which will be deposited in the rate stabilization fund.
- **NATIONAL GRID CHECK (\$74,749.75)** – Manager Orphanos stated that this is the monthly transmission for December which will be deposited in the rate stabilization fund.



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- **REMARKS OF COMMISSION –**

Commission Bonfanti made a request for a list of acronyms that are used in the municipal and/or electric utility industry such as NEPPA, APPA, AMI, etc.

Commission Paras questioned if there was a response from our EAP advisor regarding the help needed in the Distribution Division.

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

**21-16** MOVE TO ENTER INTO EXECUTIVE SESSION IN ACCORDANCE WITH CHAPTER 30A, SECTION 21(a) FOR THE PURPOSE OF CONDUCTING A COMPETITIVELY SENSITIVE INFORMATION AND NOT TO RETURN TO PUBLIC SESSION

Chairman D'Amato declared the Regular portion of the Meeting of February 25, 2021 adjourned at 8:23 p.m.

A TRUE RECORD

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