



# Peabody Municipal Light Plant

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## PEABODY MUNICIPAL LIGHTING COMMISSION MINUTES OF REGULAR MEETING APRIL 28, 2022

A regular meeting of the Peabody Municipal Lighting Commission was called to order on Thursday, April 28, 2022 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, Raymond Melvin and Thomas Paras; Manager Joe Anastasi, Assistant Manager Bryan Howcroft, Attorney Philip Durkin, Attorney Adam Buckley and Recording Secretary Barbara Previte.

Chairman Aylward asked if there were any additions to the agenda and Manager Anastasi stated that under Manager's Report to add the 2022A Project.

- Agenda Item A: Approval of Agenda:

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

MOVE TO APPROVE THE AGENDA, AS AMENDED.

Manager Anastasi took a moment to introduce the following employees:

- Alex Bacon, Director of Information Systems and Services. Manager Anastasi gave background of Alex' career.
- Adam Buckley. Manager Anastasi introduced Attorney Buckley and explained that he and Attorney Durkin will be working jointly on PMLP matters.
- Mary Diantgikis, Cashier. Manager Anastasi introduced Mary and Business Manager Karen Repucci gave a brief summary of Mary's background.
- William Parente. Manager Anastasi introduced Bill and Business Manager Karen Repucci gave a brief summary of Bill's back.

The Commission collectively welcomed the new employees at PMLP.

- B: Announcement:

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



# Peabody Municipal Light Plant

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

Minutes of PMLC

April 28, 2022

Page 2

- Agenda Item C: Approval of Minutes:

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

**22-24** MOVE TO APPROVE THE REGULAR MEETING MINUTES OF MARCH 24, 2022.

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

**22-25** MOVE TO APPROVE AND NOT RELEASE THE EXECUTIVE SESSION MEETING MINUTES OF MARCH 24, 2022.

- Agenda Item D: Appointments:

- **REMARKS OF THE GENERAL PUBLIC:**

Chairman Aylward asked if there were any remarks of the general public. Susan Smoller introduced herself and talked about the Municipal Light Plant Energy Mix Report that was released by MCAN. She also spoke about an article from the Boston Globe and a question at the Democratic gubernatorial debate. She stated the report provides a snapshot of the percentage of clean and non-emitting energy in MLP's. The next subject she briefly spoke about was a Power Supply Policy. She stated that Belmont, Concord and Shrewsbury have such a policy. She stated she will forward this information to PMLP. Chairman Aylward thanked her and the meeting continued.

- **2021 FINANCIALS / POWERS & SULLIVAN** – Manager Anastasi introduced Michael Nelligan, Partner, Powers & Sullivan. Mike Nelligan stated the audit was performed the week of March 7-11, 2022. The inventory took place on or about January 6, 2022 and 30 items were reviewed. He stated the warehouse is in good shape. It is the best it has been in the last three years. There were no audit adjustments. No exceptions. The accounts receivable confirmation letters were sent out to approximately 25 random customers. No complaints and/or responses from the random samplings. No new accounting standards. He stated that sales were up 3.7%. He stated we had an operating loss of our \$1 million; however, bottom line was \$537,000. The receivables came down. On page 13 there is a statement of the cash flow. Page 48 you see power supply trust. Page 58 is schedule of electric rates and we see a loss of 1.24%. It has



# Peabody Municipal Light Plant

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

Minutes of PMLC

April 28, 2022

Page 3

been our pleasure working with you. Mike stated that there were no exceptions and it is a clean audit. He stated the receivables are down. He spoke briefly about the OPEB Fund and how PMLP is ahead of the fund but believes PMLP should continue funding. He spoke about how much interest was earned in 2021. Lastly, he thanked the Commission and the Business Division. He stated the Business Division is organized and the Company is in a good place. The audit was clean with no exceptions.

- Agenda Item E: Correspondence:

Manager Anastasi stated that PMLP received an email from a Lynnfield Resident concerning the Historical Calendar specifically Carter's Market. Her grandfather was the owner and her father and uncle both went to work there after their return from WWI.

The next piece of correspondence is the Veterans Council Letter inviting the Commission to participate in the Memorial Day parade on May 30, 2022.

- Agenda Item F Manager's Reports:

**STATUS REPORTS:**

- **STUDENT GOVERNMENT** – Manager Anastasi stated that he participated in student government day on April 7, 2022. The two student government employees were Kloira Sharka, Chairman, and Thomas Davidson, Manager. The day began with breakfast at City Hall followed by a tour at PMLP and Ipswich River. At the end of the day, they were served dinner followed by a City Council meeting.
- **SURPLUS EQUIPMENT DISTRIBUTION DIVISION**—Manager Anastasi stated that there are approximately 20 items that need to be declared surplus. Once approved, PMLP can advertise and put on gov.deals. Manager Anastasi stated if there are any items that we can donate to Navajo Nation we will do so. Manager Anastasi stated that we have old gym equipment to declare as surplus. Manager Anastasi is looking for a motion to move forward.

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

- 22-26** MOVE TO ACCEPT THE RECOMMENDATION OF STAFF TO AUTHORIZE THE MANAGER TO DECLARE THE ITEMS PRESENTED AS SURPLUS AND SELL THEM ON GOV.DEALS OR DONATE TO NAVAJO NATION.



# Peabody Municipal Light Plant

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

Minutes of PMLC

April 28, 2022

Page 4

- **2022A PROJECT** – Manager Anastasi informed the Commission that Matt Ide, MMWEC is here to discuss Peabody's power portfolio and greenhouse standards. He spoke about the Berkshire Wind project. Matt spoke about the RECs from the Berkshire Wind and how they reduce our cost. Matt Ide presented a power point presentation of what PMLP has to get to in 2030, 2040 and 2050. Matt explained how MMWEC researches investments for its members. Specifically, this project is a battery project. The battery project would be located in Ludlow. Questions arose about the life expectancy of the battery and it is approximately 15-year lifespan. Questions arose about the manufacturer of the battery for the project and he stated that it is confidential until the PPA is signed. Matt also briefly spoke about the 2021A project, an off-shore wind ventures that MMWEC is working to bring to its members. 2021A, if approved, will be MA MLP's best bet to meet the 2030 goals of 50% carbon emissions.

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

- 22-27**
1. that the Peabody Municipal Lighting Commission, in accordance with St. 1975, c. 775, § 1 hereby votes and agrees to participate in MMWEC's Special Project 2022A; and
  2. that the Peabody Municipal Lighting Commission, in accordance with St. 1975, c. 775 § 1 hereby agrees to pay its pro rata share of the costs of carrying out Special Project 2022A, as established by the MMWEC Board of Directors in the Special Project Fund for such Special Project 2022A, which pro rata share shall be based on the City or Town's participation in Special Project 2022A; and
  3. that the Peabody Municipal Lighting Commission and through the Peabody Municipal Light Plant, in accordance with St. 1975, c. 775 § 1 hereby agrees to execute, deliver and perform its obligations under the MMWEC Battery Storage Project 2022A Power Sales Agreement ("PSA"), substantially in the form of the PSA presented to the Peabody Municipal Lighting Commission and made a part of the record of this meeting and authorizes the Manager to execute the PSA at a time he deems it appropriate; and
  4. directs the Manager to cause Peabody Municipal Light Plant to perform all of Peabody Municipal Light Plant's obligations under the PSA and to take any and all further actions the General Manager deems may be required to carry out, give effect to, and consummate the transactions contemplated by this



# Peabody Municipal Light Plant

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

Minutes of PMLC

April 28, 2022

Page 5

- vote, including, but not limited to, the execution of any other documents: and
5. that the Manager is hereby authorized and directed to make payments to MMWEC calculated as set forth in the preceding paragraph 2; and
  6. that the Manager is hereby authorized and directed to execute the Participation Acknowledgement, a copy of which has been presented at this meeting and is filed with the permanent records thereof; and
  7. that any actions previously taken by the Manager, which are consistent with the purpose of this vote, are hereby ratified and confirmed.

- Agenda Item: General Business

- **ANNUAL OPEB (OTHER POST-EMPLOYMENT BENEFITS) TRUT FUND CONTRIBUTION –** Manager Anastasi introduced Business Manager Karen Repucci to request authorization for a transfer of funds from the unrestricted cash account into the PMLP OPEB Liability Trust Fund. If acceptable, this will represent the seventh annual payment to the PMLP OPEB Liability Trust Fund. OPEB refers to benefits received by an employee when he or she begins retirement, including healthcare and life insurance premiums. PMLP covers our current obligations to provide retirees healthcare on a pay-as-you-go model.

The Commission established the PMLP OPEB Liability Trust Fund to provide for future payments of healthcare and other post-employment benefits to retired employees. As of June 30, 2021, the OPEB balance was \$8,099,326 and the net liability is \$10,481,606. PMLP is approximately 77% funded. As of March 31, 2022, the OPEB Liability Trust Fund Balance is \$8,046,751. Dan Sherman from Sherman Actuarial Services suggests a contribution of approximately \$50,000 which ties into our fiscal year budget amount.

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

**22-28** MOVE TO ACCEPT THE RECOMMENDATION OF STAFF TO AUTHORIZE THE MANAGER TO TRANSFER \$50,000 FROM THE UNRESTRICTED CASH ACCOUNT INTO THE PMLP OPEB LIABILITY TRUST FUND.

- **POWER SUPPLY TRUST FUND –** Manager Anastasi stated that when a new Commissioner is elected we need to sign the Power Supply Trust Fund Agreement. A



# Peabody Municipal Light Plant

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Minutes of PMLC

April 28, 2022

Page 6

revised signature page was included in your package and each Commission will sign and it will be filed with the Corporate records.

- **MMWEC CHECK** – Manager Anastasi stated that we received a check in the amount of \$32,039.23 regarding Hydro Quebec. This will be placed in the rate stabilization fund.
- Agenda Item I: Committee Reports:  
There being none the meeting continued.
- Agenda Item J: Award of Bids:  
There being none the meeting continued.

Manager Anastasi stated he received a check from MMWEC re Hydro Quebec and informed the Commission that it will be put in the rate stabilization fund. The check is as follows:

- MMWEC (\$32,039.23).
- **REMARKS OF COMMISSION** – The Commission collectively welcomed the new employees are looking forward to growing and hearing ideas.

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 TO RETURN TO OPEN SESSION.

Chairman Aylward declared the Regular portion of the Meeting of April 28, 2022 recessed at 7:25 p.m.

Chairman Aylward reconvened the Regular portion of the Meeting of April 28, 2022 at 8:25 p.m.



# Peabody Municipal Light Plant

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

Minutes of PMLC

April 28, 2022

Page 7

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

**22-30** MOVE TO ACCEPT AND RATIFY MOTION 22-29 FOR THE COLLECTIVE BARGAINING AGREEMENT (UNION CONTRACT) FROM JULY 1, 2021-JUNE 30, 2022, JULY 1, 2022 THROUGH JUNE 30, 2023 AND JULY 1, 2023 THROUGH JUNE 30, 2024 WITH A 3% INCREASE RESPECTIVELY.

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

MOVE TO ADJOURN THE MEETING OF APRIL 28, 2022.

A TRUE RECORD

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