

*Chicopee Municipal Lighting Board
Minutes of Meeting
Tuesday, October 27, 2020*

Chairman Pajak called a regular meeting of the Chicopee Municipal Lighting Board to order at 4:00 pm, Tuesday, October 27, 2020.

Present for this meeting were Commissioner Robert L. Pajak, Commissioner Joseph F. Pasternak, III, Commissioner Carl E. Sittard, and General Manager and Clerk of the Board Jeffrey R. Cady. Also present for a portion of the meeting were City Treasurer Marie Laflamme and Tim Flynn present via zoom and Howard Cheney and Eric Pinsoneault from Meyers Brothers Kalica.

Commissioner Pasternak made a motion to accept the minutes of September 24, 2020 as presented. Commissioner Pajak seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Sittard made a motion to concur with the payment of **Warrant #E100220** dated 9/28/2020 in the amount of \$12,120.29; **Warrant #E100920** dated 10/1/2020 in the amount of \$119,180.36; **Warrant #E100920** dated 10/5/2020 in the amount of \$180,452.59; **Warrant #E101620** dated 10/8/2020 in the amount of \$504,415.36; **Warrant #E101620** dated 10/13/2020 in the amount of \$1,463,283.79; **Warrant #E102320** dated 10/19/2020 in the amount of \$1,753,749.20; **Warrant #E102320** dated 10/15/2020 in the amount of \$123,635.97; **Warrant #E103020** dated 10/22/2020 in the amount of \$159,469.91 and **Warrant #E103020** dated 10/26/2020 in the amount of \$47,213.36. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Pasternak made a motion to **Write-off Uncollectibles** in the amount of **\$70,964.08**. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager presented the Commission with the Annual Bid for Overhead Conductors. Commissioner Sittard made a motion, to award the Annual Bid for Overhead Conductors, consistent with staff's recommendation in response to CEL Bid #20-0484. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 3 to 0. *Document: CEL Bid #20-0484*

The General Manager presented the Commission with the Annual Bid for Overhead Multiplex Service Cable. Commissioner Pasternak made a motion, to award the Annual Bid for Overhead Multiplex Service Cable, consistent with staff's recommendation in response to CEL Bid #20-0485. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0. *Document: CEL Bid #20-0485*

The General Manager presented the Commission with the Bid for 15 KV Copper URD Cable. Commissioner Sittard made a motion, to award the Bid for 15 KV Copper URD

Cable, consistent with staff's recommendation in response to CEL Bid #20-0486. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 3 to 0. *Document: CEL Bid #20-0486*

The General Manager updated the Commissioners on the Chicopee Community Caring Fund. The fund which is managed by the VOC provides fuels assistance to low income families. To date the fund has received \$7,275.00 in donations. CEL has historically matched these funds. The General Manager recommended that CEL match the first \$10,000 in donations. Commissioner Pasternak made a motion to match the first \$10,000 in donations for the Chicopee Community Caring Fund. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager informed the Commissioners that the City was looking for a commitment on the Payment In-Lieu of Taxes (PILOT) for the 2020/2021 fiscal year. Commissioner Sittard made a motion that CEL continue the current PILOT of \$740,000 to the City. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager, Commissioners, City Treasurer Marie Laflamme and Tim Flynn from Flynn Financials discussed Cell's investment performance via zoom. Tim Flynn discussed the performance of each of the funds and compared them to industry benchmarks. He explained that most of the funds had been performing very well considering the volatility in the markets. He said he was very happy with the performance and that his firm would be making some adjustments based on their view of the economy. The General Manager explained that CEL will need to draw down some of the investments for some major upcoming capital projects.

Howard Cheney and Eric Pinsoneault from Meyers Brothers Kaila presented the audited 2019 financials to the Commissioners. Howard Cheney explained that it was an unmodified opinion which is the best type and that CEL had solid accounting policies and that there were no major adjustments except for OPERA and retirement. Eric reviewed the summarized report with the General Manager and Commissioners. Howard explained that CEL had gone to a one year audit and may at some point want to include two years comparative in future audit results. He also stated that there were not any significant GASB changes for the upcoming year. *Document: CEL Audit Summary 2019 Financial Statements*

The General Manager reviewed the August Financials with the Commissioners. He explained that revenues continue to be significantly lower than budget due to COVID-19 pandemic, but power supply costs also continue to be lower and mostly offset one another. Operating Expenses continue to be lower and are \$286,386 lower year to date. Net Income for the month was \$337,556 higher than budget driven mostly by \$316,990 in unrealized gains. Due to the higher unrealized gains the General Manager recommended that we stop the transfers from the rate stabilization fund. Commissioner Pasternak made a motion that

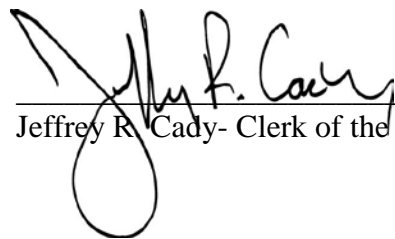
CEL reduce rate stabilization transfers from \$150,000 a month to zero. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager explained that although revenues were good, operating cash was an issue due to the current disconnect for non-payment moratorium. He recommended having \$1.9 million transferred from the Pension Liability Account to the Operating Account to cover CEL's approximate \$1.9 million in 2020 pension payments. Commissioner Sittard made a motion to transfer \$1.9 million transferred from the Pension Liability Account to the Operating Account. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager gave an update on the Building Renovations. He explained that there was an issue with the generator stack and that did not have a flapper valve on the exhaust that met DEP requirements. The Architect and Contractor were working to address the issue. Elevator work has been continuing at a slower speed than hoped. Electrical work still needs to be completed.

The General Manager gave an update on the Crossroads Fiber initiative. He explained that they are continuing to make progress on construction and adding new FSA's. He expects to have over 20 FSA's completed by year end. CEL is currently looking to hire two technicians to keep up with the work load.

Commissioner Pajak made a motion to adjourn at 6:00 pm. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 3 to 0.



Jeffrey R. Cady- Clerk of the Board

Approved: November 23, 2020