

*Chicopee Municipal Lighting Board  
Minutes of Meeting  
Wednesday, July 22, 2020*

Chairman Pajak called a regular meeting of the Chicopee Municipal Lighting Board to order at 4:00 pm, Wednesday, July 22, 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.

Commissioner Pasternak made a motion to accept the minutes of June 18, 2020 as presented. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Pasternak made a motion to concur with the payment of **Warrant #E061920** dated 6/11/2020 in the amount of \$578,233.44; **Warrant #E061920** dated 6/15/2020 in the amount of \$1,473,758.15; **Warrant #E062620** dated 6/22/2020 in the amount of \$1,088,459.87; **Warrant #E062620** dated 6/18/2020 in the amount of \$88,882.72; **Warrant #E070120** dated 7/2/2020 in the amount of \$651,305.76; **Warrant #E071720** dated 7/9/2020 in the amount of \$638,439.68; **Warrant #E071720** dated 7/13/2020 in the amount of \$307,827.18 and **Warrant #E072420** dated 7/20/2020 in the amount of \$1,525,900.30. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Sittard made a motion to pay **Bills and Customer Refunds** in the amount of **\$438,419.78**. 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 **\$71,849.42**. Commissioner Pajak seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager discussed the Hydro Quebec contract that MMWEC has been managing on CEL's behalf to provide additional benefits. The General Manager notified the Commissioners that the current agreement would be coming to an end and that MMWEC was recommending to extend the agreement to continue to receive benefits from the HQ line. Commissioner Sittard made a motion to allow the General Manager to sign any agreements necessary to allow MMWEC to negotiate and execute an agreement to extend the HQ line benefits for CEL. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager provided an update on the building renovations. He explained that once again COVID-19 has been causing significant delays on the project and that the elevator has not been delivered yet. The generator has been installed and testing and cutover of electric is supposed to happen in August. The elevator cladding will

be installed in the next week or two and then roofing will follow. After roof is completed the contractor can begin with the drywall work.

The General Manager provided an update on COVID-19. He explained that most employees were back to work with a small amount working remotely. COVID-19 has created some construction slowdowns due to safety precautions but construction was continuing for electric and fiber installations. We continue to follow state guidance for COVID-19 safety protocols.

The General Manager discussed his negotiations with the union. As discussed the General Manger is recommending to extend the current CBA by 1 year instead on negotiating a new 3 year agreement because of COVID-19 and the unknown financial situation. The General Manager discussed his financial recommendation with the Board. He was recommending a small base rate increase and a 2.25% annual increase. Commissioner Pasternak made a motion to extend the CBS agreement for 1 year at the General Manager's recommended rate. Commissioner Pajak seconded the motion. Discussion: None; Motion was passed 3 to 0.

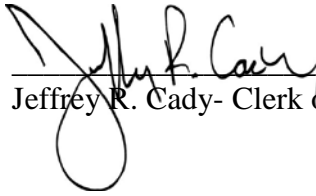
The General Manager explained that customer installations from Crossroads Fiber have begun again. He expects to have close to 20 fiberhoods connected by year end. Customers have been waiting patiently for installs to start again. We needed to wait for the state to allow in home services again and work out safety protocols. New fiber serving areas will be opened as installations schedules allow.

The General Manager reviewed May financials with the Commissioners. For the month Revenues were lower than budget by \$410,139. For the year Revenues are lower by \$1,989,947. For the month of May Power Costs were lower by \$369,466 and for the year Power Costs are lower by \$2,097,739. Operating Expenses were lower by \$189,324 and year to date are lower by \$532,738. Net Income for the month was high due to unrealized gains in investments. This fluctuates depending on the investments made by the city. Without investments CEL is close to budget. One issue is the delinquencies due to the inability to collect overdue accounts based on the state moratorium to electric utilities. As of June, the delinquencies are at \$1,289,940. This is approximately 900k greater than last year. In relation to delinquencies, Commissioner Sittard asked how were write-offs compared to other municipal utilities. The General Manager said he would survey the other MLP's to do a comparison and have it for the next meeting.

The General Manager notified the Commissioners that Standard & Poor's had reaffirmed our credit rating of AA-. He also notified them that they were currently undergoing their 6 year NERC/NPCC compliance audit and that they have a NERC/NPCC cyber security audit later this year.

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Commissioner Pasternak made a motion to adjourn at 5:10 pm. Commissioner Pajak seconded the motion. Discussion: None; Motion was passed 3 to 0.

A handwritten signature in black ink, appearing to read "Jeffrey R. Cady", is written over a horizontal line.

Jeffrey R. Cady- Clerk of the Board

Approved: August 26, 2020