

*Chicopee Municipal Lighting Board
Minutes of Meeting
Tuesday, May 26, 2020*

Chairman Pajak called a regular meeting of the Chicopee Municipal Lighting Board to order at 4:00 pm, Tuesday, May 26, 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 February 24, 2020 as presented. Commissioner Pajak seconded the motion. Discussion: None; Motion was passed 2 to 0. Commissioner Sittard abstained.

Commissioner Sittard made a motion to concur with the payment of **Warrant #E030620** dated 3/2/2020 in the amount of \$70,162.17; **Warrant #E031320** dated 3/9/2020 in the amount of \$298,029.89; **Warrant #E031320** dated 3/5/2020 in the amount of \$194,583.79; **Warrant #E032020** dated 3/12/2020 in the amount of \$339,482.37; **Warrant #E032020** dated 3/13/2020 in the amount of \$2,722,911.97; **Warrant #E032720** dated 3/20/2020 in the amount of \$101,951.10; **Warrant #E032720** dated 3/23/2020 in the amount of \$2,922,438.64; **Warrant #E040320** dated 3/26/2020 in the amount of \$551,155.52; **Warrant #E041020** dated 4/3/2020 in the amount of \$71,347.13; **Warrant #E041020** dated 4/6/2020 in the amount of \$210,900.46; **Warrant #E041720** dated 4/9/2020 in the amount of \$899,283.06; **Warrant #E041720** dated 4/14/2020 in the amount of \$196,316.55; **Warrant #E042420** dated 4/17/2020 in the amount of \$140,552.64; **Warrant #E042420** dated 4/21/2020 in the amount of \$1,408,522.21; **Warrant #E050120** dated 4/24/2020 in the amount of \$61,747.63; **Warrant #E050120** dated 4/27/2020 in the amount of \$1,495,938.29; **Warrant #E050820** dated 4/30/2020 in the amount of \$36,136.37; **Warrant #E050820** dated 5/5/2020 in the amount of \$129,480.32; **Warrant #E051520** dated 5/11/2020 in the amount of \$243,561.86; **Warrant #E051520** dated 5/8/2020 in the amount of \$518,048.64; **Warrant #E052220** dated 5/14/2020 in the amount of \$190,732.4; **Warrant #E052220** dated 5/15/2020 in the amount of \$2,497,645.68; **Warrant #E052920** dated 5/22/2020 in the amount of \$155,288.46 and **Warrant #E052920** dated 5/26/2020 in the amount of \$63,767.60

The General Manager discussed the Purchase Power Adjustment (“PPA”) with the Commissioners. He explained that the PPA will need to be adjusted but he doesn’t have enough monthly information to understand the impact of COVID-19 on Power Costs and kWh Sales. He will keep an eye on it and make a change when appropriate. He also explained that the Rate Stabilization transfers may need to be adjusted due to changes in costs or cash needs. He may need to make these changes prior to a board meeting due to timing. He will then bring it to the board to confirm the changes. The Commissioners agreed with this approach.

The General Manager gave the Commissioners an update on all of the steps that CEL has undertaken to deal with the COVID-19 pandemic. He said that they continue to follow safety guidelines and are continuing to put measures in place to protect employees and the public. CEL has provided PPE to employees and continues to emphasize social distancing and good hygiene.

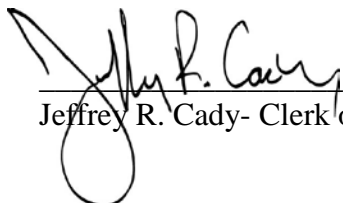
The General Manager reviewed the draft financials with the Commissioners. He explained that the March Net Income before Investments was close to \$1,900,000 and the budgeted Net Income was approximately \$1,300,000. Decreased Revenues and Power Costs closely offset each other. Operating Expenses were \$183,731 less than budget and other income was \$462,413 above budget. A large portion of other income was costs billable to the City for AMI infrastructure. Unrealized Losses thru March are approximately \$1,940,000. These are expected to decrease as the markets have recovered. The General Manager also advised the Commissioners that delinquencies are up considerably from previous years. This is a direct result of COVID-19 and suspension of shut offs and collections. CEL has been following the DPU's guidance on this.

The General Manager gave an update on the building renovations and he explained that considerable delays have occurred due to COVID-19. There have been issues with contractors and materials. The excavation work has been completed. Currently looks like project will not be completed until end of July at earliest. Because of the need to have 3 to 4 months to transfer facilities over and the beginning of winter the next phase will need to be pushed to Spring 2021.

The General Manager provided an update on the High Speed Internet project. He explained that some construction has continued to expand the network to more customers in Chicopee. Currently no customer installations are taking place due to COVID-19, but when installs resume more customers will be able to take advantage of Crossroads service offering. Material lead times have been an issue due to factory shutdowns and currently have orders in to allow for additional expansion.

The General Manager notified the Commissioners that the collective bargaining agreement was expiring. They discussed the agreement and the current employment climate.

Commissioner Pasternak made a motion to adjourn at 5:15 pm. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.



Jeffrey R. Cady- Clerk of the Board

Approved: June 18, 2020