

*Chicopee Municipal Lighting Board
Minutes of Meeting
Thursday, December 20, 2018*

Chairman Pasternak called a regular meeting of the Chicopee Municipal Lighting Board to order at 6:00 pm, Thursday, December 20, 2018.

Present for this meeting were Commissioner Joseph F. Pasternak, III, Commissioner Carl E. Sittard, Commissioner Robert L. Pajak and General Manager and Clerk of the Board Jeffrey R. Cady.

Commissioner Sittard made a motion to accept the minutes of November 26, 2018 as presented. Commissioner Pajak seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Pajak made a motion to concur with the payment of **Warrant #E120718** dated 12/3/2018 in the amount of \$69,632.57; **Warrant #E121418** dated 12/5/2018 in the amount of \$279,146.14; **Warrant #E121418** dated 12/10/2018 in the amount of \$307,102.86; **Warrant #E122118** dated 12/17/2018 in the amount of \$1,074,432.12 and **Warrant #E122118** dated 12/17/2018 in the amount of \$446,172.61. . Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Sittard made a motion to pay **Power Bills** in the amount of **\$2,522,700.00**. Commissioner Pajak seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager reviewed the proposed Revenue & Expense Budget with the Commissioners. The General Manager went over the assumptions included in the budget and discussed those with the Commissioners. He explained that the 2019 expense budget was a 1% increase over the 2018 expense budget. Commissioner Pajak made a motion to approve the 2019 Revenue & Expense Budget as presented. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0. *Documents: CEL 2019 Revenue & Expense Budget and 2019 Budget Assumptions*

The General Manager provided the Commissioner with the 2019 Capital Budget. Total Capital Budget estimate of approximately \$13 million. Fiber, AMI and the building renovations making up approximately \$10.5 million of that. Commissioner Pajak made a motion to approve the 2019 Capital Budget as presented. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0. *Document: 2019 Capital Budget*

The General Manager reviewed the Purchase Power Adjustment base rate with the Commissioners and recommended setting the PPA to 1.4 cents as included in the budget. Commissioner Sittard made a motion to approve the PPA base rate. Commissioner Pajak seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager reviewed the rate stabilization as presented in the 2019 budget. Based on the budget the General Manager recommended and included a \$1.8 million withdrawal

from rate stabilization. Commissioner Pajak made a motion to approve the rate stabilization withdrawal of \$1.8 million. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0

The General Manager reviewed November Financials with the Commissioners. He explained that the revenues included the 10% discount for November and December. November net unrealized gains was a very large loss due to bond and stock market performance.

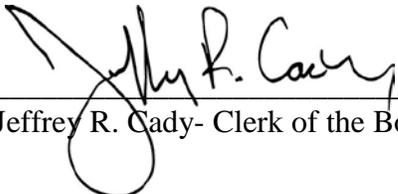
The General Manager provided an update on the high speed internet project. One fiber customer has been successfully installed and waiting for materials for other pilot customers. The fiber distribution cabinet may not be in till middle to end of January. CEL is planning four central offices to house electronics. Adams and Ruxton is doing underground work to provide access to two buildings in old substations. A standalone telecomm hut will need to be ordered for the Burnett Rd./Fuller Rd. area. An RFP will need to be developed for installation services in January. Working with demand aggregation vendor and marketing firm to develop website.

The General Manager provided an update on the AMI project. All residential meters have been installed. Commercial were delayed due to manufacturer. Currently in pilot phase.

The General Manager gave an update on the Berkshire Wind and Holiday Hill projects. He explained that Berkshire Wind should be online by June of 2019 and Holiday Hill will be online in September or October.

The General Manager notified the Commissioners that CEL had finally received its annual review from Standard and Poor's. CEL maintained its AA- rating.

Commissioner Pajak made a motion to adjourn at 7:35 pm. Commissioner Sittard seconded the motion. Motion was passed



Jeffrey R. Cady- Clerk of the Board

Approved: January 31, 2019