

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
FEBRUARY 27, 2018

A meeting of the Holyoke Gas and Electric Department was held on February 27, 2018 at 5:02 P.M. in the Department's offices. In attendance were Commissioners Hoey, Griffin and Sutter; Manager Lavelle; Superintendents Beauregard, Shannon, and Ducheney; Kirk Jonah, Kate Sullivan, Jim Jackowski, Terry Sweeney and Attorney John Ferriter.

CALL TO ORDER:

Commissioner Griffin called the meeting to order at 5:02 PM.

MINUTES:

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the minutes from February 8, 2018.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Mr. Lavelle reported that the January financial statements would be presented at the next Commission meeting and gave an update on the 2017 annual audit. There was a brief discussion on the matter.

DIVISION REPORTS:

GAS DIVISION

Mr. Shannon reported that wholesale natural gas procurements continue consistent with the hedging plan for the current 12-month procurement window. He also presented the March natural gas rate comparisons and noted that the Department is very competitive in all classes.

ELECTRIC DIVISION

Power Supply:

Mr. Beauregard reviewed the March electric rate comparisons and noted that the Department remains very competitive in all rate classes. He also reviewed the mark to market report for power supply and stated that all transactions are within policy limits. There was a brief discussion on the matter.

Mr. Beauregard gave an update on ongoing solar and power supply projects. He also gave a brief update on the potential electricity demand from, and applicable rate offerings for, various marijuana related business developers that have indicated their intent to establish operations in Holyoke. There was a brief discussion on the matter.

TRANSMISSION & DISTRIBUTION

Mr. Beauregard reported that planned preventive maintenance and capital projects are on schedule and he gave an update on the major component procurement activities for the Holyoke 17L Substation major components. He also reported that staff has initiated the deployment of AMI meters for certain commercial and industrial accounts and that the project is scheduled to be completed by the end of the year. He further gave an update on infrastructure upgrades to support new business including the

juvenile courthouse, Scuderi Clean Energy, and Lyman Terrace Apartments. Mr. Beauregard also reported that staff is prepared to submit a NERC pre-audit survey this week as part of preparation for the upcoming NERC audit. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Duchenev gave an update on hydro production and maintenance activities. He reported that staff is working with Voith to finalize the schedule and project plan to make minor repairs under warranty on Hadley Falls Unit #1. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Jonah gave a brief update on commercial sales and ongoing projects. He also reported that staff recently completed the latest round of cyber security training for all employees with network access. There was a brief discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

ALTERNATIVE VOTING REPRESENTATIVE – MASSACHUSETTS MUNICIPAL UTILITY SELF-INSURANCE TRUST (TRUST): Mr. Lavelle reported that due to the recent retirement of Brian Richards, the Department requires an alternate voting representative be designated for the Massachusetts Municipal Utility Self-Insurance Trust and he presented a form of vote to the Commission, which designates Brooke M. McMahon, Director of Finance and Accounting, as the alternate voting representative. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to adopt the vote presented and to authorize Brooke M. McMahon as the alternative voting representative to the Trust.

2018 NON-GUILD MERIT ADJUSTMENTS: Mr. Lavelle recommended that the Commission approve a budget for non-guild merit adjustments per the following: 3.0% pool for merit adjustments; 1% for performance recognition, and 1% for equity adjustments and promotions. He stated that this recommendation is consistent with the 2018 budget approved by the Commission and consistent with the recommendations of the Department's wage consultant. There was a brief discussion on the request. On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the request per the recommendation of management.

BID AUTHORIZATIONS:

2018 DEPARTMENT VEHICLE REPLACEMENTS: Mr. Lavelle requested authorization to solicit bids for the replacement of Department vehicles that are on the 2018 schedule of replacements, and listed in the February 20, 2018 memorandum from Steve Roy. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the bid per the recommendation of management.

BIDS RECEIVED:

EXCAVATIONS & RESTORATIONS ANNUAL CONTRACT – EXTENSION: Mr. Lavelle recommended that the Commission authorize a one-year extension to the Excavations and Restorations Annual Contract with JSC Construction, LLC, consistent with the provision in the existing contract allowing for an extension. He stated that JSC has agreed to a 3% increase in wages with all other terms remaining the same. He also noted that even with a 3% wage increase, the wages are still 42% lower than the other bid received in 2017. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the contract extension per the recommendation of management.

FENCE MAINTENANCE, REPAIRS & INSTALLATIONS ANNUAL CONTRACT – EXTENSION: Mr. Lavelle recommended that the Commission authorize a one-year extension to the Fence Maintenance, Repairs and Installations Annual Contract with Brodeur-Campbell Fence Co., Inc., consistent with the provision in the existing contract allowing for an extension. He stated that Brodeur-Campbell has agreed a 3% increase in wage rates with all other terms and conditions of the current contract the same. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the contract extension per the recommendation of management.

REBID - FIBER OPTIC INSTALLATION, SPLICING, TERMINATION & TESTING ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the contract for Fiber Optic Installation, Splicing, Termination & Testing to Collins Electric Company, Inc., the lowest responsible and eligible bidder meeting all requirements of the solicitation. He further recommended that the Commission reject the lowest bid submitted by Ockers Company, as that bid did not submit an original bid bond as required. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to reject the Ockers Company bid and award the contract to Collins Electric Company per the recommendation of management.

ELECTRICAL PREVENTIVE MAINTENANCE TESTING SERVICES: Mr. Lavelle recommended that the Commission award the contracts for Electrical Preventive Maintenance Testing Services to the lowest responsible and eligible bidders for the respective services, with the exception of infrared inspection services, as identified on the February 21, 2018 memorandum from Carl Peterson. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to award the contracts per the recommendation of management.

ENGINEERING DESIGN SERVICES -#2 OVERFLOW SLIDE GATES AND OPERATOR PLATFORMS: Mr. Lavelle requested authorization for the expenditure of up to \$18,250 for the purchase of engineering services required for the design of new Slide Gates and Operator Platforms for Overflow #2. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was voted 2-0 to authorize the expenditure per the recommendation of management. Commissioner Hoey disclosed that his employer submitted a proposal for the subject work and he abstained from deliberating and voting on the matter.

ENGINEERING DESIGN SERVICES –BOATLOCK NO. 2 & 3 INTAKE AND FEED GATE NO. 3 & 4: Mr. Lavelle requested authorization for the expenditure of up to \$15,900 for the purchase of engineering services required for the design of new Boatlock No.2 & 3 Intake and Feed Gate No. 3 & 4. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was voted 2-0 to authorize the expenditure per the recommendation of management.

Commissioner Hoey disclosed that his employer submitted a proposal for the subject work and he abstained from deliberating and voting on the matter.

CANAL LOUVRE RAKE – SPARE BOOM SCOPE CYLINDER: Mr. Lavelle requested authorization for the expenditure of up to \$11,947 for the purchase of Spare Boom Scope Cylinder for the Canal Louvre Rake. After a brief discussion, and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to authorize the expenditure per the recommendation of management.

COMMUNICATIONS:

02/23/18 – Draft Commission Meeting Minutes from 02/27/18
02/12/18 – JL/NS/Alternative Voting Representative to the Self-Insurance Trust
02/22/18 – COMM/JL/2018 Non-Guild Merit
02/20/18 – JL/SR/Authorization to Bid – 2018 Department Vehicle Replacements
02/22/18 – JL/YD/Recommendation – Extension of Excavations & Restorations Annual Contract
02/20/18 – JL/YD/Recommendation – Extension of Fence Maintenance, Repairs & Installations Annual Contract
02/20/18 – JL/YD/Bid Recommendation – (Rebid) Fiber Optic Installation, Splicing, Termination & Testing Annual Contract
02/21/18 – BB/CP/Proposal Recommendation – Electrical Preventative Maintenance (PM) Testing Services
02/22/18 – PD/RM/Purchasing Approval: Engineering Services at #2 Overflow
02/21/18 – PD/SR/Purchasing Approval: Boatlock No. 2 & 3 Intake Rack & Feed Gate No. 3 & 4 Support Structure Replacements
02/21/18 – PD/SR/Purchasing Approval: Canal Louver Rake – Spare Boom Scope Cylinder

NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Tuesday, March 20, 2018 at 5:00 P.M.

ADJOURNMENT:

On a motion from Commissioner Sutter, seconded by Commissioner Griffin, it was unanimously voted to adjourn the Meeting at 5:42 PM.

HG&E Commission

