

MINUTES OF GAS & ELECTRIC COMMISSION MEETING
REGULAR SESSION
JUNE 18, 2019

A meeting of the Holyoke Gas and Electric Department was held on June 18, 2019 at 5:00 P.M. in the Department's offices. In attendance were Commissioners Hoey, Griffin and Sutter; Manager Lavelle; Superintendents Beauregard and Ducheney; Kirk Jonah, Brooke McMahon, Jim Jackowski, Terry Sweeney and Attorney John Ferriter.

CALL TO ORDER:

Commissioner Hoey called the meeting to order at 5:00 PM.

MINUTES:

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the minutes from May 28, 2019.

REPORTS & RECOMMENDATIONS OF MANAGER:

Financial Report:

Ms. McMahon reported that representatives from the Departments auditors, Baker Tilley, would give a summary of the 2018 financial audit via teleconference. She introduced Dan Leahy from Baker Tilly who gave a summary review of the audit report as well as an overview of recent and pending GASB changes. Mr. Leahy stated that the audit went very well and that there were no material findings. There was a brief discussion on the matter.

DIVISION REPORTS:

GAS DIVISION

Mr. Lavelle reported that wholesale natural gas procurements continue consistent with the hedging plan for the current 12-month procurement window. He then gave an update on planned gas distribution maintenance and capital projects for the current year. He stated that crews continue to work on bare steel service replacements and leak repairs according to the current plan.

He also reported that staff is working on plans to manage the peak gas demand in the event that natural gas capacity additions are either delayed or canceled. He stated that the plans will focus on energy conservation, energy efficiency and conversions to electric heating.

He then gave an update on proposed Pipeline Safety regulations from the Pipeline Safety and Hazardous Materials Administration that will likely require additional safety features in gas distribution systems. There was a brief discussion on the matter.

ELECTRIC DIVISION

Power Supply:

Mr. Beauregard reviewed the June electric rate comparisons and noted that the Department was very competitive in all rate classes. He then reviewed the June mark-to-market report and stated that all contracts are within policy limits and that there are no red flags with current counter-parties. He then gave a brief update on load reduction activities through May and stated that staff is reviewing additional battery storage proposals for further load reduction capability. Mr. Lavelle then gave an update on legislative activity by the various Massachusetts Municipal Utility stakeholder groups to establish a municipal utility clean energy standard. There was a brief discussion on the matter.

TRANSMISSION & DISTRIBUTION

Mr. Beauregard gave an update on the Holyoke 17L Substation construction and reported that the second transformer is on schedule for delivery by the end of June. He stated that Phase 2 of the project is on schedule for completion in early November. He also gave an update on capital and maintenance projects and reported that manhole inspections have been completed, and that all infrared inspections of the overhead transmission and distribution lines have been completed. There was a brief discussion on the matter.

ELECTRIC PRODUCTION

Mr. Ducheney gave a brief report on hydro production activities and he reported that the public viewing season at the Barrett Fishway ended on Sunday. He then gave an update on revisions to the capital plan, noting that the Hadley Falls Unit #2 runner replacement project would be delayed and that the repair of Chemical Unit #2 generator would be scheduled for the 2019 plan. There was a brief discussion on the matter.

TELECOMMUNICATIONS

Mr. Jonah gave a brief update on commercial sales and ongoing projects. There was a brief discussion on the matter.

OLD BUSINESS: None

NEW BUSINESS:

SPONSORSHIP REQUEST – CELEBRATE HOLYOKE: Mr. Lavelle reported that the Department received a sponsorship request from the organizers of Celebrate Holyoke Festival in the amount of \$5,000 and he recommended that it be approved. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the sponsorship per the recommendation of management.

SPONSORSHIP REQUEST – HOLYOKE 4TH OF JULY FIREWORKS EVENT: Mr. Lavelle reported that the Department received a sponsorship request from the Mayor's office for the annual July 4th Fireworks celebration and he recommended that it be approved at up to \$20,000. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to approve the sponsorship per the recommendation of management.

BID AUTHORIZATIONS:

CHEMICAL STATION UNIT #2 GENERATOR REHABILITATION: Mr. Lavelle requested authorization to solicit bids for the Chemical Station Unit #2 Generator refurbishment. He stated that the unit has been out of service since May 2017 due to repairs required for both the generator and shaft. He stated that the repairs had been deferred due to other capital priorities, but are now being prioritized due to a re-scheduling of the Hadley Falls Unit #2 runner replacement. He further stated that the existing Chemical Unit #2 generator is approximately 85 years old and is overdue for an overhaul. 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:

GATEHOUSE ROOF REPLACEMENT: Mr. Lavelle recommended that the Commission award the contract for the replacement of the Gatehouse roof to D.P. Carney Construction, Inc., the lowest responsible and eligible bidder meeting all requirements of the solicitation. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to award the contract per the recommendation of management.

ELECTRIC METERS ANNUAL CONTRACT: Mr. Lavelle recommended that the Commission award the annual contract for Electric Meters to AvCom, Inc., the lowest responsible and eligible bidder meeting all requirements of the solicitation. After a brief discussion and on a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to award the contract per the recommendation of management.

IBM SMARTCLOUD LICENSE & SUPPORT RENEWAL: Mr. Lavelle recommended that the Commission authorize the expenditure of \$33,638 for a two-year renewal of the IBM Smartcloud License and Support services required to support the Department's email calendaring and collaboration capabilities. He stated that the Department solicited several quotes and is recommending Mercury Consulting Corp., the lowest bidder meeting all requirements of the solicitation. 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:

- 06/14/19 – Draft Commission Meeting Minutes from 05/28/19
- 06/12/19 – JL/JJ/Sponsorship Request – Holyoke Community Media
- 06/04/19 – JL/JJ/Sponsorship Request – Holyoke 4th July Fireworks Event
- 06/11/19 – PD/SR/Authorization to Bid – Chemical Station Unit No. 2 Generator Rehabilitation
- 06/12/19 – JL/YD/Bid Recommendation – Gatehouse Roof Replacement
- 06/14/19 – JL/YD/Bid Recommendation – Electric Meters Annual Contract
- 06/07/19 – KJ/AJ/Purchasing Approval: IBM SmartCloud Email Subscription Renewal

Mr. Lavelle recommended that the Commission enter into Executive Session to discuss strategy with respect to real estate and contract negotiations.

Commissioner Hoey stated that the Commission would not return to regular session

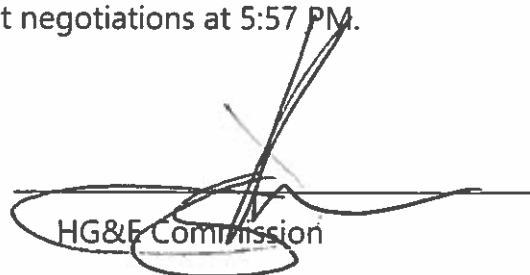
NEXT MEETING DATE:

It was agreed that the next Commission meeting would take place on Tuesday, July 16, 2019 at 5:00 P.M.

ADJOURNMENT:

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted to adjourn the Meeting at 5:56 PM.

On a motion from Commissioner Griffin, seconded by Commissioner Sutter, it was unanimously voted, on a roll call vote, to enter into executive session to discuss strategy with respect to real estate and contract negotiations at 5:57 PM.



A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "HG&E Commission".