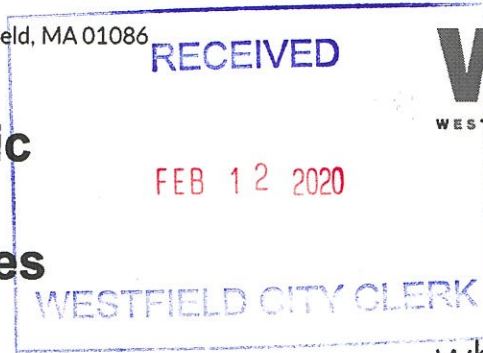


Westfield Gas & Electric Municipal Light Board Regular Meeting Minutes January 22, 2020



whip city fiber

Location: Gas & Electric Operations Center, 40 Turnpike Industrial Rd. Conference Room, Westfield, MA

The meeting was called to order at 7:00 p.m.

I. Call to Order

Chairman Sacco stated that this meeting of the Municipal Light Board is being electronically recorded in both video and audio by the Municipal Light Board. The recording of this meeting is for purposes of drafting the minutes and continue testing the capabilities of the technology and recording equipment in this conference room. The recording is not being streamed and will not be placed on any public website. Is anyone, other than the Municipal Light Board, recording the meeting and if so state whether it is an audio or video recording and whether the recording is being live streamed. Peter Currier of the Westfield Evening News indicated he was recording in audio only and not live streaming.

II. ROLL CALL was taken as follows:

Present:

Ward #2 Commissioner, Ray Rivera
Ward #3 Commissioner, Dawn Renaudette
Ward #5 Commissioner, Thomas P. Flaherty
Ward #6 Commissioner, Robert C. Sacco
Appointed Commissioner, A. Edward Roman

Absent:

Ward #1 Commissioner, Kevin M. Kelleher
Ward #4 Commissioner, Francis L. Liptak

Present: 5 Absent: 2

III. PLEDGE OF ALLEGIANCE

IV. ELECTION OF CHAIR AND VICE CHAIR:

Nominations were open for Chair. A motion was made by Commissioner Flaherty, seconded by Commissioner Rivera to nominate Commissioner Sacco as Chairman of the MLB. No other nominations were received, and nominations were closed.

On a motion by Commissioner Flaherty, seconded by Commissioner Rivera, it was unanimously

VOTED: To elect Commissioner Sacco, Chairman of the Municipal Light Board until the January 2021 meeting or until his successor is elected and qualified.

V. READING OF THE RECORD:

On a motion by Commissioner Flaherty, seconded by Commissioner Rivera, it was unanimously:

VOTED: To accept the minutes of the December 4, 2019 Regular Session Meeting as presented.

To accept the minutes of the December 4, 2019 Executive Session Meeting as presented, but not release to the public at this time.

VI. PUBLIC PARTICIPATION:

Brent Bean of 94 Ridgecrest Drive stated he has been elected City Council President this year and also Liaison to WG+E once again for 2020. Councilor Bean requested an update on the status of video recording Municipal Light Board Meetings and also asked that Whip City Fiber service be extended to the Saint Paul Street region. He would like the Board to come up with an expansion policy to address the many one-off service requests he receives. Mayor Donald Humason of 90 Stoney Lane addressed those in attendance stating he's had meetings with a couple of the Municipal Light Board Commissioners as well as Manager Contrino and appreciates everyone's hospitality and kind words. He wished to attend his first Municipal Light Board Meeting this evening to familiarize himself with the many issues being addressed and stated his door remains open for anyone wishing to meet with him.

VII. COMMUNICATIONS RECEIVED BY GAS AND ELECTRIC:

- a) **Acknowledgement - Baystate Health Foundation** - Letter from Jennifer Gruszka, Baystate Health Foundation, thanking WG+E for its support of Annual Baystate Noble Ball. The proceeds will be used to enhance cancer care at Noble Hospital serving the citizens of Westfield.
- b) **Acknowledgement – Employee Donation St. Vincent de Paul Society** – Note thanking WG+E for its generosity which helped to feed 150 families for Thanksgiving. The donations were a voluntary donation from WG+E's employees totaling nearly \$1,000.
- c) **Acknowledgement – Jachym Family** - Note thanking WG+E for installing the new scoreboard at Jachym Field and its hard work in the community.

- d) **Acknowledgement – Junior Achievement of Western Massachusetts** – Letter from Jennifer A. Connolly, President and Nicole Denette, SMC Committee Chair, thanking WG+E for its donation to 14th Annual Junior Achievement Stock Market Competition, which allowed students from Westfield High School to participate in the event.
- e) **Acknowledgement – Richard E. Neal Chairman House Ways and Means Committee** – Letter from Richard E. Neal, Chairman, congratulating WG+E and Whip City Fiber for being named Business of the Year by the Greater Westfield Chamber of Commerce.
- f) **Acknowledgement – The YMCA of Greater Westfield** – Letter from Andrea Allard, CEO, thanking WG+E for its donation to the YMCA of Greater Westfield's 7th Annual Cycle-a-thon that took place November 2, 2019.

VIII. REPORTS FROM THE GAS & ELECTRIC:

A. Action Required Items

- a) **Sub-Committee Assignments.** The Manager provided a list of the 2019 MLB Sub-Committee assignments and contact information for each commissioner and City Council liaison. With the election of the Chair, it was deemed appropriate to visit subcommittee assignments as well. The Chairman, after receiving input from the other Commissioners, agreed that the assignments be as follows:

<u>Rates:</u>	Liptak, Rivera, Flaherty, Renaudette, Sacco (ex officio)
<u>Finance:</u>	Roman, Rivera, Flaherty, Sacco (ex officio)
<u>Human Resources:</u>	Kelleher, Rivera, Flaherty, Renaudette, Sacco (ex officio)
<u>Technology:</u>	Liptak, Flaherty, Renaudette, Rivera, Sacco (ex officio)

It was also noted that at the MLB meeting of January 2, 2019, Commissioner Roman was elected as the Trustee of the Westfield Gas & Electric Post Employment Benefits Trust Liability Fund to serve until the first Wednesday in January 2022, so no new vote is necessary.

- b) **Quarterly Powerline Publication.** The Manager provided a copy of the Powerline Newsletter which is being forwarded to customers in their January bills and posted on the Department's Facebook page and website. The Powerline speaks to WG+E's Thankful for Westfield marketing campaign, in which we state our gratitude to be an active community supporter. The Manager stated that the calendar year 2019 rate comparisons shown illustrate that WG+E's rates have been well below others in the area and the next plot indicates our gas and electric customers are poised to fare better than those heating with oil this winter. The Manager's letter highlighted WG+E's efforts in maintaining its electric and gas systems. The letter then reported on the Whip City Fiber initiative providing high speed internet to Westfield residences and businesses. Currently 70% of the city is served and WG+E continues its disciplined plan to bring Whip City Fiber services to the remainder of the City. The letter also spoke to the CAF II grant award for which WG+E was able to spearhead the process for 20 hilltown communities to apply for Connect America Funding available through the FCC with the goal of

bringing broadband connectivity to unserved and underserved regions in the state. It was recently announced by the Baker-Polito administration that approximately \$10.2 million in funding has been awarded to these 20 communities to assist them in funding and building their own municipally owned fiberoptic broadband networks. Commissioner Rivera stated our efforts in the hilltowns are being recognized by the Governor and our customers are beginning to understand that our efforts in the hilltowns are a benefit to Westfield. The Powerline also informed readers of programs available to customers that are experiencing financial hardships.

- c) **Network Management Report.** IT Manager John Leary reported that WG+E's Information Systems Department is responsible for providing a high level of network uptime performance between and within WG+E facilities. In 2019, the network was operating properly 99.51% of the time during regular business hours. On July 31, 2019 WG+E's Network Team proactively reviewed monitoring systems and began to troubleshoot a network issue. The Network Team worked to identify the cause of degraded service while reestablishing network stability to city systems across its own municipal backbone. During the efforts to restore network service to Westfield, a network condition emerged that caused high latency and sporadic connectivity to Hilltown customers. The high latency condition in Westfield lasted for approximately 5 hours.
- d) **Telecom Reliability Report** IT Manager Leary reported that his department is also responsible for providing network uptime for internet and data communication services for commercial and industrial customers, the City of Westfield, and WG+E residential customers. During 2019 the network operated 99.538% of the required time. Downtime was a result of a hilltown network router failure in August that increased latency in Westfield and normal routine maintenance and naturally occurring break/fix incidents. The IT Department has an aggressive inspection and maintenance program as well as redundant systems in support of critical infrastructure.
- e) **Monthly Financial Reports.** Finance Manager Kline reported that the monthly year-to-date numbers are very strong and reflect actual amounts. Through the month of November 2019, the Gas Division gain exceeds the original budgetary estimate by \$876k, while the Electric Division gain is currently \$792k more than the original forecast. Although 2019 is finishing strong, the limited amount of January cold weather will likely depress February revenues, due to reduced heat load and lags in billing cycles. The moderate weather has also put downward pressure on wholesale electric prices, and staff has seized the opportunity to cover some longer-term open positions. Commissioner Sacco asked Commissioner Roman his perspective of the financials. Commissioner Roman commented that the Department was in good financial standing and is having another very good year. Discussion was also held regarding 2019 Telecom financials which are also strong. Manager Contrino stated these positive results in addition to several hilltowns having recently executed Internet Service agreements with Whip City Fiber, indicate the Department may be in position to consider measured expansion, adding 1 or 2 additional fiber service areas in Westfield during 2020. He stated that although there are varying levels of interest throughout unserved areas within Westfield, if we are considering additional construction we must expand in a disciplined and controlled manner, constructing in

those FSA's with high customer interest and moderate construction cost, resulting in relatively low customer acquisition cost. IT Manager Leary agreed with this disciplined approach, stating the most cost-effective expansion occurs when residents within those Westfield neighborhoods that already have Whip City Fiber available to them but have yet to take our service choose to become fiber customers. He also said he understands there is pressure to expand within the City however he urges others to search the internet for failed municipal broadband systems, and the results will provide examples of those municipalities that acquiesced to pressure to expand more quickly than the business could afford and many have gone bankrupt. We must remain solvent and commit to growing in a carefully planned manner. Commissioner Flaherty compared WCF expansion to how we carefully expand our natural gas infrastructure, based upon customer demand and acceptable payback levels. Commissioner Sacco requested that the Whip City Fiber business plan be updated and project likely expansion over the next several years. Commissioner Renaudette said it would be helpful if she could give residents a general idea of when WCF service could be brought to their neighborhoods. The Manager indicated that defining construction timelines for specific neighborhoods over several years is difficult, as customer interest levels within unserved neighborhoods will likely grow at different rates prior to construction. He indicated the management team will update its long term plans.

B. Informational Items:

- a) **Utility Issues**. Report was presented and accepted.
- b) **Utility News/Pulseline Articles** was presented.
- c) **Utility Courses Update** was presented.

IX. OLD BUSINESS:

- a) **MLB Meeting Video Policy**. Commissioner Sacco provided a draft policy relating to Municipal Light Board Meeting video recording for consideration. He stated that the mandatory retention period for recordings of meetings for public access as identified in the Massachusetts Municipal Records Retention Schedule relating to the Open Meeting Law is 6 months, after which each recording can be discarded. After discussion, Commissioner Sacco stated that since Commissioners Kelleher and Liptak were not present and since the next meeting of the Municipal Light Board is two short weeks away, he recommends the vote be postponed until the February 5th meeting, at which time Commissioners will be given adequate time to review the draft policy. The draft policy will be sent to Commissioners Kelleher and Liptak beforehand
- b) **Municipal Light Board Bylaw Review**. Commissioner Sacco distributed an edited version of the Bylaws of the City of Westfield Gas & Electric Light Department document for the MLB's consideration. He stated that since it might take quite some time to work collaboratively through the bylaws and make the necessary edits, he recommended the

review occur at the February meeting. Following brief discussion, it was agreed the February meeting will start one hour early at 6:00 pm, to allow additional time for the bylaw review.

- c) **APPA Governance Workshop.** The Manager provided the APPA Governance Workshop document previously presented to the Municipal Light Board September 3, 2014. The presentation was very informative and Board members agreed to the value of having another training session this year. After briefly discussing Commissioner availability, it was agreed to seek to have a two to three hour training session this coming May. WG+E has had discussions with APPA regarding the various courses APPA offers as requested by the MLB at its December meeting. Additional topics can be scheduled for future training sessions.

- d) **FCC CAF II Award Status.** The Manager reported that on December 20, 2019 WG+E was notified by the FCC that the final award of the CAF II funding had been made to WG+E. At that time an internal January 7, 2020 deadline was set to complete all necessary documentation and file with the FCC the required Letter of Credit and opinion as to bankruptcy. Staff and counsel worked diligently through the holidays with their counterparts at the city, state and FCC to complete the Letter of Credit that was required by the FCC grant as well as finalize all underlying documents needed to support the Letter of Credit issued by Berkshire Bank. All tasks were completed by January 8th with the filings received in hand by the FCC by January 10th deadline. WG+E will likely begin to receive the first of 120 monthly installment payments from the FCC in two to three months at which point Whip City Fiber must begin offering Eligible Telecommunications Carrier Lifeline services to those towns providing service. The funds will remain and grow in the account at Berkshire Bank until construction of at least 95% of the original network design has been completed and Berkshire Bank's letter of credit has been released. Commissioner Flaherty asked what would happen if any of these towns decided not to utilize Whip City Fiber as their ISP during the 10 year period. IT Manager John Leary stated that Whip City Fiber would continue to provide ETC services during the 10 year term and the town's new ISP would have to work with Whip City Fiber to provide the necessary information needed to submit to the federal government through required reports. Manager Contrino commended all parties for their hard work and cooperative efforts put forth throughout the process, especially over the recent holidays.

- e) **General Manager Evaluation Criteria.** Commissioner Flaherty stated he and Commissioner Renaudette met to update the Manager's evaluation. He stated their efforts are still preliminary and they do not have a draft document ready to share at this time. He indicated they look to utilize key areas of the Strategic Plan and existing policies to develop goals for this coming year. The Board agreed to address this agenda item at the March general meeting.

X. NEW BUSINESS: None.

XI. EXECUTIVE SESSION:

On the motion of Commission Flaherty, seconded by Commissioner Renaudette and on the basis of a roll call it was:

VOTED: To adjourn the regular meeting of the Municipal Light Board meeting and enter into executive session for the purpose of discussing strategy with respect to collective bargaining in that an open meeting may have a detrimental effect on the negotiating position of WG+E, as noted on the agenda, and to not to reconvene the Regular Session after adjournment from Executive Session.

Rivera	"aye"
Renaudette	"aye"
Liptak	"absent"
Flaherty	"aye"
Sacco	"aye"
Roman	"aye"
Kelleher	"absent"

Motion passed 5-0. 2 absent

Chairman Sacco stated that the Municipal Light Board would be entering into executive session for the purpose of strategy with respect to collective bargaining in that an open meeting may have a detrimental effect on the negotiating position of WG+E, as noted on the agenda, and would not reconvene the Regular Session after adjournment from Executive Session.

XII. ADJOURNMENT

Chairman Sacco declared the regular session portion of the meeting adjourned at 8:23 p.m.

A TRUE RECORD.

Attest:



Robert C Sacco, Chairman

**Documents Presented at
 REGULAR SESSION January 22, 2020**

Municipal Light Board Regular Session Meeting Minutes – December 4, 2019			
Municipal Light Board Executive Session Meeting Minutes – December 4, 2019			
Acknowledgement – Baystate Health Foundation	Jennifer Gruszka		
Acknowledgement – St. Vincent de Paul Society of St. Mary's Church		December 15, 2019	
Acknowledgement – Jachym Family			
Acknowledgement – Junior Achievement	Jennifer A. Connolly and Nicole Denette		
Acknowledgement – Committee on Ways and Means	Richard E. Neal, Chairman	November 22, 2019	
Acknowledgement – YMCA	Andrea L. Allard, CEO		
Municipal Light Board Members 2019 – Revised May 7, 2019			
Quarterly Powerline Publication			
Network Management Annual Report	John Leary, Information Technology Supervisor	January 22, 2020	Information Technology Information Technology Reliability IT-3.0
Telecommunication Services Reliability Report	John Leary, Information Technology Supervisor	January 22, 2020	Information Technology Telecommunications Provider Strategy ORB-7.0
November 2019 Financial Report	T. Fouche, Accounting Manager	January 22, 2020	Financial Annual & Quarterly Reports
Utility Issues	John W. Welch	January 22, 2020	Regulatory & Governmental Affairs Gas/Electric Regulatory Issues, RGA-1.4; RGA1.5
Utility News/Pulse Line	Beth Burns, HR Coordinator/Records Manager	January 22, 2020	Communications/Customer Service/Community Affairs Media Relations – CCA-1.6
Utility Course Update 2020 Seminars/Workshops	Beth Burns, HR Coordinator/Records Manager	January 22, 2020	Administration and Organization WG+E Training & Development, AO-3.6
Draft Municipal Light Board Meeting Video Policy	Robert C Sacco, Chairman		
Revised By-Laws of the City of Westfield Gas & Electric Light Department	Robert C Sacco, Chairman		
Governance Workshop	Jeff Tarbert, Executive Consultant, APPA	September 3, 2014	