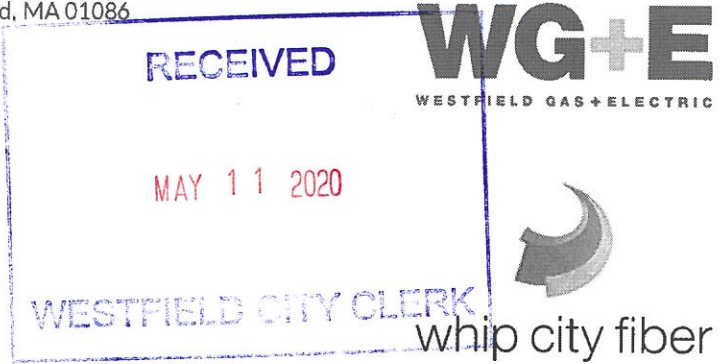




Westfield Gas & Electric Municipal Light Board Regular Meeting Minutes March 4, 2020



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 #1 Commissioner, Kevin M. Kelleher
Ward #2 Commissioner, Ray Rivera
Ward #3 Commissioner, Dawn Renaudette
Ward #4 Commissioner, Francis L. Liptak
Ward #5 Commissioner, Thomas P. Flaherty
Ward #6 Commissioner, Robert C. Sacco
Appointed Commissioner, A. Edward Roman

Absent:
Present: 7 Absent: 0

III. PLEDGE OF ALLEGIANCE

IV. READING OF THE RECORD:

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

VOTED: To accept the minutes of the February 5, 2020 Regular Session Meeting of the Municipal Light Board as presented; and

To accept the minutes of the February 5, 2020 Executive Session Meeting of the Municipal Light Board as presented, but not release to the public at this time.

V. PUBLIC PARTICIPATION: None

VI. COMMUNICATION RECEIVED BY GAS AND ELECTRIC

- a) **Acknowledgement – Amelia Park Children’s Museum** – Letter from Ray Radigan, Executive Director, thanking WG+E for its generous support of the Penguin Plunge. This is the Museum’s most important fundraiser and over \$10,000 was raised for the Amelia Park Children’s Museum.
- b) **Acknowledgement – Mercy Medical Center** – Letter from Carrie Fuller-McMahon, Chief Development Officer, thanking WG+E for its generous contribution to Mercy Medical Center Caritas Gala 2020 which helps to continue providing quality care to their patients.
- c) **Acknowledgement – Westfield On Weekends** – Letter from Amber Danahey, President, thanking WG+E for its generous sponsorship, partnering with Westfield on Weekends to create a vibrant community.

VII. REPORTS FROM THE GAS & ELECTRIC:

A. Action Required Items

- a) **Meyers Brothers Kalicka Year End Audit.** The Manager introduced Howard Cheney from Meyers Brothers Kalicka (MBK), WG+E's outside independent auditing firm. Mr. Cheney indicated that the annual audit has begun for the Southwest Co-op and WG+E for calendar year 2019 and should be completed for the June MLB meeting. Mr. Cheney went on to explain that his firm looks at the internal controls, policies and procedures of the Department.
- b) **Westfield Warm Distribution Update.** The Manager reported that customers that have requested additional assistance through Westfield Warm, qualified under the financial guidelines for LIHEAP or Good Neighbor Energy, and attempted to make regular payments towards their account, have received financial assistance through Westfield Warm. During the month of January and February, funds from Westfield Warm have been distributed to qualifying customers and the assistance provided to each customer is a minimum of a one-month budget payment for that customer. Most customers will receive a payment from the Westfield Warm Fund in the amount of \$100-\$500. The funds from Westfield Warm have been applied to the customer accounts, and will be reflected on the customer’s invoice. A total of \$52,700 has been applied to WG+E accounts this heating season; leaving a balance of \$2,300 to further distribute.

If the remaining funds are insufficient, a request will be forwarded to the MLB for additional funding.

- c) **Human Resources Annual Report.** The Manager provided the annual report on Human Resource activity. At the end of 2019, WG+E had 88 employees, an increase of eight from 2018. Ten new hires occurred during 2019 with two of these hires filling vacated positions. Nine of those hired are IBEW employees and one in management. The ratio between management and IBEW has remained consistent over the years. Commissioner Flaherty inquired as to whether the customer counts used in the report's plot included Whip City Fiber hilltown accounts to which the Manager stated affirmatively that they were counted as customers. Commissioner Roman asked if part time employees were used on the graph and the Manager responded that they were not.
- d) **Human Resources Quarterly Update.** The Manager reported that, as requested at the March 2017 MLB meeting, a quarterly update was provided to the MLB reflecting personnel transactions that have occurred since last reporting. During this reporting period there were three (3) new hires, three (3) promotions and no retirements or resignations, as noted on the report. The positions were needed to supplement the Whip City Fiber activities and fill positions where employees have either retired or taken other positions within WG+E. WG+E is also in the process of filling two (2) positions. The Manager stated the Department is continuing to build a formidable team to address the many challenges our three business units are faced with while providing high level service to our customers.
- e) **2019 Safety and Health Annual Report.** The Manager stated the Department places a great emphasis on safety awareness and accident prevention. Our goal is to reduce the risk in the workplace with a Safety & Health Program that contains the elements of management leadership, assignment of responsibility, identification and control of hazards, employee and supervisor training, safety and health record keeping, first aid and medical assistance, and employee awareness and participation. The number of safety and health contact hours demonstrates the Department's commitment to the continued safety and health of its workforce. WG+E enrolls employees in an interactive safety and health training solution. This program offers around-the-clock access to help improve compliance and safety awareness in job-specific areas for all employees, and also improves efficiencies as employees are able to take courses on-line. Each employee is assigned a list of required sessions and must complete them by the end of the year. In addition, the WG+E participates in training sessions offered by various industry-related organizations. By regulation, required courses vary year to year, which affects the overall contact hour, as does the number of classes employees take above and beyond the requirements.
- f) **2019 Annual Street Light Report.** Mike Lee, Operations Manager, presented the annual street lighting report indicating that WG+E is responsible for the planning, installation and maintenance of lighting public right of ways within Westfield. At present, there are 5,465 streetlights within the City of Westfield that are subject to inspection and repair by the WG+E. During the past ten years, WG+E has expended

approximately \$184,000 in materials for streetlight maintenance and \$372,000 in associated labor costs. In 2013, the WG+E began the process of replacing existing high pressure sodium (HPS) street lighting with new light emitting diode (LED) street lighting. The project came to an end in 2018, with a total of 4,093 completed change outs over the course of five years. The expenses incurred maintaining street lighting has decreased in the past few years and is largely attributable to the LED Upgrade Project. Commissioner Flaherty inquired about the year in which the shared savings approach with the City toward paying down the costs of the LED upgrade project would be complete, to which the Manager indicated either 2022 or 2023. The City currently receives an annual credit from WG+E ranging between \$50,000 and \$60,000, which represents a portion of the energy savings the new LED streetlights provide. In two to three years, once the energy savings has paid for the cost of the LED street lighting project, the City's streetlighting bill will drop to roughly half of what is being paid currently.

- g) **2019 Annual Outage Report.** Mike Lee, Operations Manager, reported that as outlined in the Department of Public Utilities (DPU) Order 99-84, investor-owned utility systems (IOUs) were required to submit annual service quality reports. While the WG&E is not classified as an IOU, the department has chosen to adopt the guidelines set forth in this order. The reliability of the distribution system in 2019 resulted in dependable electric service to our customers 99.974% of the time.
- h) **2019 FTTH Services Installed.** The Operations Manager stated Whip City Fiber completed 58 FSA's (Fiber Service Areas) during the 2017 and 2018 construction seasons. During 2019, focus was placed on obtaining pass-by service installations in these activated FSA's, and we successfully captured an additional 1,245 internet and 51 phone service installations. Through January 31, 2020, the Department has completed 4,755 internet service installations and 1,380 phone service installations in Westfield. Whip City Fiber has been actively assisting 20 hilltowns with all aspects of their fiber distribution network projects. During the 2018 and 2019 construction seasons, three towns completed construction of their fiber distribution networks. Five additional towns are actively under construction and waiting to connect subscribers. Of the towns under construction, 1,582 subscribers are awaiting service release.
- i) **Technical Organization Functions Manual.** The Manager presented the Technical Organization (TO) Chart and Functions Manual giving a brief overview of its makeup and stating that the manual provides a brief yet thorough review of the functions, purpose, and accountability of each area of the Department including that at the Municipal Light Board level. The Functions Manual report is provided annually while the TO Chart is provided in March and September of each year.
- j) **Release Executive Session Minutes.** The Manager reported that the Open Meeting Law requires that the public body, or its chair or designee, shall, at reasonable intervals, review the minutes of executive sessions to determine if the provisions of this subsection warrant continued non-disclosure. Since that time, discussion occurred with regard to releasing the minutes of Executive Session meetings in redacted form to ensure the confidentiality of sensitive issues. The last release of Executive Session

minutes occurred at the MLB meeting held December 4, 2019. As decided previously, these reviews will occur quarterly. The MLB was presented with the minutes that the Manager recommended be released at this time.

After review of the minutes to be released by the MLB, on a motion by Commissioner Kelleher, seconded by Commissioner Liptak, it was unanimously:

VOTED: that the Westfield Gas & Electric Municipal Light Board determines that the following portions of the Executive Session minutes may be released to the public:

December 4, 2019 - Item b) General Manager's Contract Review.

That the General Manager is hereby authorized and directed to take any actions he deems necessary or advisable to carry out the purposes of this vote in compliance with M.G.L.c. 30A §22.

- k) **Quarterly Gas and Electric Rate Comparison.** Business and Finance Manager Jay Kline presented the graphs relative to WG+E rates. He stated that the rates continue to be very competitive and reported during the fourth quarter of 2019, Westfield residents paid 14.76% below the State of Massachusetts average for electricity and, for the twelve month period ending December 2019, the electric rates were 18% below the state average. During the fourth quarter of 2019, Westfield natural gas residential customers paid 10.33% below the State of Massachusetts average and, for the twelve month period ending December 2019, the natural gas rates were 12.19% below the state average. The commercial electric rates ranged from 6.4% to 12.73% below the state average for various classes for both fourth quarter and the twelve months ending December 2019. Commercial gas customers paid 6.17% below the State of Massachusetts average for the fourth quarter and, for the twelve month period ending December 2019, these commercial gas customers paid 9.16% below the state average. Mr. Kline stated that this winter's moderate weather is having a negative effect on both electric and gas consumption, and the Department is preparing for continued reduced customer revenues as a result.
- l) **Energy Stabilization Funds Quarterly Report.** Jay Kline presented the Electric Rate Stabilization Fund which showed that, for the year, WG+E continued to make the budgeted \$25,000 per month contribution to the Electric Rate Stabilization Fund and interest was added to the account on a monthly basis. In December some excess electric revenue was also added to the fund. The Gas Rate Stabilization Fund report showed a monthly contribution to \$75,000. As with the electric stabilization fund in December some excess gas revenue was also added to the fund. No withdrawals were made in 2019 from either the Electric or Gas Rate Stabilization Funds. The Manager indicated that monthly funding is reviewed by management on a periodic basis and 2020 is starting with more moderate monthly contributions due to weather-affected revenues. Commissioner Roman mentioned that the ERSF is getting closer to its ultimate funding target and asked what would occur once the target is met. The

Manager indicated that at that point, monthly contributions could cease and he'd advocate that the monthly interest earned by the fund continue to help grow the fund.

- m) **Monthly Financial Reports.** Business and Finance Manager Jay Kline noted monthly and year-to-date purchased power expenses and net income figures presented in this report reflect estimated amounts. Through the month of January 2020, the Gas Division gain is less than the original budgetary estimate by \$18k, while the Electric Division gain is currently \$197k less than the original forecast. Prompt month gas had traded below the \$1.80/MMBtu mark in mid-February. Henry Hub balance of the year pricing for 2020 is now trading around the \$2.10 level, while calendar year 2021 trades at \$2.35. Energy Supply has utilized this pricing opportunity to reduce open market power and gas exposure. Commissioner Roman indicated finances are doing well.

B. Informational Items:

- a) **Utility Issues.** Report was presented and accepted.
- b) **Utility News/Pulseline Articles** was presented.
- c) **Utility Courses Update** - 2019 Seminars and Workshops were presented.

VIII. OLD BUSINESS:

- a) **MLB Meeting Video Policy.** The MLB continued its discussion from prior months' meetings on the Video Recording Policy. The MLB wants to make recordings available to the public who are unable to attend the MLB meetings and provide the opportunity to review the recordings of MLB meetings. A revised policy, based on last month's discussion, was presented for consideration.

After discussion on a motion by Commissioner Flaherty, seconded by Commissioner Rivera, it was unanimously:

- VOTED: that the Westfield Gas & Electric Municipal Light Board in order to provide transparency to its meetings desires to video record the general session portion of its Municipal Light Board meetings and subcommittee meetings; and
- that Westfield Gas & Electric Municipal Light Board has reviewed and edited policies relating to the video recording and providing access to such recordings on Westfield Gas & Electric Light Department's web site; and
- that the Westfield Gas & Electric Municipal Light Board hereby accepts and adopts the policy relating to the video recording and public access to the video recordings of its general session portion of its Municipal Light Board meetings and subcommittee meetings,

as presented to this meeting and made a part of the record of this meeting; and

That the General Manager is hereby authorized and directed to take any actions he deems necessary or advisable to carry out the purposes of this vote.

- b) **WG+E By-Laws.** The MLB continued its discussion on the Bylaws from prior months' meetings. A revised document, based on last month's discussions, was presented for consideration.

After discussion on a motion by Commissioner Flaherty, seconded by Commissioner Renaudette, it was unanimously:

VOTED: that the Westfield Gas & Electric Municipal Light Board has reviewed the Bylaws of the City of Westfield Gas & Electric Light Department, a municipal corporation to edit and update; and
that the Westfield Gas & Electric Municipal Light Board hereby accepts and adopts the Bylaws of the City of Westfield Gas & Electric Light Department, a municipal corporation, as presented to this meeting and made a part of the record of this meeting; and
That the General Manager is hereby authorized and directed to take any actions he deems necessary or advisable to carry out the purposes of this vote.

- c) **GM Evaluation Criteria.** Commissioner Flaherty indicated this agenda item should be moved to the April meeting.

IX. NEW BUSINESS:

- a) Commissioner Flaherty stated there was a ruling by the State Attorney General's office regarding an Open Meeting Law complaint filed against the Westfield City Council. According to the complaint, a quorum of the Council improperly deliberated at a Subcommittee meeting and the minutes pertaining to the meeting's discussion were deficient. The Attorney General's office concluded that a violation did indeed occur. Commissioner Flaherty voiced his concern due in part, to each MLB Subcommittee being comprised of at least 4 MLB Commissioners, which represents a quorum of the Board. Discussion ensued regarding the proper management of MLB Subcommittee meetings in the future. Chairman Sacco recommended that due to such concerns, when the Board seeks to schedule a Subcommittee meeting, it will post a joint meeting of the general Board and the Subcommittee together, in the event a quorum of the MLB wishes to attend the meeting and wishes to participate. The Chair also requested that the Manager obtain a copy of the City Council Open Meeting Law violation judgement and share it with the Board for future consideration and discussion.

- b) The Manager discussed the efforts the Department has undertaken in preparation for the likely migration of COVID-19 or Coronavirus into this area. Staff had met earlier in the week to review its emergency procedures and documentation, ensuring all information is current and confirming employee capabilities to work remotely. The Department has been monitoring the Center for Disease Control website to remain current on the virus' status and has contacted local emergency management personnel to start a dialog and share information. Employees have been informed about the need for heightened awareness regarding contact with others and personal hygiene and personal hygiene items have been distributed throughout our facilities. Department personnel will continue to be proactive regarding this potential threat throughout its duration.

X. EXECUTIVE SESSION

On the motion of Commissioner Rivera, seconded by Commissioner Flaherty 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 bargaining position of WG+E, as noted on the agenda, and will not reconvene the Regular Session after adjournment from Executive Session.

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

The motion passed 7 to 0 0 absent

Chairman Sacco stated that the Municipal Light Board would be entering 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 bargaining position of WG+E, as noted on the agenda, and will not reconvene the regular session after adjournment from Executive Session.

XI. ADJOURNMENT

Chairman Sacco declared the regular session portion of the meeting adjourned at 7:55 p.m.

A TRUE RECORD.

Attest:


 Robert C. Sacco, Chairman

**Documents Presented at
 REGULAR SESSION March 4, 2020**

Municipal Light Board Regular Session Meeting Minutes – February 5, 2020			
Municipal Light Board Executive Session Meeting Minutes – February 5, 2020			
Acknowledgement – Amelia Park Children’s Museum	Ray Radigan, Executive Director	February 3, 2020	
Acknowledgement – Mercy Medical Center	Carrie Fuller-McMahon, Chief Development Officer	February 4, 2020	
Acknowledgement – Westfield on Weekends (WOW)	Amber Danahey, President	December 30, 2019	
Westfield Warm Program – Status Report	A. Paton, Customer Accounts/Collections Manager	February 20, 2020	Financial Low Income Customer Assistance Programs F 8-2
Human Resources Annual Report – 2019	Beth Burns, HR Coordinator/Records Manager	March 4, 2020	Administration/Organization Employee Workforce AO-3.6
Human Resources Quarterly Status Report – 1 st Quarter 2020	Beth Burns, HR Coordinator/Records Manager	March 4, 2020	Administrative/Organization Employee Workforce AO-3.6
Residential Electric Rate Comparison – 4 th Quarter Total as of December 2019			
Residential Gas Rate Comparison – 4 th Quarter Total as of December 2019			
Commercial Electric Rate Comparison – 4 th Quarter Total as of December 2019			
Electric Rate Stabilization Fund – Fourth Quarter 2019	J. Naughton, Senior Accountant	March 4, 2020	Financial Electric Rate Stabilization Fund Management F-6.1
Annual Street Lighting Report	Jody M. Boucher, Utility Supervisor	March 4, 2020	Communications/Customer Service/ Community Affairs Street Lighting / Off Street Municipal Lighting CCA-4.3

2019 Annual Outage Report	Michael S. Lee, Operations Manager	March 4, 2020	Electric Utility Business Electric System Outage Minimization EUB-5.5
FTTH Services Installed	Christopher R. LaVertu, Utility Supervisor	March 4, 2020	Telecommunications Utility Business Whip City Fiber Service Installation
2019 Safety & Health Annual Report	Patrick M. Levesque, Utility Supervisor	March 4, 2020	Administrative and Organization Safety & Health Training AO-3.10
2020 Technical Organization and Functions Manual	Anthony J. Contrino, General Manager	March 1, 2020	Administrative & Organization Organization Manual
Release of Executive Meeting Minutes	Anthony J. Contrino, General Manager	March 4, 2020	Regulatory and Government Affairs MLB Meeting Management – RGA-1.2
January 2020 Financial Report	T. Fouche, Accounting Manager	March 4, 2020	Financial Annual & Quarterly Reports
Utility Issues	John W. Welch	March 4, 2020	Regulatory & Governmental Affairs Gas/Electric Regulatory Issues, RGA-1.4; RGA1.5
Utility News/Pulse Line	Beth Burns, HR Coordinator/Records Manager	March 4, 2020	Communications/Customer Service/ Community Affairs Media Relations – CCA-1.6
Utility Course Update 2020 Seminars/Workshops	Beth Burns, HR Coordinator/Records Manager	March 4, 2020	Administration and Organization WG+E Training & Development, AO-3.6