

CITY OF GROTON UTILITIES COMMISSION

MINUTES OF REGULAR MEETING

October 27, 2010

A regular meeting of the City of Groton Utilities Commission was held this date at which Mayor Popp, Commissioners DeMuzzio, Duarte, Dunbar-Rose and Rabitaille; Director of Utilities Yatcko, Deputy Director-Administrative Services Collard, Deputy Director-Water/PAF Cummings, Deputy Director-Electric Roche; General Manager-Major Accounts and Rates & Revenue Requirements Conner, General Manager-Customer Care Daniels, General Manager-Commercial Accounts and Power Requirements Mediavilla, General Manager-Water Stevens, and Executive Assistant Gaudette were present.

The meeting was called to order by Mayor Popp at 10:06 a.m.

Rabitaille / Dunbar-Rose that the minutes of the regular meeting of September 22, 2010 be approved. So voted unanimously.

Review and Acceptance of Treasurer's Report

The Treasurer's Report for the month of September showing the following balances was presented by Treasurer Dunbar-Rose.

Checking Account Activity for the month of September:

	<u>Ending Balance</u>
Electric General Fund	\$ 1,608,747
Water General Fund	\$ 32,605
Meter Deposit Fund	\$ 0
Electric Bond Fund	\$ 265
Water Bond Fund	\$ 789

Cash Investment Activity:

	<u>Beginning Balance</u>	<u>Ending Balance</u>
Electric General Fund	\$ 14,274	\$ 14,277
Water General Fund	\$ 0	\$ 0
Money Market Fund	\$ 493,890	\$ 572
Meter Deposit Fund	\$ 926,642	\$ 926,779
Electric Bond Fund	\$ 1,382,431	\$ 1,309,606
Water Bond Fund	\$ 387,843	\$ 387,900
Economic Development Reserve Fund	\$ 104,145	\$ 104,161
Electric Restricted Fund	\$ 1,514,648	\$ 1,524,970
Water Restricted Fund	\$ 445,131	\$ 445,197

At the end of the third month, total investment earnings should be at 24.99% and we are at 24.46%. Earnings for the Electric Division are 11.15%, 25% of budget for BL&P, and 24.41% of budget for the Water Division.

DeMuzzio / Duarte that the Treasurer's Reports be accepted. So voted unanimously.

Communications and Correspondence

The following communications were received:

- Letter dated October 1, 2010 from Fairview Odd Fellows Home of Connecticut thanking Groton Utilities for sponsoring its annual auction

Public Communications

There were no members of the public present.

CMEEC Board of Directors Report

Director Yateko and Commissioner DeMuzzio reported that CMEEC has authorized short term financing to Norwich for a co-generation project. Mayor Popp reported a tentative offer has been made for a new Executive Officer. Director DeMuzzio gave a brief update on the TRANSCO project.

Review of Monthly Financial Report

Total Electric Revenue for the Electric Division for the month of September was \$4,601,969 or 4.7% above expectations. In comparison to last year, Total Electric Revenue is 9.4% less. Total Electric Revenue for the Fiscal Year-to-Date was \$14,450,074, or 2.7% above budget and 9.8% below in comparison to last year. Operation & Maintenance Expense for September was \$683,737, or 6.2% below expectations. In comparison to last year, Operation & Maintenance Expense is 15.9% more. Operation & Maintenance Expense for the Fiscal Year-to-Date was \$1,912,852, or 12.6% below budget and 6.0% more in comparison to last year. Depreciation Expense for the month of September was \$124,259, or 0.7% above budget. In comparison to last year, Depreciation Expense was 3.5% less. For the Fiscal Year-to-Date, Depreciation Expense was \$374,727, or 1.2% below budget and 1.2% less than last year. Net Income for the month of September was \$923,928 or 29.9% above budget. In comparison to last year, Net Income was 0.9% less. For the Fiscal Year-to-Date, Net Income was \$2,638,078, or 45.6% above budget, and 17.7% more than last year.

Effective January 1, 2010, the State of Connecticut's mandated Conservation Charge was increased from \$0.0019 to \$0.0022 per kWh and is added as a line item to customers' bills. More than \$77,000 was charged to customers in September, excluding the Navy and interruptible loads. This amount is included in revenue and expensed as Conservation Expense. This will be transferred to Groton Utilities' Conservation and Load Management (CLM) Account held at CMEEC in accordance with the Connecticut State Statute. Groton Utilities controls all expenditures from this fund. More than \$8,500 in energy rebates was paid to customers during the month of September, with a total Fiscal Year-to-Date of \$471,500.

Total Water Revenue for the Water Division for the month of September was \$839,147, or 0.9% above budget projections. In comparison to last year, Total Water Revenue is 21.0% more. Total Water Revenue for the Fiscal Year-to-Date was \$2,578,871, or 5.6% above budget and 19.3% more in comparison to last year. Operation and Maintenance Expenses for the month of September

were \$558,096, or 9.1% below budget. In comparison to last year, Operation and Maintenance Expenses are 8.1% more. For the Fiscal Year-to-Date, Operation and Maintenance Expenses were \$1,621,636, or 12.1% below budget, and 4.6% more in comparison to last year. Total Operating Expenses for the month of September were \$646,487, or 7.9% below budget. In comparison to last year, Total Operating Expenses are 5.4% more. Total Operating Expenses for the Fiscal Year-to-Date were \$1,890,428, or 10.4% below budget, and 2.5% more in comparison to last year. Net Earnings before Debt Principal for the month of September were \$226,305 or 52.8% above budget. For the Fiscal Year-to-Date, Net Earnings before Debt Principal were \$774,228 or 92.2% above budget, and 104% more than last Fiscal Year-to-Date.

Review of Director of Utilities' Report

The Director of Utilities' Report dated October 27, 2010 was presented as follows:

October 27, 2010

The City of Groton Utilities Commission
Groton, Connecticut

Ladies and Gentlemen:

*1. **GUC-10-09-160:** As reported at the September 22, 2010 Utilities Commission meeting, Management has reviewed a lighting energy conservation project at the Water Treatment Plant that will improve the existing fixtures and lighting levels within the facility, while saving an estimated \$17,729 per year in energy. Total cost of the project is \$98,440, less a buy down of 50% from Energy Conservation funds, leaving a remaining cost of \$49,220. This translates into a 2.78 year payback.

- There are 328 lighting fixtures in this project
- This project will save 1,519,628 kWhs over its estimated life of 12 years

Due to a math error in the project financials and because we initially figured less buy down dollars, the project initially showed a 10.86 year payback. For that reason, it was not included as a line item in the approved Fiscal Year 2010 - 2011 budget. Management revisited this project due to the condition of the existing WTP lighting and discovered the math error.

It is recommended that the City of Groton Utilities Commission authorize Management to proceed with a lighting energy conservation project at the Water Treatment Plant for a total project cost of Ninety-Eight Thousand, Four Hundred Forty Dollars and No Cents (\$98,440.00), less a buy down of 50% from Energy Conservation funds, with Forty-Nine Thousand, Two Hundred Twenty Dollars and No Cents (\$49,220.00) to be paid from funds available in the approved Fiscal Year 2010 - 2011 Operation and Maintenance fund, and furthermore, that the City Council be apprised of this action with the recommendation that it concur.

*2. **GUC-10-10-161:** Management solicited bids for one (1) 2011 4-wheel drive truck with a utility body and rear dual wheels. From the proposal mailed to six (6) qualified vendors, two (2) bids were received and opened on October 15, 2010 as follows:

Bob Valenti Auto Mall	\$41,927.00
72 Jerry Brown Road	
PO Box 10	
Mystic, CT 06355	

Interstate Ford \$36,072.00
45 Brainard Road
Hartford, CT 06114

Based on an evaluation of the bids received, Management recommends awarding the contract to Interstate Ford based on its low lump sum bid of \$36,072.

It is recommended that the City of Groton Utilities Commission award the contract for one (1) 2011 Ford F350 to Interstate Ford, 45 Brainard Road, Hartford, Connecticut based on its low lump sum bid of Thirty-Six Thousand, Seventy-Two Hundred Dollars and No Cents (\$36,072.00) to be paid from funds available in the approved fiscal year 2010-2011 budget.

*3. **GUC-10-10-162:** The City of Groton Utilities Commission must appoint its representatives to the Connecticut Municipal Electric Energy Cooperative (CMEEC) Board of Directors to meet all statutory and legal requirements. Representatives will serve terms of three years each, effective January 1, 2011 and expiring December 31, 2013.

It is recommended that the City of Groton Utilities Commission approve a resolution to appoint _____ and _____ to serve as Representatives of Groton Utilities to the CMEEC Board of Directors and said Representatives are designated to represent Groton Utilities as a Member of CMEEC and to vote on its behalf at meetings of the CMEEC Membership and to appoint _____ to serve as an Alternate Representative to the CMEEC Board of Directors for terms of three years each, effective January 1, 2011 and expiring December 31, 2013.

The following is a resolution for consideration and action by the Commission:

RESOLUTION APPOINTING THE CITY OF GROTON'S
REPRESENTATIVES TO THE CONNECTICUT MUNICIPAL ELECTRIC
ENERGY COOPERATIVE BOARD OF DIRECTORS

WHEREAS, the Restated Agreement Creating the Connecticut Municipal Electric Energy Cooperative (CMEEC) dated as of October 1, 1987, states (Par. 2.3) that "The governing body of the Cooperative shall be a Cooperative Utility Board, consisting of Representatives of the Members, in which all legislative power of the Cooperative is vested"; and,

WHEREAS, the same Agreement states (Par. 2.3.2) that "Each of the Members shall appoint two Representatives to the Cooperative Utility Board, and shall have the right to appoint two (2) Alternative Representatives"; and that "Their successors shall be appointed each for a term of three (3) years...";

NOW, THEREFORE, BE IT RESOLVED that the City of Groton Utilities Commission hereby appoints _____ and _____ to serve as Representatives on the Board of Directors of CMEEC for terms of three years each, effective January 1, 2011, and expiring December 31, 2013, with _____ or a named Alternate Representative of said Utilities Commission designated officially to represent the Commission as a Member of CMEEC and to vote on its behalf at the Annual Meetings of the CMEEC Membership.

BE IT FURTHER RESOLVED that _____ be appointed to serve as an Alternate Representative of the Groton Utilities Commission to the CMEEC Board of Directors for a term effective January 1, 2011 and expiring December 31, 2013.

*4. **GUC-10-10-163:** As reported at the December 16, 2009 Utilities Commission meeting, the Connecticut Municipal Electric Energy Cooperative's (CMEEC) 50 in 5 Project has progressed into the generator installation phase. There are nine (9) 2.5 megawatt units planned to supply a total of 22.5 megawatts of peak energy into the Groton Utilities, Bozrah Light and Power Company, and Fishers Island Electric host utility power distribution systems. All the participating host utilities will have the same Interconnection and Operating Agreement and Joint Operating Agreement Procedures to maintain consistent, integrated operating procedures.

It is recommended that the City of Groton Utilities Commission approve the Connecticut Municipal Electric Energy Cooperative's (CMEEC) 50 in 5 Project Interconnection and Operating Agreement and the Joint Operating Agreement Procedures for the Water Treatment Plant (1268 Poquonnock Road) site.

*5. **GUC-10-10-164:** As reported at the October 28, 2009 Bozrah Utilities Commission meeting, the 2X transformer experienced an internal fault and remains out of service. Replacement of the 2X transformer must occur prior to the start of PTF Phase Two, which is the installation of the 115 kV breaker and replacement of four (4) 115 kV motor operated disconnect switches.

The 2X transformer is critical to the reliability of the Bozrah Light and Power Company (BL&P) distribution system. It is a back up to the 1X transformer that supplies power to the BL&P distribution load and the 3X transformer that supplies power to Airgas' interruptible load. The 1X transformer (15/20/27.5 MVA) cannot support BL&P's distribution loads and the Airgas' interruptible load if the 3X transformer should fail. Also, the 1X and 3X transformers must remain in service until the 2X transformer returns to service; therefore preventing maintenance of the two transformers.

Management recommended the replacement of the 2X transformer. Estimated costs were presented at the Bozrah Utilities Commission meeting held on January 27, 2010. Bids were received and reviewed on February 26, 2010. At its special meeting held on March 3, 2010, the Bozrah Utilities Commission authorized Management to proceed with the purchase of a new transformer for the Stockhouse Road Substation to be paid from funds borrowed from the Competitive Trust at the Connecticut Municipal Electric Energy Cooperative (CMEEC).

It is recommended that the City of Groton Utilities Commission confirm the Bozrah Utilities Commission decision authorizing the financing of the 2X transformer replacement through the utilization of the Groton Utilities' Competitive Trust at CMEEC, not to exceed Eight Hundred Thousand Dollars and No Cents (\$800,000.00) to be combined with the existing Three Million, Five Hundred Thousand Dollars and No Cents (\$3,500,000.00) arrangement for the Stockhouse Road Substation Upgrade financing under the same terms and conditions.

*6. **GUC-10-10-165:** In order to schedule regular meetings of this Commission around major holidays, Management has prepared the following proposed Schedule of Meetings for Calendar Year 2011:

Schedule of Meetings
for
Calendar Year 2011

City of Groton Utility Commission

10:00 A.M.

Meeting Dates (fourth Wednesday of the month except as noted):

Wednesday, January 26	Wednesday, July 27
Wednesday, February 23	Wednesday, August 24
Wednesday, March 23	Wednesday, September 28
Wednesday, April 27	Wednesday, October 26
Wednesday, May 25	Wednesday, November 16*
Wednesday, June 22	Wednesday, December 14*

*Suggested to avoid a meeting date before holidays

The Bozrah Utilities Commission will continue to meet quarterly at 1:00 p.m. on the fourth Wednesday of January, April, July and October.

It is recommended that the City of Groton Utilities Commission adopt the Schedule of Meetings for Calendar Year 2011 as presented by Management.

7. Water Statistics:

	<u>Oct. 18, 2010</u>	<u>Sept. 13, 2010</u>	<u>Oct. 19, 2009</u>
Water in Usable Storage	2,150 M.G.	2,164 M.G.	2,394 M.G.
Daily Average Pumping Rate (Week)	5.1 M.G.	6.1 M.G.	5.06 M.G.
Annual Running Average per Day to Date (Year)	5.7 M.G.	5.7 M.G.	5.6 M.G.

Electric Statistics:

	<u>September 2010</u>	<u>August 2010</u>	<u>September 2009</u>
kWhs Purchased	41,746,024	47,520,828	36,802,734
System kW Demand	85,019	85,984	73,645

8. During the month of September, thirty-four (34) Call Outs were received by the Telemetric Operations group to respond to Groton Utilities' customer problems. Six (6) incidents involved Electric Power Interruptions. Four (4) of the interruptions were caused by tree contacts with the power lines, one (1) was caused by an animal contact, and one (1) by lightning. The total customers experiencing power disturbances were 2,303, which accumulated to 58,183 Customer Minutes without power. This compared to last year's statistics of 15,510 Customer Minutes and 406 customers experiencing loss of power.

9. Energy Assistance Program

Receipt and Allocation of Funds as of September 30, 2010
(As reported by Town Social Services)

	<u>This Month</u>	<u>To Date</u>
Initial Start-up Funds	N/A	\$ 2,000.00
Customer Donations	\$ 385.11	\$ 137,766.12
Groton Utilities' Matching Funds Paid	\$ 298.65	\$ 65,242.17
Allocation to Customers	\$ 0.00	\$ 204,292.38
Balance on Hand	>>>	\$ 715.90

Last 12 Months

Donations	\$ 8,074.14
Matching	\$ 4,323.01
Distributed	\$ 14,704.60

10. CONN-OSHA Recordable Accidents:

Division	Month of September		Year-to-Date		Prior (2009) Year-to-Date	
	LTA	Non-LTA	LTA	Non-LTA	LTA	Non-LTA
Electric	0	0	0	0	4	4
Water	0	0	0	0	1	1
Sewer	0	0	0	0	0	0
Admin/CC	0	0	0	0	0	2

LTA: Lost Time Accident
Non-LTA – Non-Lost Time Accident

11. System reservoirs are at 83.56 percent of total usable storage, with stream flows below normal levels.

Precipitation recorded for the month of September was 4.70 inches, which is 0.80 inches above the seventy-nine year Groton average for September. Total precipitation for the first nine (9) months of 2010 was 43.16 inches, which is 7.78 inches above the seventy-nine year average for the same period.

12. The Summary of Operations at the Water Treatment Plant for the month of September 2010 is available for Commissioner review.

13. At its regular meeting held on October 4, 2010, the City Council authorized Groton Utilities' Management to begin Phase I of the Supervisory Control and Data Acquisition (SCADA) System Upgrade Project and to expend funds up to the full amount of \$284,000, to be paid from the approved 2000 Electric Bond Fund.

14. At its regular meeting held on October 4, 2010, the City Council awarded the contract to repair portions of the lower section of the spillway and tailrace at the Poquonnock Dam on Route 1 to

Peter S. Turello, LLC, New London, Connecticut based on its low lump sum bid of \$22,800 to be funded through short term internal borrowing pending reimbursement from the Federal Emergency Management Agency (FEMA).

15. As part of the Poquonnock River Channel Repair Project, during the month of September, Management met with representatives from the State of Connecticut, Department of Environmental Protection (DEP) regarding the approval of the project. It has been determined that Groton Utilities must complete a Structure, Dredging & Fill, and Tidal Wetlands permit application through the Office of Long Island Sound Program. The project is currently delayed.

16. As part of the Supervisory Control and Data Acquisition (SCADA) System Upgrade Project, Groton Utilities' Electric Operations Project Management personnel are working with Thames Valley Communications, Inc. (TVC) on the fiber optic network. TVC has completed approximately 95% of the work. All fiber connections have been made to the substations. Head-end and substation communications equipment is being set up and programmed. Phase I of the SCADA System Upgrade Project has been approved and preliminary meetings have been held to discuss manpower and timeline projections.

17. As part of the 13.8 kV Voltage Conversion Project, Groton Utilities' line crews have been working in the Indian Field Road area. During the month of September, various transformers, insulators, and fuse cutouts were replaced. Crews will continue with voltage conversion preparation work in this area throughout the month of October. The 13.8 kV Voltage Conversion Project is an approved 2001 Electric Bond Fund project.

18. As part of the 322-Line Upgrade Project, Groton Utilities' Electric Operations personnel, with assistance from Groton Utilities' Water Division personnel, have installed the 35 kV underground conduits at Buddington Substation. Installation of the underground conductors is scheduled for the month of October, with construction scheduled to be complete by the end of November.

19. As part of the Connecticut Municipal Electric Energy Cooperative's (CMEEC) 50 in 5 Project, two (2) new generators, located at the Water Treatment Plant site, have been connected to Groton Utilities' distribution system. Preparations for replacing the metering and a substation breaker at the Groton Long Point substation are in progress. This work is required prior to the installation of the generator on Fishers Island.

20. As part of the Automated Meter Reading (AMR) Smart Grid Project, Groton Utilities' Electric Meter Department personnel continue to install meters in Groton, and Groton Utilities' Electric Division linemen are assisting in Bozrah. An additional 675 Form 2S residential meters were ordered in September. Over 1,000 AMI meters have been installed since March 2010, and nearly 3,000 meters since January 2008. A propagation study is expected to occur in Bozrah during the month of October with one of the repeaters recently received. Electric Operations personnel continue to reprogram location identification codes to allow separations at the remote network interface (RNI).

21. As part of the Stockhouse Road Substation Upgrade Project, modifications to the concrete containment pad are 100% complete. The containment pad was built in preparation of the installation of the new 2X transformer. The manufacturer of the 2X transformer, Howard Industries, has scheduled delivery of the transformer during the last week of October.

22. As part of the Groton Utilities compliance with the North American Electric Reliability Corporation (NERC), two (2) NERC Compliance Monitoring and Enforcement Program Data and Administration Application (CDAA) Self Certifications were completed and submitted in the month of

September. Items completed for self certification were: FAC-002-0 Self Certification (DP). One NERC Alert Recommendation was sent in September by NERC and was acknowledged by Electric Operations in September (Recommendation to Industry- Exploit Active for - Malware Targeting SCADA Systems (Update 3))

A meeting regarding the consolidation of Connecticut Municipal Electric Energy Cooperative (CMEEC) utility members' loads was held with Mr. Brian Evans-Mongeon of Utility Services, LLC, regarding the Under Frequency Load Shedding Compliance Program (UFLS). Members from South Norwalk, Norwich Public Utilities, Jewett City, Wallingford and the Mohegan Tribal Utility Authority attended.

23. The Conservation and Load Management Program results for the year to date are as follows:

YEAR TO DATE REPORT ON CONSERVATION & LOAD MANAGEMENT PROGRAMS

MEASURE	# Projects	\$ Incentive	Customer Costs	Annual kWh Savings	Annual Cust Savings	Lifetime kWh Savings	Lifetime Cust Savings
Residential Dwellings Retro	1,532	\$775,879	\$0	1,067,075	\$149,391	10,670,750	\$1,493,905
Appliance Rebates	244	\$14,220	\$155,524	89,743	\$12,564	1,022,809	\$143,193
Residential HVAC	8	\$7,575	\$118,392	0	\$0	0	\$0
Load Control	0	\$0	\$0	0	\$0	0	\$0
High Efficiency Motors	0	\$0	\$0	0	\$0	0	\$0
Com/Ind HVAC	2	\$4,150	\$6,000	0	\$0	0	\$0
Com/Ind Lighting	7	\$40,827	\$127,220	264,825	\$37,076	3,953,440	\$553,482
Other	5	\$84,558	\$171,807	23,178	\$3,245	230,000	\$32,200
Program Totals	1,798	\$927,209	\$578,944	1,444,821	\$202,275	15,876,999	\$2,222,780

The \$\$\$ value of savings is based on \$0.14 cents per kWh and not the actual savings over the lifetime of the conservation measure. This is only an estimate based on today's customer costs.

24. Management notes with sadness the passing of Mr. Oscar L. Bjork on October 4, 2010. Mr. Bjork joined Groton Utilities on April 4, 1955 and retired on July 1, 1985 after thirty (30) years of service.

25. Management notes with sadness the passing of Mr. John R. Trolan on October 8, 2010. Mr. Trolan joined Groton Utilities on December 23, 1963 and retired on January 6, 1995 after thirty-two (32) years of service.

26. The bill for purchased power for the month of September 2010 as received from CMEEC is in the amount of \$3,802,754.22. Effective September 1, 2010, the Purchased Power Adjustment (PPA) decreased from \$0.008876 per kWh to \$0.008376 per kWh and was applied to customers' billings. For the month of September, \$237,717 was collected to help offset generation costs. For the month of September, a surplus of \$78,701 will be added to the PPA Fund. The PPA Fund is now a credit of \$517,852 and will be monitored and flowed through to customers at a later date. Effective September 1, 2010, the Transmission Cost Adjustment (TCA) was increased from \$0.00426 per kWh

to \$0.008360 per kWh and \$237,263 was collected to help offset a deficit of \$229,757. The net surplus of \$7,506 will be charged to the TCA Normalization Fund. The TCA Fund now is a credit of \$285,754 and includes interest income on the Fund.

27. Monthly reports as received from the Deputy Director-Electric Division, Deputy Director-Water Division, General Manager-Information Technology and Manager-Economic Development are available in the Director of Utilities' office for Commissioner review.

Respectfully submitted,

/s/ Paul Yatcko
Director of Utilities

Regarding Report Item No. 8, Director Duarte asked for an explanation of the increase in outages compared to last year. General Manager Mediavilla explained most of the outages were caused by inclement weather during the month.

Regarding Report Item No. 14, Mayor Popp asked for an update on the repairs to the lower section of the spillway and tailrace at the Poquonnock Dam. Deputy Director Cummings reported that additional permits are being required and the process is on-going with the State of Connecticut. The progress with the Civil Corp of Engineers has been slow. Management has received a commitment from the contractor to hold the quoted price until the project can begin. Also, partial reimbursement has been received from the Federal Emergency Management Agency (FEMA) in the amount of \$60,000.

Regarding Report Item No. 19, Commissioner DeMuzzio asked for update on the CMEEC 50 in 5 Project. General Manager Conner gave an overview of the project to date. Six (6) generators have been installed at various sites. Two (2) generators in Groton are functional and fully commissioned. Work continues at Water Treatment Plant site. The generator is not fully commissioned, but should be in very near future. The Fishers Island site being staged and site work is has begun. The Fishers Island site is expected to be completed by end of year.

Commissioner Dunbar-Rose commented on the size of the trees at the Water Treatment Plant site. Mayor Popp stated the size of the trees had been approved by the Town of Groton and Management received an e-mail from the Town of Groton Human Services Director Marge Fondulas thanking Groton Utilities for planting the trees and helping to disguise the generator.

The Commission discussed the rental payment for the site. Deputy Director Collard reported Management has received payment for the first year for the Gary Court site.

Regarding Report Item No. 20, Commissioner DeMuzzio asked for an update on the Smart Grid Project. General Manager Conner reported that approximately 2,600 meters have been installed to date, with 850 meters being installed since May 2010. Installation of commercial / industrial meters is slightly behind schedule due to the manufacturers being behind schedule in rolling out the commercial / industrial meters. The first phase of the project is expected to be completed by the end of the year, ahead of schedule and within budget. The meters have been programmed to be read every 15 minutes, with data being transmitted to Groton Utilities ever hour.

Old Business

Report Item No. *1, GUC-10-09-160: Consideration of and Action to authorize Management to proceed with a lighting energy conservation project at the Water Treatment Plant for a total project cost of Ninety-Eight Thousand, Four Hundred Forty Dollars and No Cents (\$98,440.00), less a buy down of 50% from Energy Conservation funds, with Forty-Nine Thousand, Two Hundred Twenty Dollars and No Cents (\$49,220.00) to be paid from funds available in the approved Fiscal Year 2010 - 2011 Operation and Maintenance fund, and furthermore, that the City Council be apprised of this action with the recommendation that it concur

Dunbar-Rose / Rabitaille that the City of Groton Utilities Commission authorize Management to proceed with a lighting energy conservation project at the Water Treatment Plant for a total project cost of Ninety-Eight Thousand, Four Hundred Forty Dollars and No Cents (\$98,440.00), less a buy down of 50% from Energy Conservation funds, with Forty-Nine Thousand, Two Hundred Twenty Dollars and No Cents (\$49,220.00) to be paid from funds available in the approved Fiscal Year 2010 - 2011 Operation and Maintenance fund, and furthermore, that the City Council be apprised of this action with the recommendation that it concur. So voted unanimously.

New Business

Report Item No. *2, GUC-10-10-161: Consideration of and Action to award the contract for one (1) 2011 Ford F350 to Interstate Ford, 45 Brainard Road, Hartford, Connecticut based on its low lump sum bid of Thirty-Six Thousand, Seventy-Two Hundred Dollars and No Cents (\$36,072.00) to be paid from funds available in the approved fiscal year 2010-2011 budget

Dunbar-Rose / Rabitaille that the City of Groton Utilities Commission award the contract for one (1) 2011 Ford F350 to Interstate Ford, 45 Brainard Road, Hartford, Connecticut based on its low lump sum bid of Thirty-Six Thousand, Seventy-Two Hundred Dollars and No Cents (\$36,072.00) to be paid from funds available in the approved fiscal year 2010-2011 budget.

Deputy Director Cummings explained this vehicle will replace the current On-Call vehicle. Commissioner Dunbar-Rose asked the average distance an employee traveled when on-call. Deputy Director Cummings replied most employees live locally, with one employee residing in Jewett City. The Commission discussed the On-Call rotations and whether there was a requirement to provide a take-home vehicle for on-call personnel. Deputy Director Cummings stated the On-Call vehicle is fully equipped, allowing personnel to respond immediately to a site rather than having to report to the Operations Complex to obtain a vehicle.

Commissioner Rabitaille asked if there would be cost saving in purchasing a hybrid vehicle as the On-Call vehicle. General Mediavilla stated there is only one manufacturer currently making hybrid trucks comparable with the F-350 and the cost is much higher than the gas engine vehicle. The purchase of hybrid vehicles was discussed during the budget process.

So voted unanimously.

Report Item No.*3, GUC-10-10-162: Consideration of and Action to approve a resolution to appoint _____ and _____ to serve as Representatives of Groton Utilities to the CMEEC Board of Directors and said Representatives are designated to represent Groton Utilities as a Member of CMEEC and to vote on its behalf at meetings of the CMEEC Membership and to appoint _____ to serve as an Alternate Representative to the CMEEC Board of Directors for terms of three years each, effective January 1, 2011 and expiring December 31, 2013

Dunbar-Rose / Duarte that the City of Groton Utilities Commission approve a resolution to appoint Paul Yateko and Edward E. DeMuzzio to serve as Representatives of Groton Utilities to the CMEEC Board of Directors and said Representatives are designated to represent Groton Utilities as a Member of CMEEC and to vote on its behalf at meetings of the CMEEC Membership and to appoint David F. Collard to serve as an Alternate Representative to the CMEEC Board of Directors for terms of three years each, effective January 1, 2011 and expiring December 31, 2013. So voted unanimously.

Report Item No. *4, GUC-10-10-163: Consideration of and Action to approve the Connecticut Municipal Electric Energy Cooperative's (CMEEC) 50 in 5 Project Interconnection and Operating Agreement and the Joint Operating Agreement Procedures for the Water Treatment Plant (1268 Poquonnock Road) site

Duarte / DeMuzzio that the City of Groton Utilities Commission approve the Connecticut Municipal Electric Energy Cooperative's (CMEEC) 50 in 5 Project Interconnection and Operating Agreement and the Joint Operating Agreement Procedures for the Water Treatment Plant (1268 Poquonnock Road) site. So voted unanimously.

Report Item No. *5, GUC-10-10-164: Consideration of and Action to confirm the Bozrah Utilities Commission decision authorizing the financing of the 2X transformer replacement through the utilization of the Groton Utilities' Competitive Trust at CMEEC, not to exceed Eight Hundred Thousand Dollars and No Cents (\$800,000.00) to be combined with the existing Three Million, Five Hundred Thousand Dollars and No Cents (\$3,500,000.00) arrangement for the Stockhouse Road Substation Upgrade financing under the same terms and conditions

Rabitaile / Dunbar-Rose that the City of Groton Utilities Commission confirm the Bozrah Utilities Commission decision authorizing the financing of the 2X transformer replacement through the utilization of the Groton Utilities' Competitive Trust at CMEEC, not to exceed Eight Hundred Thousand Dollars and No Cents (\$800,000.00) to be combined with the existing Three Million, Five Hundred Thousand Dollars and No Cents (\$3,500,000.00) arrangement for the Stockhouse Road Substation Upgrade financing under the same terms and conditions. So voted unanimously.

Report Item No. *6, GUC-10-10-165: Consideration of and Action to adopt the Schedule of Meetings for Calendar Year 2011 as presented by Management

Duarte / DeMuzzio that the City of Groton Utilities Commission adopt the Schedule of Meetings for Calendar Year 2011 as presented by Management. So voted unanimously.

Adjournment

There being no further business, at 11:12 a.m., Rabitaile / DeMuzzio that this meeting adjourn. So voted unanimously.

Attest:

David A. Rabitaile
Clerk