

# CITY OF GROTON UTILITIES COMMISSION

Minutes of Regular Meeting

November 18, 2015

## 1. CALL TO ORDER

Chairperson Galbraith called the meeting to order at 10:02 a.m.

## ROLL CALL

**Present:** Chairperson Mayor Marian K. Galbraith

**Commissioners:** Shirleyann Dunbar-Rose, Edward E. DeMuzzio, Paul A. Duarte, Jeffrey Godley

**Staff present:** Director of Utilities Ronald A. Gaudet  
General Manager-IT Susan G. Blanchette-Gergen  
General Manager-Utility Finance David F. Collard  
General Manager-Customer Service Tina M. Daniels  
General Manager-Key Accounts Leonard J. Mediavilla  
Manager-Engineering Brian J. Roche  
Manager-Water/PAF Richard M. Stevens  
General Foreman George R. Scully  
Executive Assistant Deborah J. Gaudette

## 2. APPROVAL OF MINUTES

**Commissioner Godley** moved, **Commissioner Duarte** seconded a motion to approve the minutes of the regular meeting of October 28, 2015. **Motion carried.**

## 3. REVIEW AND ACCEPTANCE OF TREASURER'S REPORT

**Commissioner Godley** moved, **Commissioner Duarte** seconded a motion to approve the Treasurer's Report for the month ending October 31, 2015. **Motion carried.**

## 4. COMMUNICATIONS AND CORRESPONDENCE

There were no communications or correspondence to report.

## 5. PUBLIC COMMUNICATIONS

There were no public comments.

## 6. CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE (CMEEC) BOARD OF DIRECTORS REPORT

Commissioner DeMuzzio reported the Member Delgation voted to accept Bozrah Light and Power Company's request for membership. The Board voted to approve the 2016 TRANSCO budget. The CMEEC 2016 budget will be voted on at the meeting scheduled for November 19, 2015.

In 2016, the monthly CMEEC meetings will continue to be held at each member utility's office instead of at the CMEEC office to allow each memeber to visit other member's facilities.

## 7. REGIONAL WATER UPDATE

There were no Regional Water updates to report.

## 8. MONTHLY FINANCIAL HIGHLIGHTS

General Manager Collard presented the following financial highlights:

### *Electric:*

- Overall Electric Revenues for October are 4.1% less than budget and 3.4% less than last year. The variance is driven by the one Industrial – Non-Manufacturing customer whose energy consumption was almost 16% less than October last year and 9% less for the fiscal year-to-date.

- The heating degree day requirements were 15% more than last year. Residential Revenues are 2% more than last October, resulting from the increased heating requirements.
- Fiscal year-to-date Revenues are almost 1.2% below budget and driven by the one Industrial – Non-Manufacturing customer that was 8.1% below budget for the four months.
- Operation & Maintenance Expenses for the October are 7.7% less than budget for the fiscal year-to-date and are likely a result from a push to move forward on capital projects.
- The Net Income from Operations for October as reported is 14.5% more than budget and 6.8% less than budget for the fiscal year-to-date. Days cash on hand is 56 days, compared to American Public Power Association's (APPA) recommendation 90-120 days. During October, \$2.5 million was received from the issuance of BANS for capital projects of which \$322,000 was for the recovery of monies spent on capital projects over the past eighteen (18) months and transferred to the checking account in November.

*Water:*

- Water Division cash Due from Electric is over \$3 million compared to last year's balance at almost \$1.8 million. Days cash on hand for the Water Division is 232 days. During October \$2 million was received from the issuance of BANS for capital projects of which \$1,200 was for the recovery of monies spent on capital projects over the past 18 months and transferred to the checking account in November.
- Water Revenues overall for October are 15.3% above budget and 15.6% more than last year. Industrial customers drove the positive variance for the month by consuming 45% more water than October of last year.
- Operations & Maintenance Expenses for October were 12.2% less than budget and 13.1% less than budget for the fiscal year-to-date.
- Net Earnings are over 13 times budget for the month, and are almost 3 times budget for the fiscal year-to-date, the result of higher revenues and equally lower operating expenses.

**9. PROJECTS / INITIATIVES UPDATE**

Manager Roche gave an update to the Project Schedule List. Each project will have a Project Manager assigned to it.

General Manager Mediavilla gave an update on the solar project in Navy Housing.

Manager Stevens gave an update on the Water Treatment Plant Rebuild Design project. An application for a Change in Land Use application has been submitted to the Connecticut Siting Council and the Department of Public Health. Management has met with representatives from Brightfields and environmental engineers regarding environmental concerns regarding utilizing the land for commercial purposes, setback requirements, and identifying critical areas north of the reservoir for bank stabilization and filtration.

Revisions were made to the plan to allow for solar use at the Operations Complex and Water Treatment Plant.

Manager Stevens reported Management is looking into becoming a member of CtWARN, a mutual aid program from water and wastewater. The organization maintains a database of equipment, resources, and personnel.

**10. OLD BUSINESS**

There was no old business to discuss.

**11. NEW BUSINESS**

**Agenda Item 11A – GUC-15-11-46:** Consideration of and Action to issue a purchase order to Altec Industries, Inc., 250 Laird Street, Plains, Pennsylvania in the quoted amount of One Hundred Ninety-Two

Thousand, Nine Hundred Ninety-Three Dollars and No Cents (\$192,993.00) for the purchase of a 2017 Freightliner M2106 Bucket Truck to be paid from funds available in the approved Fiscal Year 2015-2016 Vehicle Reserve Account and furthermore, that the City Council be apprised of this action with the recommendation that it concur

**Commissioner Duarte** moved, **Commissioner DeMuzzio** seconded that the City of Groton Utilities Commission authorize a purchase order to Altec Industries, Inc., 250 Laird Street, Plains, Pennsylvania in the quoted amount of One Hundred Ninety-Two Thousand, Nine Hundred Ninety-Three Dollars and No Cents (\$192,993.00) for the purchase of a 2017 Freightliner M2106 Bucket Truck to be paid from funds available in the approved Fiscal Year 2015-2016 Vehicle Reserve Account and furthermore, that the City Council be apprised of this action with the recommendation that it concur.

General Foreman gave an overview of the bids received. The low bid did not meet the specification due to the height of the truck and the height requirements for the low railroad bridges in the service territory.

**Motion carried.**

**Commissioner Godley** moved, **Commissioner DeMuzzio** seconded to amend the Agenda to include the following Action Items:

**Action Item GUC-15-11-47:** Consideration and action to authorize Management to contribute up to Five Hundred Thousand Dollars and No Cents (\$500,000.00) to the Pequot Village II Housing renovations in return for matching tax credits as part of the State of Connecticut's Housing Tax Credit Contribution (HTCC) Program, and furthermore that the City Council be apprised of this action with the recommendation that it concur

**Action Item GUC-15-11-48:** Consideration of and action to authorize Management to contribute up to One Hundred Thousand, Fifty Dollars and No Cents (\$150,000.00) to the Neighborhood Assistance Act Program in return for matching tax credits, and furthermore that the City Council be apprised of this action with the recommendation that it concur

**Motion carried.**

**Commissioner Duarte** moved, **Commissioner Dunbar-Rose** seconded that the City of Groton Utilities Commission authorize Management to contribute up to Five Hundred Thousand Dollars and No Cents (\$500,000.00) to the Pequot Village II Housing renovations in return for matching tax credits as part of the State of Connecticut's Housing Tax Credit Contribution (HTCC) Program, and furthermore that the City Council be apprised of this action with the recommendation that it concur

General Manager Collard reported this is the same program Groton Utilities participated in last year.

**Motion carried.**

**Commissioner Godley** moved, **Commissioner DeMuzzio** seconded, that the City of Groton Utilities Commission authorize Management to contribute up to One Hundred Thousand, Fifty Dollars and No Cents (\$150,000.00) to the Neighborhood Assistance Act Program in return for matching tax credits, and furthermore that the City Council be apprised of this action with the recommendation that it concur.

**Motion carried.**

**12. ADJOURNMENT**

There being no further business, at 11:06 a.m., **Commissioner Dunbar-Rose** moved, **Commissioner Duarte** seconded a motion to adjourn. **Motion carried.**

Attest:

Paul Duarte  
Clerk