Present: Ron Burns, Chair; Nick Jones.
Also present: Roger Rousseau, Purchasing Agent

Meeting was called to order at 5:31 pm.

To review the City’s Procurement Card Program and to take any action as necessary.
Roger Rousseau provided an overview of the current procurement card program. There are currently 26 card holders, consisting of department heads and staff that have a routine use for a procurement card. Cards can have a variety of controls; as an example, there are cards issued for vehicle fleet operations solely for the purpose of buying vehicle fuel, which is managed by restrictions on merchant class codes. The Board of Finance has previously authorized the purchase of meals by both the Mayor and the BDA director, provided that attendees, meeting purpose, and business discussed is included with receipts. The current guidelines do not accommodate card use at times of travel, but were established at a time when travel was not anticipated. Current guidelines include a per card monthly cap of $5,000.00, and a per transaction cap of $3,000.00. At intermittent times, the monthly cap has been an issue relative to completion of a transaction. For comparative purposes, the Town of Glastonbury has a per transaction cap of $2,500.00 and a monthly cap of $10,000.00 per card. It was asked if there have been issues of cards being compromised; there have been instances of a card being compromised, but J P Morgan Chase Bank has been proactive with both preventing fraud and addressing issues if/when they arise.

Motion was made by Nick Jones, seconded by Ron Burns, passed unanimously.
To allow the use of procurement cards for meals in instances of travel, provided that such travel is previously approved by the Mayor in accordance with City travel policy, subject to meal allowance rates as established by the General services Administration (GSA).

Motion was made by Nick Jones, seconded by Ron Burns, passed unanimously.
To modify the monthly threshold for procurement card activity per card, from $5,000.00 to $10,000.00.

To review Energy Procurement and to take any action as necessary.
Roger Rousseau provided an overview of how various energy commodities are purchased. Recently pricing for heating fuel for the 2019-2020 season was secured, with competitive bids solicited for a volume of gallons. The timing for purchases of heating fuel, diesel fuel, and gasoline are driven by factors such as crude oil pricing, refinery schedules and international conditions.

For both electricity and natural gas, purchases are typically made via a reverse auction, within which prequalified vendors submit online bids up to an auction closing time; such auctions are done via specialized software systems managed by energy advisors. Both the CT Conference of Municipalities (CCM) and the Capitol Region Council of Governments (CRCOG) have
contractual relationships with energy advisors, specifically to accommodate the needs of their constituent towns. The advisor available through CCM is a company called TitanGen, and for their efforts in bidding and contract administration, they are paid at a rate of 0.00150 per KwH (roughly $15K annually). The advisor available through CRCOG is a company called NLX, and for their efforts in bidding and contract administration, they are paid at a rate of 0.00210 per KwH (roughly $21K annually).

Currently there are two electricity contracts (one for City and one for BOE), coordinated through the CCM consultant, that are set to terminate in June 2021; a single combined contract will be secured starting in July 2021, with accounts removed relevant to the fuel cell facility at WPC. It is anticipated that the CCM consultant will be used to assist in the new contract. No action is required, and no action was taken relative to electricity procurement.

Motion was made by Nick Jones to Adjourn, seconded by Ron Burns, passed unanimously. The meeting adjourned at 6:25 pm.