

BOARD OF PUBLIC UTILITIES—Proceedings by Authority

State of New York:

Office of the Board: ss.

City of Jamestown:

Regular meeting of the Board of Public Utilities, City of Jamestown, New York, held **Tuesday, January 22, 2008**, at **12:00 P.M.** in the offices of the Board, 92 Steele Street, Jamestown, New York.

BOARD MEMBERS:	Present	Absent
Vince DeJoy	X	
William S. Gullotti	X	
Jeffrey A. Lehman, PE	X	
Carl P. Pillittieri	X	
Anthony Prinzi	X	
Gregory Rabb (arrived at 12:30 PM)	X	
Wayne Rishell	X	
Mayor Samuel Teresi	X	
John Zabrodsky	X	
STAFF:		
Interim General Manager, David L. Leathers	X	
Deputy General Mgr., Randall S. Peterson, PE	X	
Business Manager, Michael A. Anderson	X	
Counsel, William Wright	X	
Sec of the Board, Julie M. Breen	X	
Communications Coordinator, Becky Robbins	X	

OTHERS: Karen Parysek of Praxair and Al Nottage, Lakewood

The media was notified of this meeting and represented by Pat Fanelli, The Post Journal, and Jade Boice, Cable 8 News.

Mayor Teresi opened the meeting requesting nominations for Board Chairman. Mr. Pillittieri nominated John Zabrodsky. On motion of Mr. Pillittieri, seconded by Mr. Gullotti, nominations for Board Chairman was closed. A unanimous vote elected John Zabrodsky as BPU Board Chairman.

On motion of Mr. Prinzi, seconded by Mr. Gullotti, the minutes of the previous meetings were approved.

Mr. Zabrodsky introduced Karen Parysek of Praxair. Mr. Nottage presented a handout to board members with comments regarding the CFB Project. He invited board members to contact him with any questions. He said he will be attending future board meetings.

#080101 By Mr. Rishell:

Whereas, the Board has been provided with proposed written resolutions prior to this meeting and,

Whereas, each Board Member has been given adequate opportunity to discuss each resolution,

Now, Therefore, Be It

Resolved, that proposed resolutions #080101A-G be, and hereby are approved as written.

ADOPTED. Ayes: 8 Nays: 0
January 22, 2008

#080101A:

Resolved, That the warrants be drawn on the proper funds to pay bills which have been duly audited for the period ending January 22, 2008 as follows:

ELECTRIC LIGHT FUND	\$2,001,592.02
WATER RENT FUND	491,905.66
DISTRICT HEATING FUND	103,806.69
WASTEWATER OPERATING FUND	278,320.98
SOLID WASTE OPERATING FUND	104,228.25
Total	\$2,979,853.60

itemized copies of such audits to be placed on file in the office of this Board; and be it further

Resolved, that the action of the executive officers of this Board in drawing warrants on the Electric Light Fund in December, 2007 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 49A	\$29,000.00
Weekly Payroll No. 49	100,442.41
Weekly Payroll No. 50	111,559.90
Weekly Payroll No. 51	103,741.83
Weekly Payroll No. 52	103,855.34
Social Security	31,951.10
Sam's Club Direct	227.71
National Grid (Trans Agreement)	136,209.02
NYS Sales Tax	81,066.79
Elliott Company	161,514.20
NYS Retirement System	740,404.00
NY Power Authority – Emission Allowances	137,000.00
Office Petty Cash Fund	816.58

T-Net Technology	91.25
American Express – Corp. Card	1,137.34
Citi Business – Corp. Card	6,965.61
Total	\$1,745,983.08

and the action of said executive officers in drawing warrants on the Water Rent Fund in December, 2007 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 49A	\$7,616.64
Weekly Payroll No. 49	21,703.23
Weekly Payroll No. 50	25,048.30
Weekly Payroll No. 51	21,935.54
Weekly Payroll No. 52	22,134.24
Social Security	6,728.25
Jenkins Plumbing Excavation	1,900.00
L & R Specialties Printing	974.70
National Grid	1,573.60
Total	\$109,614.50

and the action of said executive officers in drawing warrants on the Wastewater Operating Fund in December, 2007 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 49A	\$10,740.00
Weekly Payroll No. 49	17,116.51
Weekly Payroll No. 50	18,635.31
Weekly Payroll No. 51	16,959.77
Weekly Payroll No. 52	18,342.74
Social Security	6,162.88
Total	\$87,957.21

and the action of said executive officers in drawing warrants on the Solid Waste Operating Fund in December, 2007 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 49A	\$550.00
Weekly Payroll No. 49	8,541.61
Weekly Payroll No. 50	9,254.68
Weekly Payroll No. 51	10,226.91
Weekly Payroll No. 52	8,991.60
Social Security	2,819.64
NYS Teamsters Health Insurance	12,309.87
NYS Teamsters Retirement Fund	3,384.00
Total	\$56,078.31

#080101B:

Resolved, That unpaid utility accounts as shown on Statement of Delinquent Accounts No. 1-08 on file in the office of the Board of Public Utilities be certified to the City Treasurer of the City of Jamestown for inclusion in the tax records of the City of Jamestown as provided in the 1923 City Charter and in accordance with the terms of this Board's resolution of December 13, 1934.

#080101C:

Resolved, That the General Manager is hereby authorized to purchase from International Truck and Engine Corporation of Albany, New York, under New York State Contract #PC62176, one 2008 International 6 x 4 Dump Truck at a cost of \$130,476 for the Water Division.

Discussion: The dump truck that is to be replaced will be sold at auction next year.

#080101D:

Resolved, That the General Manager is hereby authorized to purchase from Niagara Frontier Equipment Sales, Inc. of Lockport, New York, under New York State Contract #40601, one 2008 New Holland B95 Backhoe Turbo at a cost of \$57,697 for the Water Division.

Discussion: The backhoe that is to be replaced will be sold at auction next year.

#080101E:

Resolved, That the bid of WESCO – Aurora Utility Co. of Aurora, OH, on BD-20-07 opened September 20, 2007, in the amount of \$85,669 for the furnishing of padmount transformers, be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue an Electric Division Purchase Order to WESCO – Aurora Utility Co. for these padmount transformers.

Discussion: Upon review of the six bids received, staff has made recommendations for the items to be awarded to each vendor providing the lowest life cost of the individual items and compliance with the specifications. The life cost of each transformer is the calculated cost of the BPU operating the transformer based on the initial cost of the transformer and the losses quoted by the vendor. The recommendations of award are summarized in the spreadsheet labeled BD-20-07, Life Cost Summary and Purchase Cost Summary. Each item to be awarded has the life cost and price of the item bid by the vendor shaded and in boldface type. The quantities to be purchased are based on customers forecast to come on to the system this year, and to insure a spare for each type of transformer currently in service.

#080101F:

Resolved, That the bid of Irby Utility Company of Syracuse, NY, on BD-20-07 opened September 20, 2007, in the amount of \$55,269 for the furnishing of padmount transformers, be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue an Electric Division Purchase Order to Irby Utility Company for these padmount transformers.

Discussion: Upon review of the two bids received, staff has made recommendations for the items to be awarded to each vendor providing the lowest life cost of the individual items and compliance with the specifications. The life cost of each transformer is the calculated cost of the BPU operating the transformer based on the initial cost of the transformer and the losses quoted by the vendor. The recommendations of award are summarized in the spreadsheet labeled BD-20-07, Life Cost Summary and Purchase Cost Summary. Each item to be awarded has the life cost and price of the item bid by the vendor shaded and in boldface type. The quantities to be purchased are based on customers forecast to come on to the system this year, and to insure a spare for each type of transformer currently in service.

#080101G:

Resolved, That the bid of Irby Utility Company of Syracuse, NY, on BD-27-07 opened November 27, 2007, for the unit prices listed on the bid tabulation for general line construction materials and supplies, be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue Electric Division Purchase Orders to Irby Utility Company for this material and supplies.

Discussion: Price, availability and material quality were the deciding factors in the award of all items. This was the low bid of four received that meets specifications for these items. This material will be released on a monthly basis as needed. Each individual item had to meet the minimum specifications first, stocking requirements of the bid second, and price third in determining who received the award for the 2008 blanket purchase order. This is the twelfth year that we have issued a systems contract style blanket purchase order and each year has represented between 5% and 10% savings in overall purchases.

#080102 **By Mr. Gullotti:**

Resolved, That a warrant drawn on the Electric Light Fund to Depository Trust Co., New York, New York, to pay \$97,187.50 for six months interest at 4.125 percentum per annum due February 1, 2008 on \$4,500,000 Serial Electric Bonds.

Discussion: This is for the CFB Project permitting and engineering costs and various infrastructure improvements with final payment to be made in August, 2025.

ADOPTED. Ayes: 8 Nays: 0
January 22, 2008

#080103 **By Mr. Lehman:**

Resolved, That a warrant be drawn on the District Heating Fund to Depository Trust Co., New York, New York for \$47,306.25 to pay principal of \$30,000 and \$17,306.25 for one year interest at 4.0 percentum per annum due February 15, 2008 on \$790,000 Serial District Chilling Bonds.

Discussion: This is for the BPU Chiller Unit with final payment to be made in February, 2025.

ADOPTED. Ayes: 8 Nays: 0
January 22, 2008

#080104 By Mr. Rishell:

Whereas, three-quarters of this Board concurs that it is impractical to take bids for proprietary parts for grinder pumps maintenance and parts at the Wastewater Treatment Plant.

Now, Therefore, Be It

Resolved, That the action of the General Manager in issuing a Wastewater Division Purchase Order to JWC Environmental of Buford GA, in the amount not to exceed \$23,067 for this maintenance is hereby approved.

Discussion: These parts will be for repair. This item is budgeted in the Maintenance budget. This has been reviewed and recommended by the Finance & Capital Projects Committee.

ADOPTED. Ayes: 8 Nays: 0
January 22, 2008

#080105 By Mr. Pillitteri:

Whereas, three-quarters of this Board concurs that it is impractical to take bids for two 30" Henry Pratt Groundhog Butterfly Valves for the Trickling Filter Project due to restraints in time;

Now, Therefore, Be It

Resolved, That the action of the General Manager in issuing a Wastewater Division Purchase Order to Lock City of Lockport, NY, in the amount not to exceed \$15,745.00 for these valves is hereby approved.

Discussion: These valves need to be purchased in a timely fashion for the Trickling Filter Project to start in late March. The price indicated above is the lowest of several quotes received from certified Henry Pratt distributors. These valves were left out of the trickling filter bid. This has been reviewed and recommended by the Finance & Capital Projects Committee.

ADOPTED. Ayes: 8 Nays: 0
January 22, 2008

On motion of Mr. Prinzi, seconded by Mr. Gullotti, the Board convened into executive session to discuss a personnel issue.

Mr. Rabb arrived at 12:30 PM.

On motion of Mr. Lehman, seconded by Mr. Pillitteri, the Board convened into open session.

#080106 By Mr. Rishell:

Whereas, three-quarters of this Board concurs that it is impractical to take bids for 2008 Advertising Services related to conservation and BPU services/information;

Now, Therefore, Be It

Resolved, That the action of the General Manager in issuing an Electric Division Purchase Order to Time Warner Cable of Jamestown, NY, in the amount not to exceed \$28,080 for this advertising service is hereby approved.

Discussion: This resolution of impracticability is due to there being only one television station in the area. The Time Warner contract extends from late January each year to late January the next year. The charge for 2008 is maintained at the 2007 level. The commercials air four times each Tuesday/Thursday evening on the Cable 8 News program. They also are aired at no charge on the following morning's rebroadcast of the news on Cable 8. The commercial content primarily focuses on conservation education as well as BPU services offered to the public (ie, Customer Assistance Program, Balanced Billing, Yard Waste Bags, Dual Water Meters, Web Site). This has been reviewed and recommended by the Finance & Capital Projects Committee.

ADOPTED. Ayes: 9 Nays: 0
January 22, 2008

#080107 **By Mr. Prinzi:**

Resolved, That pursuant to the power vested in the Board by Section C-50.D of the Charter of the City of Jamestown, the Board does hereby authorize that salary ranges of management staff be revised effective January 1, 2008, in accordance with the tables on file at the BPU office, 92 Steele Street, Jamestown, NY; and be it further

Resolved, The Board does hereby authorize that the Performance Pay Increase Guide be revised effective January 22, 2008, in accordance with the chart on file at the BPU office, 92 Steele Street, Jamestown, NY.

Discussion: This represents a 2.25% adjustment to the salary ranges in effect from 2007 and an update to the compensation matrix that was last revised on January 19, 2002. The revision of salary ranges does not impact the current salary of any employee. Individual salaries continue to be set in accordance with the established BPU employee performance evaluation program, which is based solely on merit. This has been reviewed and recommended by the Personnel Committee.

ADOPTED. Ayes: 9 Nays: 0
January 22, 2008

Dave Leathers reported on the power outage that occurred this morning at 8:40 AM on the north side of the City. He said there was a possible fault that affected approximately 2,190 customers with some being out of power anywhere between 30-90 minutes.

Mr. Rishell commented that two weeks ago, during a hard wind storm, there were no reported power outages in our service territory. He thanked the BPU for their excellent tree trimming efforts.

Dave Leathers recognized Becky Robbins, Dave Paterniti and Kyle Joesel for their involvement and great job they did in a recent power plant visit by Southwestern high school students.

John Zabrodsky complimented management and staff for their outstanding work on the year end financial results for all divisions under the leadership of Dave Leathers.

Dave Leathers said we have received four vendor responses for the 2007 Audit RFP's. They will be reviewed by the Finance & Capital Projects Committee at their next meeting on Friday, January 25th.

Dave Leathers referred to Chris Rodgers' board report on information regarding the CIS Project. The evaluation summary for this project will be forwarded to the Finance and Capital Projects Committee prior to their meeting on January 25th.

On motion of Mr. Rishell, seconded by Mr. Lehman, the Board convened into executive session to discuss two litigation issues, one potential litigation issue, two contract negotiation issues and one personnel issue.

On motion of Mr. Rishell, seconded by Mr. Gullotti, the Board convened into open session.

On motion of Mr. DeJoy, seconded by Mr. Rabb, the Board meeting was adjourned at 4:15 PM.

David L. Leathers, General Manager

Michael A. Anderson, Business Manager