

**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 **Thursday, June 26, 2008**, at **12:00 P.M.** in the offices of the Board, 92 Steele Street, Jamestown, New York.

<b>BOARD MEMBERS:</b>	<b>Present</b>	<b>Absent</b>
Vince DeJoy	X	
William S. Gullotti	X	
Jeffrey A. Lehman, PE	X	
Fred Larson	X	
Carl P. Pillittieri	X	
Gregory Rabb	X	
Wayne Rishell		X
Mayor Samuel Teresi	X	
John Zabrodsky		X
<b>STAFF:</b>		
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, Rebecca Robbins	X	
T & D Mgr., Chris Rodgers	X	
GIS/Water Eng., Terri Brown	X	

The media was notified of this meeting and represented by Pat Fanelli and Jade Boice. Terry Frank arrived at 12:40 PM.

On motion of Mr. Larson, seconded by Mr. Lehman, the minutes of the previous meeting were approved.

Chris Rodgers reported on the power outage that occurred this morning in the downtown area. He said the City Hall, Jamestown High School, Reg Lenna Civic Center, The Post Journal and a few other BPU customers were without power for a little over one hour due to an underground cable fault.

**#080604 By Mr. Gullotti:**

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 #080604A-C be, and hereby are approved as written.

**ADOPTED.** Ayes: 7 Nays: 0  
June 26, 2008

**#080604A:**

Resolved, That the warrants be drawn on the proper funds to pay bills which have been duly audited for the period ending June 26, 2008 as follows:

ELECTRIC LIGHT FUND	\$2,079,273.65
WATER RENT FUND	686,003.93
DISTRICT HEATING FUND	135,935.25
WASTEWATER OPERATING FUND	1,681,756.93
SOLID WASTE OPERATING FUND	101,636.67
Total	<b>\$4,684,606.43</b>

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 May, 2008 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 18	\$103,431.97
Weekly Payroll No. 19	128,527.83
Weekly Payroll No. 20	101,143.20
Weekly Payroll No. 21	106,078.07
Weekly Payroll No. 22	101,269.89
Social Security	40,661.76
Sam's Club Direct	532.78
National Grid (Trans Agreement)	103,458.28

NYS Sales Tax	60,319.58
Office Petty Cash Fund	363.97
NYPA	24,016.21
Integrus Energy Services	6,019.20
NYAPP	200.00
Comm of Labor – Asbestos License	475.00
Christy Cuifolo – Safety Luncheon	400.00
American Express – Corp. Card	4,980.17
Citi Business – Corp. Card	5,998.27
Total	<b>\$787,876.18</b>

and the action of said executive officers in drawing warrants on the Water Rent Fund in May, 2008 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 18	\$21,243.49
Weekly Payroll No. 19	22,243.47
Weekly Payroll No. 20	25,618.21
Weekly Payroll No. 21	25,419.55
Weekly Payroll No. 22	23,520.71
Social Security	8,845.19
Chaut Co Dir of Fin – Plan Fee	100.00
Total	<b>\$126,990.62</b>

and the action of said executive officers in drawing warrants on the Wastewater Operating Fund in May, 2008 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 18	\$17,744.84
Weekly Payroll No. 19	18,034.64
Weekly Payroll No. 20	17,696.17
Weekly Payroll No. 21	18,412.94
Weekly Payroll No. 22	18,410.40
Social Security	6,790.67
Total	<b>\$97,089.66</b>

and the action of said executive officers in drawing warrants on the Solid Waste Operating Fund in May, 2008 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 18	\$8,760.68
Weekly Payroll No. 19	9,406.69
Weekly Payroll No. 20	8,422.00
Weekly Payroll No. 21	8,595.52

Weekly Payroll No. 22	8,731.64
Social Security	3,304.63
NYS Teamsters Retirement Fund	2,632.00
Total	\$49,853.16

#080604B:

Resolved, That unpaid utility accounts as shown on Statement of Delinquent Accounts No. 6-08 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.

#080604C:

Resolved, That the bid of Tri-James Service of Lakewood, NY, on BD-10-08 opened June 17, 2008, for screen gravel in the amount of \$6.95/ton, for coarse sand in the amount of \$6.95/ton, for pea size stone in the amount of \$10.95/ton, for bank run gravel in the amount of \$5.95/ton, for screen gravel pickup at pit in the amount of \$4.50/ton, for pea stone pickup at pit in the amount of \$8.50/ton for sand pickup at pit in the amount of \$4.50/ton and for bank run pickup at pit in the amount of \$3.75/ton, be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue a Water Division purchase order to Tri-James Service as needed for this screen gravel, sand and stone.

Discussion: This is the low bid of two received and meets all the required specifications. The gravel and related materials are used on a daily basis by all division crews for all construction needs. The materials are ordered over the course of one year based on the requirements of the system, storm damage, new customers, system improvements, etc. The estimated cost for this material is \$100,000.00.

#080605 **By Mr. Larson:**

Whereas, the BPU has previously bid for the purchase of a Mercury Monitoring System to continuously measure the amount of mercury emitted by the burning of coal at the Samuel A. Carlson Generating Station in March, 2008, and

Whereas, the BPU received no bidder responses for this Mercury Monitoring System but has subsequently negotiated an agreement with Apex Instruments, a qualified manufacturer of such systems, to supply a system meeting the requirements and specifications of the BPU,

Now, Therefore, Be It

Resolved, That the General Manager is hereby authorized to issue an Electric Division Purchase Order to Apex Instruments of Fuquay-Varina, NC, in the amount of \$76,713 for this system.

Discussion: This system is needed to measure the amount of mercury emitted from the two stacks connected to the coal fired boilers at the Power Plant and must be operational and certified for accuracy by December 31, 2008 to comply with the New York State Part 246 Clean Air Mercury Rule (CAMR). Staff recommends the APEX system be ordered on or before June 26<sup>th</sup> in order to insure that the BPU is able to comply with this deadline. The system to be supplied by APEX is an "Appendix K" type of mercury monitoring system which relies on capturing a sample of mercury in a carbon filled glass tube over a predetermined sampling period, and having this tube analyzed at an independent off-site laboratory which then allows the mercury emissions to be determined. Staff believes that this is the most suitable technology currently available to meet the new requirements.

**ADOPTED.** Ayes: 7 Nays: 0  
June 26, 2008

#080606 **By Mr. DeJoy:**

Whereas, the BPU has been a market participant in the New York State bulk electric power system operated by the New York Independent System Operator (NYISO) since the inception of this market in November 1999, and

Whereas, the BPU purchases electrical power produced by the New York Power Authority (NYPA) at the Robert Moses Generation Station located in Lewiston, NY, which is delivered to the BPU through the bulk power transmission system managed by the New York Independent System Operator (NYISO), and

Whereas, the delivery of this power to the BPU is subject to various charges administered by the NYISO, and

Whereas, the NYISO has developed a product called a Fixed Price, Long-Term Transmission Congestion Contracts (Fixed Price TCCs) which will enable the BPU to manage a portion of the cost it incurs related to the transmission of the electric power produced by NYPA in Lewiston and delivered to Jamestown, and

Now, Therefore, Upon concurrence of three quarters of this Board, It Is

Resolved, That the General Manager be and hereby is authorized to procure 75 megawatts of Fixed Price TCCs at a cost of \$1,035.86 per megawatt as offered by the NYISO for a total cost of \$77,689.50 for the period November 1, 2008 through October 31, 2009, is hereby approved and ratified.

Discussion: Congestion costs are one of many charges the NYISO administers related to the delivery of power to the BPU. These costs are typically incurred during periods where maintenance is performed on the transmission system and electricity is unable to be scheduled from the most economical facilities. In recent years the BPU has seen an increase in these costs with the charge through May of this year already exceeding \$103,000. The purchase of the Fixed Price TCCs will allow the BPU to lock this cost at \$77,689.50 per year for the period November 1, 2008 through October 31, 2009. In addition, the BPU will have the option to make additional annual payments equaling this amount for a total period of five years if it so chooses. This new product is currently only available as a one time offer through the NYISO and is intended for systems such as the BPU who receive Niagara power from NYPA under long term purchase agreements.

**ADOPTED.** Ayes: 7 Nays: 0  
June 26, 2008

Chris Rodgers presented a Geographic Information System (GIS) overview. He explained where the BPU is with the GIS and what will be done to implement this system further for future use. Chris also gave a demonstration on how the GIS works.

Dave Leathers updated the board on the NYS DEC Bureau of Contract and Grant Development agreement which needs to be executed for the matching \$400,000 of New York State funding for the NYSERDA and Ecology & Environment sequestration study (\$400,000 of which has already been provided by NYSERDA).

Dave also communicated the DOE solicitation has been released for the restructured FutureGen program. He said that, as expected, it looks like the Oxy-Coal CFB project will not qualify as an applicant for that FutureGen program. Dave added that the restructuring of FutureGen was specifically targeted to projects that sequester more than 1 million tons of CO<sub>2</sub> annually.

Dave Leathers announced that the Jamestown BPU is one of 84 of the nation's more than 2,000 public power utilities to earn Reliable Public Power Provider (RP3) recognition from the American Public Power Association (APPA) for providing consumers with the highest degree of reliable and safe electric service.

Randy Peterson gave a brief Trickling Filter Project update. He said the new unit is working as of yesterday and everything is on schedule. The second unit will begin construction on July 7<sup>th</sup>.

Dave Leathers gave an update on the recruiting for various management positions.

Dave Leathers attended the APPA National Conference in New Orleans this week. He said the breakout sessions were very interesting this year with one on sequestration and another on the challenges of CO2.

Mayor Teresi announced that Dave Leathers has been elected Third Vice President/Secretary of the New York Association of Public Power (NYAPP) at their recent annual meeting in Glens Falls, NY.

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

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

There being no further business, the Board meeting was declared adjourned.

**David L. Leathers, General Manager**  
**Michael A. Anderson, Business Manager**