

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, September 9, 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	
Fred Larson	X	
Jeffrey A. Lehman, PE	X	
Carl P. Pillittieri	X	
Gregory Rabb (arrived at 12:35)	X	
Wayne Rishell	X	
Mayor Samuel Teresi	X	
John Zabrodsky	X	
STAFF:		
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	
Project Supr., Steve Kulig	X	

OTHERS: Laura Landers of Freed, Maxick & Battaglia, Al Nottage, Lakewood, NY and Al Cala, Mile Creek Road, Kennedy, NY.

The media was notified of this meeting and represented by Pat Fanelli, P-J, and Jade Boice, Cable 8 News.

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

Mr. Zabrodsky invited members of the public to speak, at which time, Mr. Al Cala addressed the board. He first noted that the August 5, 2008, minutes omitted the remarks he made about the New York State Energy Research and Development Authority (NYSERDA), and for this reason, he furnished copies of his August 5th statement to the Board Chair, President and the General Manager. He also noted that although the minutes described him as a 25-year environmentalist, he is actually a 50-year environmentalist. Mr. Cala thanked the Board for placing meeting minutes on the BPU web site. He requested

that the Board consider changing meeting times to 5 p.m. or later to make them more accessible to the working public.

Mr. Zabrodsky responded that there will be public meetings concerning the Oxy-Coal project which will be offered at various times. He also remarked that the board had experimented with various meeting times in the past. The board is currently reviewing meeting times for the remainder of 2008 and for 2009.

#080901 **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 #080901A-B be, and hereby are approved as written.

ADOPTED. Ayes: 8 Nays: 0
September 9, 2008

#080901A:

Resolved, That the bid of Lictus Keystone of Clymer, NY, on BD-17-08 opened August 18, 2008, in the amount of \$3.06/gallon for unleaded gasoline, \$3.205/gallon for diesel fuel (fuel depot), \$3.23/gallon for all weather diesel fuel (fuel depot), and \$3.205 for diesel fuel (power plant), be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue a Water Division Purchase Order to Lictus Keystone for this fuel.

Discussion: This was the low bid of two received and meets all specifications. Fuel is delivered to the BPU Fueling Depot on Steele Street on a regular basis throughout the year. This is a one year contract term for supplying fuel.

#080901B:

Resolved, That the General Manager is hereby authorized to purchase from Axiom Office Imaging of Jamestown, NY, under New York State Contract #PC59466, one Gestetner MPC7500 Color Digital Imaging System at a cost of \$20,531 for the Electric Division.

Discussion: This copier will replace a 2001 Lanier Digital Copier Model 5455 purchased in 2001 located on the second floor of the Monitor Bldg. The new copier is in the Electric Budget under General Office-Computer.

#080902 By Mr. Larson:

Whereas, three-quarters of this Board concurs that it is impractical to take bids for oil replacement in the main tank of substation transformer T1 at Dow Street due to an increasing amount of moisture present in the oil sample testing;

Now, Therefore, Be It

Resolved, That the action of the General Manager in issuing an Electric Division Purchase Order to AVO Power Services, Inc. of Eighty Four, PA, in the amount not to exceed \$32,000 for this oil replacement is hereby approved and ratified.

Discussion: This is for the processing of 7,742 gallons of oil in the main tank of substation transformer T1 which is one of the three main transformers found at the Dow St. station. Through semiannual oil testing it has been found that there is an increasing amount of moisture present in the oil sample. If this problem is not taken care of the oil will begin to saturate the paper within the core and coil of the transformer causing it to breakdown. This could potentially cause premature failure of the unit. At the very least it will take many years off of the operating life of this unit. Included in the proposal is an option to work on replacing the oil (345 gallons each) in the tap changers of both T1 and T2. These samples are starting to show increased levels of moisture as well. After evaluation of four quotes received, staff determined that AVO Power Services, Inc. can provide the service requested at the lowest cost while still getting the best value for our money. Staff would like to include option A and B which will replace the oil in each of the two tap changers, and thus eliminate the worry of increasing moisture content in those units. Staff will be performing inspection and maintenance as needed on these units with the guidance of Mr. Jon Tucker of Technical Assistance and Services Inc. The cost is \$27,500 for the transformer and \$2,250 for each tap changer unit and is included in the 2008 Electric Budget.

ADOPTED. Ayes: 8 Nays: 0
September 9, 2008

#080903 By Mr. Rishell:

Whereas, the Board has previously used the services of Little & Associates, Inc., in its recruiting efforts for a General Manager and desires to utilize the services of this company in a Deputy General Manager search,

Now, Therefore, It Is

Resolved, That the General Manager be, and hereby is, authorized to enter into a contract with Little & Associates, Inc., of Denver, Colorado, for services related to the recruiting of a Deputy General Manager, for a sum not to exceed \$20,000.

Discussion: This company specializes in utility management recruiting and has experience with municipal utilities. Staff plans to utilize the services of this recruiting company for portions of the recruiting process, including the selection of an initial candidate pool and reference checking of finalists.

ADOPTED. Ayes: 8 Nays: 0
September 9, 2008

Dave Leathers gave a General Manager's report on updates of the WWTP Trickling Filter Project, Oxy-Coal Project, URS-WD Task 1 Report, BPU recruitments, and the 2009 budget schedules .

Laura Landers of Freed Maxick & Battaglia, PC, reported on the 2007 Financial Audits for the Electric, Water, Wastewater, Solid Waste and District Heating Divisions. She finished her report with the conclusion that each of the divisions are in strong financial shape. She also thanked the BPU Finance Committee and staff for all their help preparing for this audit.

On motion of Mr. Gullotti, seconded by Mr. Rishell, the board convened into executive session to discuss a potential litigation issue and a personnel issue.

On motion of Mr. Lehman, seconded by Mr. Larson, 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