

**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, October 21, 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 (arrived at 12:25 PM)	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	
Elec & Gas Res Mgr., Dave Gustafson	X	
Dir of HR, David Watkins	X	
DH Supr., Jim Butler	X	

The media was notified of this meeting and was represented by Kristen Johnson, P-J.

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

#081004 **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 #081004A-E be, and hereby are approved as written.

**ADOPTED.** Ayes: 8 Nays: 0  
October 21, 2008

#081004A:

Resolved, That the warrants be drawn on the proper funds to pay bills which have been duly audited for the period ending October 21, 2008 as follows:

ELECTRIC LIGHT FUND	\$2,179,617.80
WATER RENT FUND	334,281.74
DISTRICT HEATING FUND	64,489.23
WASTEWATER OPERATING FUND	1,114,309.27
SOLID WASTE OPERATING FUND	104,173.28
Total	<b>\$3,796,871.32</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 September, 2008 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 36	\$103,221.13
Weekly Payroll No. 37	107,561.45
Weekly Payroll No. 38	103,860.45
Weekly Payroll No. 39	108,453.91
Social Security	31,811.70
Sam's Club Direct	1,350.59
National Grid (Trans Agreement)	82,324.34
NYS Sales Tax	48,275.30

Office Petty Cash Fund	265.21
RGGI, Inc.	100,000.00
Integrays Energy Services	36,828.00
Comm of Labor – Asbestos License	250.00
NYS DEC	225.00
JHS – Marching Band	80.00
American Express – Corp. Card	1,551.46
Citi Business – Corp. Card	3,327.84
TrueSelections – Misc. Supplies	19.52
GE Energy Products – Relays	347.14
Candelanet – Network switch parts	111.89
Freightfinders – Input modules	460.98
Total	<b>\$730,325.91</b>

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

Weekly Payroll No. 36	\$22,272.39
Weekly Payroll No. 37	22,109.39
Weekly Payroll No. 38	22,716.46
Weekly Payroll No. 39	25,122.67
Social Security	6,904.97
National Grid	3,361.86
UPS Freight charge	207.27
Total	<b>\$102,695.01</b>

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

Weekly Payroll No. 36	\$18,238.77
Weekly Payroll No. 37	20,036.16
Weekly Payroll No. 38	18,360.51
Weekly Payroll No. 39	19,259.73
Social Security	5,712.29
Total	<b>\$81,607.46</b>

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

Weekly Payroll No. 36	\$9,243.72
Weekly Payroll No. 37	10,012.89

Weekly Payroll No. 38	8,984.04
Weekly Payroll No. 39	9,127.56
Social Security	2,799.15
NYS Teamsters Retirement Fund	3290.00
NYS Teamsters Health Insurance	10,499.15
Total	\$53,956.51

#081004B:

Resolved, That unpaid utility accounts as shown on Statement of Delinquent Accounts No. 10-08 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.

#081004C:

Resolved, That a warrant be drawn on the Electric Light Fund to The Depository Trust Company of New York, New York for \$1,795,153.13 to pay principal of \$1,335,000 and interest of \$460,153.13 for six months interest at 5.09 percentum per annum due November 15, 2008 on \$21,875,000 Public Improvement Serial Bonds, Series 1999A.

Discussion: This is for the Gas Turbine Project and the final payment will be November 15, 2019.

#081004D:

Resolved, That a warrant be drawn on the Electric Light Fund to The Depository Trust Company of New York, New York for \$67,569.38 to pay principal of \$50,000 and interest of \$17,569.38 for six months interest at 5.09 percentum per annum due November 15, 2008 on \$825,000 Public Improvement Serial Bonds, Series 2000B.

Discussion: This is for the Gas Turbine Project and the final payment will be November 15, 2019.

#081004E:

Resolved, That a warrant be drawn on the Wastewater Operating Fund to M & T Bank., Buffalo, New York, for \$65,904.98 to pay principal of \$61,000 and six months interest of \$4,904.98 at 2.38 percentum per annum due November 1, 2008, on \$382,000 New York State Revolving Fund Reserve Bonds, Series 2002L.

Discussion: The final payment will be made November, 2012.

**#081005 By Mr. Rishell:**

Resolved, That the District Heating Division Budget for 2009, anticipating cash and investments of \$569,517, cash receipts of \$1,760,411, and cash disbursements of \$1,897,726, leaving a cash balance of \$432,202, be and hereby is adopted; and be it further

Resolved, That the disbursements shall be divided \$401,340 for Fixed Charges and \$991,386 for Operation and Maintenance, and \$505,000 for Capital Projects, , all as set forth in said budget for 2009; and be it further

Resolved, That the amounts set forth in the budget schedules for the benefit of each account against which charges may properly be made, on file in the office of the Board, are hereby appropriated for the purposes therein stated, and the officers and employees of the Board are hereby authorized and directed to contract for necessary expenditures in accordance therewith.

**ADOPTED.** Ayes: 8 Nays: 0  
October 21, 2008

Mr. Rabb arrived.

**#081006 By Mr. Gullotti:**

Whereas, the rates charged for solid waste must be sufficient to pay the normal expenses for operating and maintaining the system, for routine replacements in the system, and for payments of principal and interest on debt incurred for capital improvements; and

Whereas, the Board has determined that a rate increase is needed to cover all costs of operation in 2009,

Now, Therefore, Be It

Resolved, That effective January 1, 2009, the Board of Public Utilities establish the following monthly solid waste sanitation rates:

For dwelling units 1 through 5:	\$11.85 per unit
For dwelling units 6 – 10	\$14.35 + \$9.36 x
For dwelling units 11 – 15	\$42.44 + \$6.26 x
For dwelling units 16 & over	\$84.26 + \$3.77 x

And Be It Further,

Resolved, That the General Manager be and is hereby authorized and directed to insert in a newspaper having general circulation in the territory served by the Jamestown BPU prior to January 1, 2009, an appropriate notice to the public of the changes in solid waste rates and regulations set forth in this resolution; and be it further

Resolved, That copies of the foregoing resolution be made available to any consumer requesting a copy.

Discussion: This represents a 2.16% increase in sanitation rates and is consistent with the 5-year rate plan presented in 2005. It is also half the increase we were looking at for 2009 at this time last year.

**ADOPTED.** Ayes: 9 Nays: 0  
October 21, 2008

**#081007 By Mr. Lehman:**

Resolved, That the Solid Waste Division Budget for 2009, anticipating cash on hand of \$204,177, cash receipts of \$1,916,475 and cash disbursements of \$1,986,352, leaving a cash balance of \$134,300, be and hereby is adopted; and be it further

Resolved, That the disbursements shall be divided \$165,000 for Capital Projects, and \$1,821,352 for Operation and Maintenance, all as set forth in said budget for 2009; and be it further

Resolved, That the amounts set forth in the budget schedules for the benefit of each account against which charges may properly be made, on file in the office of the Board, are hereby appropriated for the purposes therein stated, and the officers and employees of the Board are hereby authorized and directed to contract for necessary expenditures in accordance therewith.

**ADOPTED.** Ayes: 9 Nays: 0  
October 21, 2008

**#081008 By Mr. DeJoy:**

Resolved, That the General Manager be, and hereby is authorized to enter into a retainer agreement with F. Charles Dayter, Esq. of Valatie, NY, to provide professional services for the Jamestown BPU Oxy-Coal Project relating to carbon storage and sequestration for a period of one year for a sum not to exceed \$150,000.

Discussion: Mr. Dayters' primary focus will be on the sequestration aspect of the project and his fees are reimbursable through the stratification well, Feed 1, and Feed 2 funding initiatives. Mr. Dayter has unique qualifications to offer to the project, such as, he serves as lead counsel in a number of complex, high-profile, and high-stakes litigation and contractual matters involving oil and gas, power contracts, environmental issues, subsurface rights, land leases, corporate governance, consumer deception, fraud, and breach of contract.

**ADOPTED.** Ayes: 9 Nays: 0  
October 21, 2008

**#081009 By Mr. Pillitteri:**

Whereas, three-quarters of this Board concurs that it is impractical to take bids for proprietary parts for #5 High Pressure Feedwater Heater maintenance and parts at the Samuel A. Carlson Generating Station;

Now, Therefore, Be It

Resolved, That the action of the General Manager in issuing an Electric Division Purchase Order to TEi Services of Royersford, PA, in the amount not to exceed \$49,457.00 for this maintenance is hereby approved.

Discussion: The #5 High Pressure Feedwater Heater is in need of immediate repair due to plugged tubes and efficiency losses. The tube bundle will be shipped directly to TEi Services for retubing, as they are the OEM for this product. This item is covered within the O&M budget.

**ADOPTED.** Ayes: 9 Nays: 0  
October 21, 2008

An update of the District Heating Division Strategic Plan was given by Jim Butler, District Heat Supervisor.

Mike Anderson presented the proposed 2009 Wastewater Division Budget. There will be a prepared resolution at the next Board meeting on November 4<sup>th</sup> for award of this budget.

Dave Leathers recognized Randy Peterson, Jim Cooper, Jim Butler, and the wastewater and water employees on the successful completion of the Trickling Filter Project at the Wastewater Treatment Plant. Mr. Rishell added that this project was done without any bonding and is commendable to this organization to complete this kind of project within budget targets.

Dave Leathers gave a General Manager's report on the ENSR resolution for environmental and sequestration professional services work that will be presented at the next board meeting; work required to extend the Flex Rate Program; and, an update on the National Grid transmission charge filing. He also mentioned that members of the Governor's New York State Sequestration Task Force are tentatively scheduled to visit Jamestown on Dec. 3 to provide information for work being done on the State level regarding CO2 Sequestration.

The Board recognized and thanked Bill Wright for his services as Interim HR Director for the past year and a half. He will resume his duties as General Counsel for the BPU.

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

On motion of Mayor Teresi, seconded by Mr. Pillitteri, the board convened into open session.

**#081010 By Mr. Pillitteri:**

Whereas, the Board of Public Utilities has recently been approved as an Energy Star partner with the U.S. Department of Energy and the Environmental Protection Agency, and

Whereas, the BPU's Energy Conservation Team has developed a program to offer rebates to be applied as credits to accounts of BPU electric customers who purchase certain Energy Star products between the dates of October 1, 2008 and December 31, 2009;

Now, Therefore, Be It

Resolved, That the Board approves and endorses the BPU Energy Star Rebate Program.

**ADOPTED.** Ayes: 9 Nays: 0  
October 21, 2008

On motion of Mr. Larson, seconded by Mr. Rishell, the board meeting was declared adjourned.

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