

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, June 9, 2009**, at **12:00 P.M.** in the offices of the Board, 92 Steele Street, Jamestown, New York.

BOARD MEMBERS:	Present	Absent
Vince DeJoy (arrived @ 12:20 PM)	X	
William S. Gullotti		X
Jeffrey A. Lehman, PE	X	
Fred Larson	X	
Carl P. Pillitteri		X
Gregory Rabb		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 Tech Lead, Steve Kulig	X	
Elec & Gas Resource Mgr., Dave Gustafson	X	
Asst. CS Supr., Tammy Anderson	X	

The media was notified of this meeting and represented by Kristen Johnson, The Post Journal, and Sawyer Vanhorn, Cable 8 News.

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

#090601 By Mr. Rishell:

Resolved, That the General Manager of the Board of Public Utilities, be and he hereby is authorized to execute a supplemental agreement in connection with cost of relocating municipally owned facilities maintained for public use, dated October 13, 2004, for the Electric, Water and Wastewater Divisions, with the State of New York, acting through the Commissioner of Transportation in connection with that particular project known as Fairmount Avenue, CR 67, BIN 3362560 over Chadakoin River, City of Jamestown, Chautauqua County, PIN 5753.72.

ADOPTED. Ayes: 5 Nays: 0
June 9, 2009

Mr. DeJoy arrived.

#090602 By Mr. Lehman:

Whereas, the City of Jamestown Board of Public Utilities (BPU) is subject to the requirements of the Regional Greenhouse Gas Initiative (RGGI) which creates a multi-state cap-and-trade CO2 Allowance Tracking System (COATS), and

Whereas, RGGI COATS requires that each regulated utility identify an “Authorized Account Representative” and an “Authorized Auction Representative”, and optionally, an alternate “Authorized Account Representative” and “Authorized Auction Representative” to electronically sign future certification statements with respect to CO2 allowances held in a general account and to enter bids to procure CO2 allowances from electronic auctions periodically performed under the RGGI program, and

Whereas, the BPU desires to designate David L. Leathers as the Authorized Account/Auction Representative and Steven B. Kulig as the Alternate Authorized Account/Auction Representative;

Now, Therefore, Be It

Resolved, That David L. Leathers is hereby designated the Authorized Account/Auction Representative for the BPU; and be it further

Resolved, That Steven B. Kulig is hereby designated the Alternate Authorized Account/Auction Representative for the BPU; and be it further

Resolved, that the BPU is authorized to indemnify, and hereby assures the indemnification of the Authorized Account/Auction Representative and Alternate Authorized Account/Auction Representative for all liabilities, claims, judgments, costs and expenses, including reasonable attorney's fees, resulting from acts or omissions occurring or arising while they are performing their duties, to the fullest extent permitted by law.

ADOPTED. Ayes: 6 Nays: 0
June 9, 2009

#090603 By Mr. Rishell:

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, Be It,

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, 2009 through October 31, 2010, is hereby approved.

Discussion: This resolution represents a commitment from the BPU to purchase a second year of TCCs under a program created by the NYISO in 2008 to help municipal systems manage congestion charges. Under this program, the BPU receives a monthly credit from the NYISO which partially offsets actual congestion charges included in the normal NYISO bill. Since the program has only been in place since November 2008, there is currently an insufficient amount of historical information available to fully evaluate its effectiveness. The program is structured to allow participation to expire at the end of each 12-month TCC period (October 31st). The recommended renewal for one year will keep the BPU in the program through October of 2010. In May of 2010, additional data will be available to allow a more detailed analysis to be made before committing to a longer period.

ADOPTED. Ayes: 6 Nays: 0
June 9, 2009

#090604 By Mr. Larson:

Whereas, the Board of Public Utilities is planning to expand its sanitation garage and desires to purchase additional property for parking purposes and future potential uses, and

Now, Therefore, Be It

Resolved, That the Board of Public Utilities hereby approves and authorizes the General Manager to execute a contract for the purchase of real property on River Street adjacent to the sanitation garage, identified as Jamestown Tax Parcel #387.08-3-14, from Peter A. Zakriski, Jr. and authorizes the expenditure of \$7,500 for the purchase of this property, and be it further

Resolved, That the purchase price of said property be paid from Solid Waste Division funds.

Discussion: The purchase of this property will allow adequate parking for Solid Waste Division employees upon completion of the sanitation garage expansion. The purchase price for the property was determined by an appraisal performed by a licensed real estate appraiser. The property is approximately 120 X 110 feet. This has been reviewed and recommended by the Finance and Capital Projects Committee.

ADOPTED. Ayes: 6 Nays: 0
June 9, 2009

#090605 By Mr. Rishell:

Resolved, That the bid of Kings' Heating of Falconer, NY, on BD-09-09 opened May 26, 2009, for the purchase and installation of HVAC equipment at the Wastewater Treatment Plant in the amount of \$63,500 be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue a Wastewater Division Purchase Order to Kings' Heating for this air conditioning equipment.

Discussion: This is the only bid received and meets all the required specifications. This equipment replaces the original compressors and air handlers which have been failing and require an inordinate amount of maintenance.

ADOPTED. Ayes: 6 Nays: 0
June 9, 2009

An Energy Efficiency Team update was provided by Team Leader Dave Gustafson and Customer Service Assistant Supervisor Tammy Anderson. Tammy gave a report on the Energy Star Rebate program that began in October, 2008, and will run through December 31, 2009. This program was designed to encourage city electric customers to be more energy efficient by offering credit on BPU bills to those who purchase Energy Star compliant refrigerators, clothes washers, dish washers, residential windows, thermostats, dehumidifiers, heat pumps and air-conditioning units. Tammy said that we've had a great response from the community on the rebate program. Through May, 2009, over \$58,000 in rebates have been issued. Dave Gustafson commented that the BPU has reviewed the program and has considered expanding it to include additional items. However, the current budget of \$75,000 is insufficient to allow an expansion at this time. In April, the BPU implemented a small charge of one-tenth of a cent per kilowatt hour into the fuel adjustment component of our customer bills. This money will be used to fund various energy efficiency projects going forward, including the Energy Star Rebate Program. Gustafson also talked about two new programs that we are planning to roll-out in July. One of these programs will provide residential customers the opportunity to have an energy audit performed on their apartment or home and receive a rebate to help pay part of the cost of improving the weatherizing of the building. The other program will provide rebates to small commercial or industrial customers who install energy efficient lighting and motors.

Dave Leathers said that he and Dave Gustafson attended the 2009 NYAPP Conference in Glens Falls, NY, on June 1-4. He said there was a lot of information on energy efficiency programs at this conference. Dave also mentioned that he and Chris Rodgers will be attending the 2009 APPA National Conference in Salt Lake City, UT, next week.

Dave Leathers said the Water Resources Strategic Plan update process is continuing and will be having a half day session with the BPU Strategic Planning Committee in August to provide updates.

Dave Leathers gave a brief update on the Oxy-Coal Project. He said there are funding opportunities out now for site characterization and CCS education that we are looking into at this time.

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

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