

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, August 4, 2009**, 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	
Fred Larson	X	
Carl P. Pillitteri		X
Gregory Rabb		X
Wayne J. 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	
DGM – Projects, Chris Migliaccio	X	

The media was notified of this meeting and represented by Kristen Johnson, The Post-Journal, Jade Boice, Cable 8 News, and Terry Frank, WJTN.

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

#090801 By Mr. Larson:

Resolved, That the bid of NOCO Energy of Cherry Creek, NY, on BD-18-09 opened July 30, 2009, for diesel fuel (power plant) and diesel fuel (fuel station), be accepted; and be it further

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

Discussion: This was the low bid of two received and meets all specifications. The BPU will be paying a negative markup from the rack price to United Refinery (Warren, PA). The rack price can change daily depending on market forces. Fuel is delivered to the BPU Fueling Depot on Steele Street and to the Power Plant on a regular basis throughout the year. This is a one year contract term for supplying fuel at a mark-up per rack price of -.04060 and -.04260.

ADOPTED. Ayes: 5 Nays: 0
August 4, 2009

#090802 By Mr. Gullotti:

Resolved, That the bid of Lictus Keystone of Clymer, NY, on BD-18-09 opened July 30, 2009, for unleaded gasoline (fuel depot), 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 unleaded gasoline.

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 at a mark-up per rack price of -.04000.

ADOPTED. Ayes: 5 Nays: 0
August 4, 2009

Mike Anderson, Business Manager, presented the 2009 2nd Quarter Financial results for all five BPU divisions. Dave Leathers said he is very pleased with the BPU's financial position and after six months, all five of our divisions are online with our budget, which is pretty significant given the economic challenges we have been facing. Leathers credited staff and managers with controlling expenses while making sure budgeted capital projects are completed. Mr. Gullotti said this is good control of expenses for all divisions.

Leathers said the Wastewater Division smoke testing is continuing for the next couple of weeks. Randy Peterson explained the smoke procedures and why the smoke is necessary.

Dave Leathers gave an update on the CFB Project. He said we are still working on the submittal of the CCPI proposal due to the DOE by August 24th.

Dave Leathers said BPU employees will be having a United Way pacesetters luncheon this week.

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

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

#090803 By Mr. Lehman & Mr. Gullotti:

Resolved, that the General Manager be, and hereby is, authorized to enter into a contract with Merrill Lynch & Co. to provide financial advisory services related to the Oxy-Coal Power Project, and to spend the sum of up to \$20,000 for the performance of these services, subject to review of counsel.

ADOPTED. Ayes: 5 Nays: 0
August 4, 2009

On motion of Mr. Lehman, seconded by Mr. Gullotti, the board meeting was declared adjourned.

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