

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, March 23, 2010**, at **12:30 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. 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 to the Board, Julie M. Breen	X	
Communications Coordinator, Rebecca Robbins	X	
Project Tech Lead, Steve Kulig	X	
DGM-Projects, Chris Migliaccio	X	
EE Coordinator, Dan Reynolds	X	
Elec & Gas Res Mgr., Dave Gustafson	X	
HR Director, Dave Watkins	X	

OTHERS: Jennifer Harkness, JSPPC

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

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

#100302 By Mr. Rishell:

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 #100302A-D be, and hereby are approved as written.

ADOPTED. Ayes: 6 Nays: 0
March 23, 2010

#100302A:

Resolved, That the warrants be drawn on the proper funds to pay bills which have been duly audited for the period ending March 23, 2010 as follows:

ELECTRIC LIGHT FUND	\$1,904,957.37
WATER RENT FUND	275,879.03
DISTRICT HEATING FUND	244,193.45
WASTEWATER OPERATING FUND	186,478.63
SOLID WASTE OPERATING FUND	226,778.67
Total	\$2,838,287.15

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 General Fund in February, 2010 to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 5	\$182,392.07
Weekly Payroll No. 6	163,459.70
Weekly Payroll No. 7	171,888.23
Weekly Payroll No. 8	197,767.26
National Grid (Trans Agreement)	251,866.86
Office Petty Cash Fund	335.37
NYS Sales Tax	50,000.00
NYS Teamsters Retirement Fund	4,147.20

Venable Construction	4,974.43
Sam's Club Direct	469.44
Rochester Democrat & Chronicle	2,328.20
American Express – Corp. Card	2,868.21
Citi Business – Corp. Card	3,353.54
Total	\$1,035,850.51

#100302B:

Resolved, That unpaid utility accounts as shown on Statement of Delinquent Accounts No. 03-10 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.

#100302C:

Resolved, That the bid of Ermco/Delta-Wye, Cazenovia, NY, on BD-01-09 opened February 3, 2009, in the amount of \$41,220 for the furnishing of polemount transformers, be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue an Electric Division Purchase Order to Delta-Wye, for these polemount transformers.

Discussion: Upon review of the four bids received, staff has made recommendations for the items to be awarded to each vendor providing the lowest Life Cost of the individual items and compliance with the specifications. The bid is still active for one year ending March 24, 2010. The Life Cost of each transformer is the calculated cost of the BPU operating the transformer based on the initial cost of the transformer and the losses quoted by the vendor. The polemount transformers are used to supply customers both residential and commercial, requiring a service smaller than or equal to 150 KVA, fed from the overhead infrastructure on the BPU system. The quantities to be purchased are based on customers forecast to come on to the system this year, and to insure enough storm stock for each type of transformer currently in service.

#100302D:

Resolved, That the bid of Ermco c/o Delta-Wye of Cazenovia, NY, on BD-16-09 opened July 28, 2009, in the amount of \$72,242 for the furnishing of padmount transformers, be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue an Electric Division Purchase Order to Ermco c/o Delta-Wye for these padmount transformers.

Discussion: Upon review of the four bids received, staff has made recommendations for the items to be awarded to each vendor providing the lowest life cost of the individual items and compliance with the specifications. The bid is still active for one year ending September 8, 2010. The life cost of each transformer is the calculated cost of the BPU operating the transformer based on the initial cost of the transformer and the losses quoted by the vendor. The quantities to be purchased are based on customers forecast to come on to the system this year, and to insure a spare for each type of transformer currently in service. This is budgeted in the 2010 Capital Electric Budget.

#100303 **By Mr. Larson:**

Resolved, That the bid of Indeck Power Equipment Co. of Wheeling, IL, on BD-03-10 opened February 17, 2010, for a complete Medium Temperature Hot Water Generator (MTHWG) unit to be installed at the Samuel A. Carlson Generating Plant in the amount of \$968,481 be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue a District Heating Division Purchase Order to Indeck Power Equipment Co. for this hot water heating unit subject to review by counsel.

Discussion: This is the low bid of three received meeting the specifications. This gas fired unit will be installed in a new approximately 30 feet wide by 50 feet long building adjacent to the south west corner of the existing wooden cooling tower located by the Carlson Station. The MTHWG is scheduled for delivery in late October 2010 for installation in November and December with startup in early 2011. The new MTHWG will provide operational flexibility and redundancy support to the existing Carlson Station and its supply of thermal energy service to the BPU district heating customers.

ADOPTED. Ayes: 6 Nays: 0
March 23, 2010

#100304 **By Mr. Rishell:**

Whereas, Truck Lite Company, Inc., 310 East Elmwood Avenue, Falconer, NY, has previously entered into an agreement to lease surplus dark fiber from the BPU for the purpose of providing communication and data services between its facilities, and

Whereas, this lease agreement expired on July 31, 2009;

Now, Therefore, Be It

Resolved, That the Board does hereby declare that four (4) strands of fiber optic cable as identified by Exhibit A of the Lease Agreement, are surplus and will not be needed for BPU purposes for the term of the lease, and be it further

Resolved, That the Board does hereby approve the lease agreement with Truck Lite Company, Inc. and authorizes the General Manager to sign the agreement.

Discussion: The agreement provides for the lease of surplus fibers on the BPU system. Truck Lite will accept all responsibility for “lighting” the fiber. The lease is for four strands of fiber optic cable approximately 1 mile in length with provisions for extension and additional service drops. The original lease includes two service drops. This agreement is our standard copy and has been reviewed by counsel.

ADOPTED. Ayes: 6 Nays: 0
March 23, 2010

#100305 By Mr. Rishell:

Whereas, on February 26, 2010 the Trustees of the New York Power Authority (NYPA) approved an allocation of 5,000 kilowatts of hydropower for the Jamestown Board of Public Utilities (JBPU) electrical system under the Municipal and Rural Cooperative Economic Development Program, and

Whereas, NYPA has issued a letter of agreement to the JBPU dated March 5, 2010 requesting that the JBPU acknowledge acceptance of the terms and conditions of the allocation as described within the letter and the program under which the allocation is made,

Now, Therefore, Be It

Resolved, That the General Manager be authorized to sign the March 5, 2010, letter acknowledging acceptance of the allocation and agreeing to conform with the terms and conditions contained therein.

Discussion: The Economic Development Program under which the 5,000 kilowatt allocation is being made includes 54,000 kilowatts of energy earmarked for release to qualifying Municipal and Rural Cooperative customers of NYPA, provided the systems meet the guidelines of the program. The program is designed to promote the creation of new jobs, or to retain jobs at critical employment facilities at major risk of relocating to areas outside of the state of New York. The 5,000 kilowatt allocation being released to the JBPU is the result of projects being developed in the JBPU service area over a long period of time with the support of various state and local agencies including the Empire State Development Corporation and the Chautauqua County Industrial Development Agency. The 5,000 kilowatt allocation is the maximum total amount allowed to any individual Municipal electrical system under the program and receipt of the associated energy is contingent upon new industrial facilities being constructed and operated in the JBPU system service area.

ADOPTED. Ayes: 6 Nays: 0
March 23, 2010

Jennifer Harkness and Greg Rabb, of the Jamestown Strategic Planning and Partnership Commission (JSPPC), Co-chairs of the commission, gave a brief overview and presentation outlining the Commission's goals for 2010 to help revitalize the City. The Commission continues to encourage regionalism of police and healthcare; to add a "medical corridor" as part of the Urban Design Plan; to report on a Neighborhood Plan to upgrade City neighborhoods; to assist in physician recruitment; and to support BPU efforts in the power plant project. A specific action will be to form a "J-20 Summit" of local industry and business leaders to work toward Jamestown revitalization.

Dan Reynolds, Energy Efficiency Coordinator, gave an update on the Energy Efficiency Programs. The Small Commercial and Industrial Lighting and Motors Program have issued rebates on 4,002 pieces of equipment since its inception. The rebates for the program total \$191,048.47 and almost another \$90,000 worth of projects have been received and pre-approval to move forward with improvements. To date the lighting and motors program has reduced annual electric consumption by 1,215,385 kWh. Since January, 2010, the BPU has issued rebates on 604 products for a total value of \$24,775 under the ENERGY STAR Rebate Program. The total for the ENERGY STAR Rebate Program since its inception is \$169,203 on 4,209 products. The Energy Star Program has reduced annual electric consumption by 309,090 kWh. In the Home Audit and Weatherization Program the JBPU has had 47 audits requested. Of the 47 audits requested 19 have been completed, 11 have dropped out of the program, and 17 are scheduled to have audits conducted. Four home owners completed weatherization work, and a total of \$3,081.23 has been issued for rebates.

Reynolds said during the last few months the BPU has been out meeting with various community groups to seek input on the Energy Efficiency Program and educational products that they need or could use. One of the recommendations was for the BPU to host an energy fair. The Energy Efficiency Team has been working to build a plan for this and worked across all of the divisions to build internal support for the idea. On June 12th, from 10AM to 2PM, the BPU will host an energy fair and open house in garage B of our operations center. This fair will focus on residential energy efficiency and some of the things that individuals can do to reduce their energy consumption. This energy fair will provide educational opportunities for BPU customers to learn about cost effective energy efficiency improvements, how to install some basic improvements, and other programs available to them through different Jamestown area organizations. At the energy fair the BPU is planning to offer some free products that attendees can choose from and go home to install.

Dave Leathers said there are changes being made in our customer service lobby in an effort to make it more safe and secure for the employees. Leathers said an update on the BPU's capital projects in the Wastewater, Water and Sanitation divisions is included in today's board packet and will be featured in the Post Journal's Chautauqua Profile supplement to run later this week. A representative from APPA's Public Power magazine made a visit to the Jamestown BPU last week to receive information on the utility to include in an article this summer. Mayor Teresi also spent time with this representative. This year's APPA National Conference will be held in Orlando, FL, on June 20-23. Leathers asked that if any board member is interested in attending, to let himself or Julie know. A Finance Committee meeting is scheduled for this Friday, March 26th at 7AM.

Leathers gave a brief update on the Solid Waste Division as follows: 1) the yard waste site is scheduled to open on April 17th or 24th; 2) a new garbage truck will be available sometime in April that will allow us to shift our focus to recycling vehicles; and 3) Spring clean-up is scheduled for the first two weeks of May.

Leathers said there will be an Electric Division – Organization Check-up with Hometown Connections tomorrow and Thursday and is working with the Strategic Planning Committee to finalize the committee’s participation.

Leathers said the BPU will be performing “main corridor” street light inspections and stray voltage work over the next couple of weeks.

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

On motion of Mr. Rabb, seconded by Mr. Rishell, the board convened into open session.

There being no further business the board meeting was declared adjourned.

David L. Leathers, General Manager
Julie M. Breen, Secretary to the Board