

BOARD OF PUBLIC UTILITIES—Proceedings by Authority

State of New York:

Office of the Board:

City of Jamestown:

Regular meeting of the Board of Public Utilities, City of Jamestown, New York, held **Monday, February 25, 2019** at **4:00 P.M.** in the offices of the Board, 92 Steele Street, Jamestown, New York.

BOARD MEMBERS:	Present	Absent
Marie Carrubba	X	
Tyler Case	X	
Terrance Horner	X	
Maria Jones		X
Jeffrey A. Lehman, PE	X	
Gregory Rabb	X	
Mayor Samuel Teresi		X
Ralph Wallace	X	
Martha Zenns		X

STAFF:		
General Manager, David L. Leathers		X
Deputy General Manager, Michael Saar, PE	X	
Finance & Customer Accts. Mgr., Kelly Hawkins	X	
Counsel, William Wright	X	
Sec. to the Board, Shari Lake	X	
Comm. Coordinator, Rebecca Robbins	X	
Transmission & Distribution Mgr., Chris Rodgers	X	
Electrical Engineer, Kris Sellstrom	X	
Associate Power Plant Supervisor, Cory Allen	X	

OTHER STAFF:

Water Division, James Paterniti

Electric Division, David Paterniti

Electric Division, Jarrett Devereaux

The media was notified of this meeting and was represented by Dennis Phillips from The Post-Journal.

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

#190201 By Mr. Lehman:

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 #**190201A-F** be, and hereby are approved as written.

VOTE. Ayes: 5 Nays: 0
February 25, 2019

#190201A:

Resolved, That the warrants be drawn on the proper funds to pay bills which have been duly audited for the period ending **February 25, 2019** as follows:

ELECTRIC LIGHT FUND	1,368,620.12
WATER RENT FUND	357,663.59
DISTRICT HEATING FUND	111,851.45
WASTEWATER OPERATING FUND	220,369.52
SOLID WASTE OPERATING FUND	90,631.94
Total	\$ 2,149,136.62

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 **January 2019** to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 1	196,224.39
Weekly Payroll No. 2	192,675.94
Weekly Payroll No. 3	186,422.93
Weekly Payroll No. 4	192,644.39
Weekly Payroll No. 5	212,987.86
NYISO	35,705.78
National Grid – Transmission Costs	250,228.04
Corporate Payment Systems	17,928.65
Sage Payment Solutions	8,320.48
Key Bank	493.86
Invoice Cloud	442.20

Energy Mark	26,050.00
Crown Energy Services	153,870.00
Direct Energy Business Marketing	386,600.00
Sprague Operating Resources	74,140.00
DTE Energy Trading Inc.	99,962.00
Snyder Brothers Inc.	36,480.00
NYSERDA – ZEC	77,577.70
NYPA Purchases	497,733.07
NYS Sales Tax	40,000.00
Town of Ellicott	4,429.39
Town of Chautauqua	8,995.37
Town of Ellery	8,356.58
City of Jamestown – Treasurer	34,950.16
United States Post Office - Rome	10,347.81
Total	\$ 2,753,566.60

#190201B:

Whereas, The Jamestown Board of Public Utilities renewed Bond Anticipation Notes in 2018 to provide partial funding for the purchase of the EmKey Transportation, Inc., natural gas pipeline and compressor assets in the amount of \$1,600,000, and

Whereas, Bond Anticipation Notes expire and must be paid in full, on a yearly basis,

Now, Therefore, Be It

Resolved, That the Board does hereby request the City Council to resolve to issue a new Bond Anticipation Note in the amount of \$1,200,000 at prevailing interest rates, and be it further

Resolved, That the proceeds therefore be paid into the Board of Public Utilities general fund with the purpose of funding a portion of the pipeline purchase.

Discussion: This is a continuation of the bond anticipation note process for the EmKey Pipeline asset purchase. There was a commitment to do bond anticipation notes for that purchase which requires an annual update process over a five-year period.

#190201C:

Resolved, That a warrant be drawn on the Electric Light Fund to The Depository Trust Company, New York, NY, for **\$30,880** to pay twelve months interest at 1.93 per centum per annum due March 9, 2019 on \$1,600,000 on Bond Anticipation Note (BAN).

Discussion: This is a continuation of the bond anticipation note process for the EmKey Pipeline asset purchase.

#190201D:

Resolved, That a warrant be drawn on the District Heating Fund to Depository Trust Co., New York, NY for \$368,082.18 to pay principal of \$365,000 and \$3,082.18 for one month of interest at 4.0 per centum per annum due March 19, 2019 on \$530,000 Serial District Chilling Bonds is hereby approved and ratified.

Discussion: This is for the BPU Chiller Unit. The interest may vary insignificantly based on the actual date the payment is required to be put in escrow; currently scheduled for March 19th. This will be the final payment for this bond.

#190201E:

Resolved, That the General Manager is hereby authorized to purchase from Fleet Maintenance, Inc. of West Seneca, NY, under Cattaraugus County DPW Bid #70, one (1) 2020 Western Star 4700SF cab & chassis with an East Genesis aluminum dump body at a cost of \$166,590 for the Wastewater Division.

Discussion: This new truck will replace vehicle #126, a 2004 International 7200 which will be sold at a later date. This truck is budgeted in the Capital Wastewater Budget for 2019.

#190201F:

Resolved, That the General Manager is hereby authorized to purchase from Fleet Maintenance, Inc. of West Seneca, NY, under Cattaraugus County DPW Bid #70, one (1) 2020 Western Star 4700 tandem axle truck cab and chassis with stainless steel dump box at \$150,732 for the Water Division.

Discussion: The truck will replace vehicle #36, a 2012 International dump truck, which will be sold at a later date. This is included in the 2019 Water Division Capital Budget.

#190202 By: Mr. Horner

Whereas, The New York Association of Public Power (NYAPP) is the state service organization representing the interests of 9 municipal and 4 co-operative not-for-profit, publicly-owned electric utilities throughout New York State that collectively serve more than 46% of public power consumers or approximately 450,000 residents in the state, and

Whereas, the Jamestown Board of Public Utilities (JBPU) is a charter member of NYAPP, and

Whereas, NYAPP provides its members with the information, advocacy and strategy support that are essential to succeed in the changing utility marketplace. NYAPP also provides comprehensive legislative and regulatory support on all issues of importance to public power. In addition, NYAPP provides support in these areas through annual contracts with Duncan, Weinberg, Genzer, and Pembroke (DWGP), and SJS Associates, and

Whereas, These NYAPP contracted resources provide technical expertise, direction, guidance, and information that it would be difficult to obtain on our own in a cost effective manner;

Now, Therefore, Be It

Resolved, That the JBPU be and is hereby authorized to continue membership in NYAPP for 12 months starting March 1, 2019, and pay for the proposed contracted engagement of and representation from DWGP and SJS Associates.

Discussion: Unlike JBPU membership with the American Public Power Association (APPA), participation in NYAPP does not include an annual dues payment. The JBPU pays approximately 23.55% of the DWGP association work related to New York Independent System Operator (NYISO), the New York Power Authority (NYPA), special projects, general association support/work, the PSC Reforming the Energy Vision (REV) proceeding and Clean Energy Standard (CES) order, and NYS Transmission Projects, as well as 31.57% of the SJS Associates NYAPP work for legislative and regulatory support in both NY and Washington, DC. The estimated NYAPP expenses to be paid by the JBPU for DWGP in the coming year are \$110,000 for NYISO, NYPA, special projects, and general association work. For SJS Associates the annual estimated costs are \$35,000. Throughout the years, JBPU involvement with NYAPP has brought many benefits back to the utility and also to our customers. This is an annual resolution for NYAPP consultants.

VOTE. Ayes: 5 Nays: 0
February 25, 2019

#190203 By Mr. Case:

Resolved, That pursuant to the power vested in the Board by Section §C-50.D of the Charter of the City of Jamestown, the Board does hereby authorize that salary ranges of management staff be revised effective January 1, 2019, in accordance with the tables on file at the BPU office, 92 Steele Street, Jamestown, NY.

Discussion: This represents a 2.00% adjustment to the salary ranges in effect from 2018 for all salaried positions. The revision of salary ranges does not impact the current salary of any employee. Individual salaries continue to be set in accordance with the established BPU employee performance evaluation program, which is based solely on merit. This resolution has been reviewed by and is recommended by the BPU Board Personnel Committee.

VOTE. Ayes: 5 Nays: 0
February 25, 2019

The General Manager's report was presented by James Paterniti, David Paterniti and Jarrett Devereaux. Marie Carrubba arrived at this time. James Paterniti gave a presentation on the Water division lead service line replacement project. A grant of \$567,492 was received from

New York State to replace iron services throughout the system. Iron services are connected to the water main via a small piece of lead pipe (about 18" average size). The lead piece is removed and replaced with a copper service connection that goes from the main to the curb stop, and includes a new curb stop as well. The grant funds are being appropriated over a 2-year period, with \$184,971 for the 2018-19 year and \$382,521 for 2019-2020. Any funds remaining at the end of 2018-2019 will be rolled into 2019-2020. Sixty-four lead service line replacements have been completed to date in the targeted area. Sixty-one plus services are targeted for this coming year. Equipment purchased to date includes a color copier for the Water division, which is nice for the GIS mapping system, and a directional drill, which will go under a road or surface. Mr. Wallace asked how far it can drill. James answered that it can currently go 82', with 100' more rod in the budget (about \$10,000). With enough rod, the maximum drill length would be about 210'. It can pull back about 8" diameter plastic PVC.

Electrical Engineers David Paterniti and Jarrett Devereaux gave a presentation on the Huxley substation replacement project, scheduled to start in the next few weeks when weather permits. Records show this 5kV transformer was built/installed in 1961. This is the oldest substation in the system, and due to the age, replacement parts for working pieces of the substation are getting difficult to obtain. The 15kV switchgear was purchased in 1977 and installed at Huxley in 2001. The old General Electric switchgear that is being taken out will be used for parts at two other substations that have similar equipment. The current Huxley transformer is rated at 3.5/5 MVA and will be replaced with a new transformer that is rated at 7.5/10.5 MVA. The increase in size will allow for more capacity, allowing circuits to be switched back and forth and for load to be transferred here if another substation has to be taken down. This will also aid in going for longer periods of time without overheating problems. This will service both 4.16kV and 13.8kV circuits within the station when completed. The transformer bid was awarded to Virginia-Georgia Transformer (VCT) at the cost of \$330,261, scheduled to be delivered the week of August 5, 2019. The switchgear bid was awarded to Powercon at the cost of \$841,936 and is scheduled to be delivered the week of August 12, 2019. The current substation is tentatively scheduled to be taken offline April 1, 2019 with demolition to follow. Station total budget is set at \$1.75M. Ms. Carrubba asked about the life expectancy of the new breakers, Mr. Paterniti responded about 30 years or more. Mr. Paterniti noted the Electric division has an aggressive maintenance program for the 200+ breakers in the system, every 5 years each breaker is checked. The Board thanked staff members for their informative presentations, noting the pictures were very helpful.

On motion of Mr. Lehman, seconded by Mr. Wallace, the Board meeting was declared adjourned.

David L. Leathers, General Manager
Shari J. Lake, Secretary to the Board