

**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, April 26, 2021** at **4:00 PM** remotely via Microsoft Teams and live streamed on Facebook.

<b>BOARD MEMBERS:</b>	<b>Present</b>	<b>Absent</b>
Greg Anderson	X	
Marie Carrubba	X	
Lana M. Huston	X	
Jeffrey A. Lehman, PE	X	
Kenneth G. Mark	X	
Grant T. Olson	X	
James N. Olson	X	
Gregory Rabb		X
Mayor Edward A. Sundquist	X	

  

<b>STAFF:</b>		
General Manager, David L. Leathers	X	
Deputy General Manager, Michael Saar, PE	X	
Finance & Customer Accts. Mgr., Kelly Hawkins	X	
Counsel, William Wright	X	
Secretary to the Board, Shari Lake	X	
Comm. Coordinator, Rebecca Robbins	X	
Transmission & Distribution Mgr., Chris Rodgers	X	
Energy & Gas Resources Mgr, Kris Sellstrom, PE	X	
Associate Power Plant Supervisor, Cory Allen	X	
Information Services Manager, Frank Galeazzo	X	

**OTHER ATTENDEE:**

Kathryn Barrett, CPA, Director, Freed Maxick CPAs, P.C.

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

On motion of Mr. Mark, seconded by Ms. Carrubba, the minutes of the previous meeting were unanimously approved by BPU Board Members.

**#210401 By Mr. J. Olson:**

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 #210401A-B be, and hereby are approved as written.

**ADOPTED.** Ayes: 9          Nays: 0  
April 26, 2021

**#210401A:**

Resolved, That the warrants be drawn on the proper funds to pay bills which have been duly audited for the period ending **April 26, 2021** as follows:

ELECTRIC LIGHT FUND	1,641,722.72
WATER RENT FUND	247,939.95
DISTRICT HEATING FUND	117,573.97
WASTEWATER OPERATING FUND	186,869.40
SOLID WASTE OPERATING FUND	715,014.11
Total	<b>\$ 2,909,120.15</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 General Fund in **March 2021** to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 9	204,769.44
Weekly Payroll No. 10	205,150.12
Weekly Payroll No. 11	247,612.15
Weekly Payroll No. 12	199,644.41
National Grid – Transmission Costs	263,552.57
Sage Payment Solutions	10,587.06
NYISO	101,568.32
Key Bank	255.98
Invoice Cloud	916.65
Corporate Payment Systems	17,086.47
Energy Mark	107,292.92
Direct Energy	147,044.00

Sprague Operating Resources	121,570.00
DTE Energy Trading	360,658.00
Snyder Brothers	139,878.00
Mid American Natural Resources	2,420.52
NYPA Purchases	473,103.91
NYSERDA - ZEC	144,788.16
NYS Sales Tax Assessment	296.48
NYS Sales Tax	40,000.00
United States Post Office-Rome	10,536.95
Total	\$ 2,798,732.11

**#210401B:**

Resolved, That the bid of United Survey, Inc. of Cleveland, OH under Erie County Bid “217039-002 – Cured-in-Place Pipe Lining”, for sanitary sewer slip lining as specified in the bid for the Wastewater Division in the amount of \$47,455.50 be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue a Wastewater Division purchase order to United Survey, Inc for the sanitary sewer slip lining work.

Discussion: This is to install slip lining in 1,342 feet of eight-inch sanitary sewer lines. This project is included in the 2021 Wastewater Capital Budget.

**#210402 By Mr. Lehman:**

Whereas, Three-quarters ( $\frac{3}{4}$ ) of the members of the Board of Public Utilities concur that it is impractical to take bids to perform Emergency Asbestos Abatement on 100 Linear Feet of asbestos-containing pipe insulation from the central mezzanine floor at the Samuel A. Carlson Generating Station and removal of asbestos will be conducted in accordance with New York State Industrial Code Rule 56, OSHA and Environmental Protection Agency requirements.

Now, Therefore, Be It

Resolved, That the action of the General Manager in issuing an Electric Division Purchase Order to Stohl Environmental of Orchard Park, NY to provide abatement and disposal of asbestos-containing pipe insulation and associated valves/piping in the amount of \$26,600, as outlined in their proposal dated March 30, 2021, is hereby approved and ratified.

Discussion: During routine maintenance activities and inspection of asbestos containing material in the power plant, the deteriorated condition of friable asbestos steam line insulation and valving was discovered (approx. 100 linear feet and associated valving). This material has been identified as requiring immediate abatement work be performed to eliminate the potential hazard associated with asbestos exposure throughout the facility.

Two quotes were received for the removal of asbestos containing material on the Central Mezzanine Floor of the Power Plant. The Stohl Environmental quote totaled \$26,600, and the Apollo Dismantling quote totaled \$38,100. Stohl Environmental was the lowest evaluated cost in response to our RFP. Stohl Environmental will provide Design/Construction and Abatement Services to assist the JBPU in ensuring the abatement project proceeds in a manner consistent with all State and Federal regulations. Stohl Environmental has satisfactorily provided these services to us in the past and has provided asbestos abatement activities at the power plant on several projects over the last 12 years. This work is included in the 2021 Electric Division Dismantling Fund Budget.

**ADOPTED.** Ayes: 9            Nays: 0  
April 26, 2021

**#210403 By Ms. Carrubba:**

Resolved, that the Board of Public Utilities' Roster Sheets dated November 16, 1976 and the salary ranges on file in the office of the Secretary to the Board, as heretofore adopted, amended and continued be, and the same are hereby further amended as follows:

Modify the salary range of Water Distribution Supervisor.

Discussion: In anticipation of position recruitment, a decision was made to modify the Water Distribution Supervisor salary range from \$82,960-\$116,146 to \$47,000-\$73,000. This resolution has been reviewed with and is recommended by the BPU Personnel Committee.

**ADOPTED.** Ayes: 9            Nays: 0  
April 26, 2021

**#210404 By Ms. Huston:**

Resolved, That the General Manager be authorized to enter into an agreement with RAMBOLL of Syracuse, NY to provide professional services that encompass Relative Accuracy Test Audit (RATA) of the Continuous Emission Monitoring System (CEMS) analyzers on the gas turbine simple and combine cycle stacks. RATA involves proper agency notifications, 7 day calibration test, linearity testing, RATA testing, a final report package, and data reporting through the EPA software program Electronic Emission Monitoring Reporting System (ECMPS). RAMBOLL can provide these services at the Samuel A. Carlson Generating Station for a total price not to exceed \$19,000, pursuant to their proposal dated March 26, 2021.

Discussion: A total of six proposals were received for annual RATA stack testing for 2021. Prices ranged from \$19,000 to \$37,000. Power Plant staff determined that RAMBOLL had the lowest evaluated cost proposal to perform the scope of work.

In accordance with EPA's Federal Code Regulations Part 75 CEMS Equipment, RATA Testing must be conducted annually for our CEMS equipment on our LM6000 Gas Turbine Stacks. RAMBOLL, formerly known as O'Brien & Gere, has provided emission testing services for the

JBPU over the past 13 years and has proven they offer very competitive pricing for their services. They have an excellent rapport with the NYSDEC Region 9 Office and are noted to produce quality engineering submittals to the regulatory community. In addition, RAMBOLL is an Authorized Submittal Agent and consultant to the JBPU's EPA's ECMPS which requires access to our sensitive emission database. Therefore, based on the above discussion, BPU Staff recommends that RAMBOLL provide professional services for RATA Testing of the CEMS equipment on the simple and combine cycle stacks. The cost for this service is included in the 2021 Electric Division O&M budget.

**ADOPTED.** Ayes: 9            Nays: 0  
April 26, 2020

**#210405 By Mr. G. Olson:**

Whereas, the BPU is responsible for the collection and disposal of garbage, rubbish and refuse in accordance with Section 160 of the Jamestown City Code and policies set by the BPU Board, and

Whereas, Section 160 requires rubbish or waste material be placed in a metallic container with close-fitting cover before being placed, deposited or left in any highway or alley within the City, and additionally requires each householder to provide himself with tight metal or plastic garbage receptacles fitted with covers, and

Whereas, the BPU is purchasing 15,000 specially designed, numbered wheeled containers for garbage to be assigned to every residence in the City and the BPU is retrofitting garbage trucks with solid waste container tipping units for semi-automated collection of these assigned garbage containers, and

Whereas, the Board desires to have changes made to the City Code to incorporate the above-referenced changes, specifically to require all residential Solid Waste customers to use only the assigned garbage containers provided to them for their location,

Now, Therefore, Be It

Resolved that the BPU Board does hereby request that the Jamestown City Council make changes to Sections 160-1, 160-5, 160-6 (B), 160-11, 160-12 and 160-13 of the City Code in the form attached hereto.

Discussion: Each residential unit in the City of Jamestown will be provided with an assigned garbage container for garbage collection and disposal. The container is the property of the BPU and remains at the address it is originally assigned to. BPU staff members attended the April 19<sup>th</sup> City Council work session to explain the reasons behind the requested changes and answer questions presented by Council members. Information about the BPU Garbage Container Program has been included in the March and April Newsletters, and Frequently Asked Questions (FAQs) about the program will be included with the May Newsletter mailed to customers, will be posted on the BPU public website, and are available in Spanish.

**ADOPTED.** Ayes: 9            Nays: 0  
April 26, 2021

**#210406 By Mr. Lehman:**

Whereas, Three-quarters ( $\frac{3}{4}$ ) of the members of the Board of Public Utilities concur that it is impractical to take bids for the supply of proprietary materials, parts, engineering, software and installation of Panametrics' standard hydrogen analyzer retrofit package for #5 hydrogen cooled generator at the Samuel A. Carlson Generating Station; and

Whereas, TAE-REP, Inc. of Rochester, NY, is the local manufacturer's representative for Panametrics' gas analysis instrumentation,

Now, Therefore, Be It

Resolved, that the General Manager is hereby authorized to issue a purchase order to TAE-REP, Inc. of Rochester, NY, in the amount of \$48,001.80 for the supply of materials, parts, engineering, software, installation and commissioning of Panametrics' standard hydrogen analyzer retrofit package, as outlined in their quotation.

Discussion: The Hydrogen Control Cabinet monitors the purity of the hydrogen inside the generator to prevent an explosive atmosphere from developing. The GE hydrogen purity sensors used in the current system are obsolete; staff has determined that the Hydrogen Control Cabinet is due for parts replacement retrofit. Upon completion of the retrofit, the Hydrogen Control Cabinet will remain operational and provide increased hydrogen purity indication. The cost for this equipment and service is included in the 2021 Power Plant O&M budget.

**ADOPTED.** Ayes: 9            Nays: 0  
April 26, 2021

**#210407 By Mr. J. Olson:**

Whereas, Semi-Annual Borescope Maintenance on the LM6000 conducted by both GE Packaged Power, LLC and Dale Reed, Inc., revealed that the combustor has worn parts and the anti-rotation tabs are no longer serviceable, and

Whereas, several Stage 2 High Pressure Turbine (HPT) Nozzle Blades have cracks, which are also considered unserviceable,

Now, Therefore, Be It

Resolved, that the proposal of GE Packaged Power, LLC of Houston, Texas in reference to the Request for Proposal #1523810 received on April 20, 2021 to complete a Combustor Change-Out and HPT Stage 2 Nozzle Replacement and outstanding Service Bulletin compliance of the General Electric (GE) LM6000 Gas Turbine at the S.A. Carlson Generating Facility in the amount of \$640,830 be accepted; and be it further

Resolved that the General Manager is authorized to enter into an agreement with GE Packaged Power, LLC of Houston, Texas in accordance with the terms and conditions negotiated and approved by the Board's legal counsel.

Discussion: Replacement of these parts are warranted because they can become dislodged and damage engine components downstream. The last Combustor overhaul was conducted in the spring of 2015. Since 2015 approximately 25,698 hours of run time have been logged on the unit. Based on history of the unit, GE recommends Combustor changeouts should occur between 21,000 to 26,000 run hours. Proposals for this project were solicited from three General Electric approved contractors, and the proposal by GE Packaged Power, LLC of Houston, Texas was the lowest evaluated cost. Prices ranged from \$640,830 to \$890,750. This project consists of the removal of our unit, transport of the unit to GE Packaged Power repair facilities in Syracuse, NY where the unit will be overhauled and then returned to our facility to be re-installed. Anticipated outage time will be approximately 3 weeks. The work will be conducted between mid-October to mid-November 2021. A full load test run will be conducted on-site prior to release from the selected contractor. The cost for this work is included in the 2021 Electric Division Budget. Mr. Leathers commented that this was significantly less dollars than had been planned to spend on the LM6000 work in 2021, and commended Cory Allen, Steve Dineen and the Power Plant Staff for looking at different options related to the unit, and getting us to the point where we can get maintenance overhaul and improvement work done this year to continue to allow us to run in the coming years. Mayor Sundquist asked what type of impact the 3-week downtime will have on BPU operations. Mr. Leathers responded that the BPU will still have the ability to generate power with the boilers in the power plant, if needed. The work is targeted during shoulder months in a time period where we normally do maintenance on the LM6000 unit anyways, and our need to generate would be low. Bill Wright highlighted that this resolution was presented in April due to long lead times for parts and for scheduling the maintenance work. Because of these challenges, getting this 'booked' and planned now, for later this year, was necessary.

**ADOPTED.** Ayes: 9            Nays: 0  
April 26, 2021

The General Manager's Report began with a year ending 2020 Financial Audit Results review presented by Kathryn Barrett, from Freed Maxick, CPAs. Ms. Barrett said the audit went extremely well this year and thanked Kelly Hawkins and her staff for providing the information to get through the audit as quickly as they did. Ms. Barrett announced that Freed Maxick has an unmodified opinion on all of the Divisions, which is the highest level of assurance that they can provide in any audit; it means that BPU followed all generally accepted accounting principals and there were no deviations therefrom. Ms. Barret noted that the first 2-pages of all the audit reports, right after the Opinion letter, is the Management Discussion Analysis. This information was prepared by BPU Management and provided by Ms. Hawkins to the Auditors; it provides some of the story behind the financial results. Ms. Barrett encouraged all Board Members to read the Management Discussion Analysis in each of the Division reports.

In the Electric Division, the cash position improved by about \$400K over last year. Cash on hand represents about 24% of all expenditures for the year. Operating revenues in the Electric Division decreased by \$3.9M, or 9.5%, primarily due to the impact of the pandemic. Cost of power

expenses decreased \$2M compared to 2019, directly related to the power plant operating less hours. The change in net position for the Electric Division for 2020 was \$761,668.

In the Water Division, the unrestricted net position increased by \$247K. Revenues decreased by \$153K, or about 2.7%. Change in net position for this Division was \$596,560.

In the Wastewater Division, the unrestricted net position increased by \$572K. Revenues decreased by \$422K, or 2.8% from the prior year. This Division had a change in net position of \$311,866.

In the Solid Waste Division, there was a small decrease in cash position of about \$90K. There was a decrease of \$112K in the unrestricted net position for this Division, due to an investment in capital assets at the end of the year. Revenues for this Division increased by \$357K, or 15.5%. There was a positive change in net position of \$174,371 for the Solid Waste Division.

In the District Heating Division, there was a significant decrease in cash, mostly due to investments in Treasury-bills at year end. The cash on hand represents about 75% of expenses during the year. Revenues decreased by \$150K or 10.6%. Although very small, there was a positive change in net position of \$2,635 for this Division.

Ms. Barrett concluded her audit review stating that no significant deficiencies or material weaknesses or control deficiencies were found in the audit. She said this is a testament to how well developed the BPU's control structure is and how it is being followed on a regular basis, based on the inquiries that the auditors made, and the tests they performed, and the walkthroughs they did of various transaction cycles. Mr. Leathers, Ms. Hawkins and the Board thanked Ms. Barrett for her presentation.

Mr. Leathers continued the General Manager's Report, noting that the Foster Wheeler Cooling Tower demolition project behind the Power Plant has been completed. The Spring water flushing schedule has been communicated to the public and is being planned for to start the weekend of April 30<sup>th</sup> and May 1<sup>st</sup> in Falconer, then May 3<sup>rd</sup> through May 12<sup>th</sup> in Jamestown. Robocalls have been scheduled and maps have been communicated to BPU customers.

Container distribution starts the week of May 10<sup>th</sup> for the Citywide Garbage Container Program. A BPU Board resolution will be forthcoming related to updating the Schedule of Rates. Mr. Leathers thanked Mayor Sundquist and his team for getting the new containers on display in City Hall and getting that publicized so people can continue to become more familiar with the program as the BPU works through the implementation.

The Washington Street water main replacement project has experienced scheduling delays and Mr. Leathers continues to work with Mike Saar and others to respond to the Department of Transportation (DOT) and the Department of Health (DOH) with input on the project design, and working toward getting that approved.

Mr. Leathers and staff are awaiting the Department of Public Service (DPS) guidance on the soon to be approved extension of the utility shutoff moratorium. Mr. Leathers continues to



work with NYAPP Executive Committee members to talk with NYS agencies and officers that are helping to implement the mandates. BPU will continue to communicate expectations and impacts for our customers, and primarily to help our customers seek and get financial assistance to help them with their utility bills.

Upcoming meetings are as follows:

- Board Strategic Planning Committee Meeting is scheduled for Monday, May 3<sup>rd</sup> at 4:00 PM
- Board Personnel Committee Meeting is scheduled for Monday, May 24<sup>th</sup> at 3:00 P.M.
- Board Meeting - Monday, May 24<sup>th</sup> at 4:00 P.M.

Mr. Leathers reported that he will be working toward the return to in-person Board and Committee meetings starting in May; he will be seeking BPU Board Member input and guidance on this potential transition. The staff and leadership team at the Utility are working through changes with the BPU COVID-19 work protocols and are currently reviewing these with Managers and Supervisors for some procedural changes that can be made during the month of May.

Mayor Sundquist thanked Mr. Leathers for his report, and invited members of the public to visit City Hall to take a look at the new Citywide Garbage Containers in advance to see their size and how easy they roll. He encourages the public to come in and take a look at them and see how they will work in their home. Mayor Sundquist thanked Mr. Leathers and his team for all the work on the Citywide Container Project and all other fronts as we work through this pandemic.

With no further business to discuss, on motion of Mr. Lehman, seconded by Mr. Mark, the Board meeting was declared adjourned.

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