

**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, June 26, 2017 at 4:00 P.M.** in the offices of the Board, 92 Steele Street, Jamestown, New York.

<b>BOARD MEMBERS:</b>	<b>Present</b>	<b>Absent</b>
Tyler Case	X	
Chuck Cornell	X	
Terrance Horner	X	
Maria Jones (arrived at 4:14 P.M.)	X	
Jeffrey A. Lehman, PE	X	
Gregory Rabb	X	
Mayor Samuel Teresi	X	
Ralph Wallace	X	
Martha Zenns	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	
Sec. to the Board, Tammy J. Anderson	X	
Comm. Coordinator, Rebecca Robbins	X	
Electric & Gas Resource Mgr., Dave Gustafson	X	
Transmission & Distribution Mgr., Chris Rodgers	X	

**OTHER STAFF:**

Electrical Engineer, Kris Sellstrom

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

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

**#170601 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 **#170601A-B** be, and hereby are approved as written.

**ADOPTED.** Ayes: 8 Nays: 0  
June 26, 2017

**#170601A:**

Resolved, That the warrants be drawn on the proper funds to pay bills which have been duly audited for the period ending **June 26, 2017** as follows:

ELECTRIC LIGHT FUND	2,098,222.37
WATER RENT FUND	458,987.14
DISTRICT HEATING FUND	75,989.43
WASTEWATER OPERATING FUND	154,992.97
SOLID WASTE OPERATING FUND	104,633.28
Total	<b>\$ 2,892,825.19</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 **May 2017** to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 18	226,015.34
Weekly Payroll No. 19	188,223.85
Weekly Payroll No. 20	179,905.05
Weekly Payroll No. 21	200,596.73
Crown Energy Services	7,878.00
Direct Energy Business Marketing	29,610.20
EnergyMark LLC	1,740.00
Invoice Cloud (paperless billing)	278.40
Key Bank	388.54
National Grid – Transmission Costs	176,516.39
NYISO	25,482.11
NYPA Purchases	460,736.28

NYS Sales Tax	35,000.00
NYSERDA	183.39
NYSERDA-ZECs	74,481.06
RGGI, Inc.	150,000.00
Sage Payment Systems	5,925.72
United States Post Office - Rome	10,702.89
Visa – Corporate Payment Systems	14,302.52
Total	\$ 1,787,966.47

**#170601B:**

Resolved, That the bid of Moody & Associates of Meadville, PA for Water Well Redevelopment, Pump and Motor Replacement for Well #1 at the BPU Cassadaga well field located outside of Falconer, NY, in the amount of \$25,300, be accepted, and be it further

Resolved, That the General Manager is hereby authorized to issue a Water Division Purchase Order to Moody & Associates for this water well cleaning and redevelopment, and to replace the pump and motor, if required.

Discussion: A legal notice was placed in The Post-Journal for BD-09-17, however, no bids were received in response to the notice. We then sent out two RFPs and received two proposals. The bid from Moody & Associates is the lowest of the two bids received and meets all specifications. The quote for well cleaning and redevelopment is \$19,400 and the quote for a new pump and motor is \$5,900, which will only be replaced if necessary. This is included in the 2017 Water Division Capital Budget.

**#170602 By Mr. Case:**

Resolved, that the Board of Public Utilities Roster sheets dated November 16, 1976 as heretofore adopted, amended and continue be, and the same are hereby further amended as follows, subject to the approval of the Civil Service Commission:

- Add one (1) Engineering Technician
- Add one (1) Junior Electrical Engineer

Discussion: Both of these position additions represent succession planning moves, one in Water Resources for Geographic Information System (GIS) management, input, growth, and system upkeep replacement, and one in the Power Plant for plant management planning. In addition, the BPU technical position progression and salary ranges are intended to be modified as follows: 1) the current 'Engineering Technician (Electric)' position with a 2017 salary range of \$37,380 - \$59,185 will become a general 'Engineering Technician' position with a salary range of \$34,000 - \$47,500, 2) the current 'Junior Engineer' positions (for Civil, Mechanical, and Electrical) with a 2017 salary range of \$58,464 - \$77,759 will become a general 'Junior Engineer' position with a salary range of \$41,000 - \$72,500, 3) the current 'Engineer I' position will be deleted (which will impact no employees), 4) the current 'Engineer IV' positions (for

Civil, Mechanical, and Electrical) with a 2017 salary range of \$70,157 - \$98,218 will become a new general 'Engineer I' position with a salary range of \$50,000 - \$90,000, 5) the current 'Engineer III' position will be deleted (which will impact no employees), and 6) the current 'Engineer II' positions (for Civil, Mechanical, and Electrical) with a 2017 salary range of \$84,315 - \$118,041 will become a new general 'Engineer II' position with a salary range of \$70,000 - \$115,000. The justification for making these position and salary range adjustments is to better align career progression steps in the technical engineering jobs at the utility and to simplify the Civil Service job description, recruitment, and testing processes for the different engineering disciplines. The position additions, technical progression adjustments, and salary range changes have been reviewed by and are recommended by the BPU Board Personnel Committee. Mr. Leathers highlighted that this resolution was presented in draft form to the BPU Board at the May Board meeting.

**ADOPTED.** Ayes: 8 Nays: 0  
June 26, 2017

**#170603 By Mr. Horner:**

Whereas, the Jamestown Board of Public Utilities (Jamestown BPU) is planning to apply for a Drinking Water Grant for the replacement of approximately 18,800 linear feet of potable water supply pipe within the City of Jamestown; and

Whereas, the Jamestown BPU has reviewed the proposed project in conjunction with 6 NYCRR Part 617, commonly known as State Environmental Quality Review, or "SEQR," for a determination as to the level of required environmental review for the proposed project,

Now, Therefore, Be it

Resolved that the Board does hereby determine that the proposed action is a Type II action pursuant to 6 NYCRR 617.5 (c)(2) as defined under SEQR, and that the Regulations specify that Type II actions are not subject to review.

Discussion: Under SEQR the replacement, rehabilitation or reconstruction of a structure or facility, in kind, and on the same site has been determined not to have a significant impact on the environment. Mr. Leathers highlighted that this is the first in a series of resolutions that are being submitted for a drinking water grant for water main replacement and subsequently for clean water grants for sewer sliplining. He said this will cover approximately 12 to 13 streets in the city and this work is being coordinated with work the DPW has scheduled.

**ADOPTED.** Ayes: 8 Nays: 0  
June 26, 2017

**#170604 By Ms. Zenns:**

Whereas, The Jamestown Board of Public Utilities (Jamestown BPU) is planning a major waterline replacement project with a project cost estimate of \$5 million; and

Whereas, The Clean Water Infrastructure Improvement Act of 2017 (WIIA) authorizes the New York State Environmental Facilities Corporation (NYSEFC) to provide grants to eligible Municipal Drinking Water Projects; and

Whereas, If awarded, the WIIA grant will fund 60% of eligible project costs; and

Whereas, Nussbaumer & Clarke, Inc. has been authorized to prepare a 2017 WIIA Grant application for the ECWA Interconnection Project,

Now, Therefore, Be It

Resolved, That the General Manager be, and is hereby, directed to apply for the WIIA Grant, and, be it further

Resolved, That the General Manager be authorized to sign the WIIA Grant application and supporting documents, and if awarded, to execute a WIIA Grant Agreement with the NYS Environmental Facilities Corporation, to pursue bonding for any portion of the project not covered by the Grant, and to execute any and all other contracts, documents and instruments necessary to bring about the Project and to fulfill the BPU's obligations under the WIIA Grant Agreement, subject to review and approval by counsel.

Discussion: This resolution will give David Leathers, General Manager of the Jamestown Board of Public Utilities, authorization to sign the Clean Water Infrastructure Act grant application and supporting documentation for the waterline replacement project of approximately 18,800 linear feet of water distribution pipe within the City of Jamestown. Mayor Teresi commented that this will likely be an extremely competitive process; there is no guarantee that we will receive this requested funding.

**ADOPTED.** Ayes: 8 Nays: 0  
June 26, 2017

**#170605 By Mr. Horner:**

Whereas, The Jamestown Board of Public Utilities (Jamestown BPU) is planning to apply for a Sanitary Sewer Grant for the slip-lining and rehabilitation of approximately 30,000 linear feet of sanitary sewer collection pipe within the City of Jamestown; and

Whereas, The Jamestown BPU has reviewed the proposed project in conjunction with 6 NYCRR Part 617, commonly known as State Environmental Quality Review, or "SEQR," for a determination as to the level of required environmental review for the proposed project,

Now, Therefore, Be it

Resolved, That the Board does hereby determine that the proposed action is a Type II action pursuant to 6 NYCRR 617.5 (c)(2) as defined under SEQR, and that the Regulations specify that Type II actions are not subject to review.

Discussion: Under SEQR the replacement, rehabilitation or reconstruction of a structure or facility, in kind, and on the same site has been determined not to have a significant impact on the environment.

**ADOPTED.** Ayes: 8 Nays: 0  
June 26, 2017

**#170606 By Ms. Zenns:**

Whereas, The Jamestown Board of Public Utilities (Jamestown BPU) is planning a major sanitary sewer pipeline rehabilitation project with a project cost estimate of \$1,500,000; and

Whereas, The Clean Water Infrastructure Improvement Act of 2017 (WIIA) authorizes the New York State Environmental Facilities Corporation (NYSEFC) to provide grants to eligible Municipal Sanitary Sewer Projects; and

Whereas, If awarded, the WIIA grant will fund 25% of eligible project costs; and

Whereas, Nussbaumer & Clarke, Inc. has been authorized to prepare a 2017 WIIA Grant application for the Jamestown BPU Rehabilitation Project,

Now, Therefore, Be It

Resolved, That the General Manager is hereby directed to apply for the WIIA Grant, and be it further

Resolved, That the General Manager be, and is hereby, authorized to sign the WIIA Grant application and supporting documents and, if awarded, to execute a WIIA Grant Agreement with the NYS Environmental Facilities Corporation, pursue bonding for any portion of the project not covered by the Grant, and to execute any and all other contracts, documents and instruments necessary to bring about the Project and to fulfill the Jamestown BPU's obligations under the WIIA Grant Agreement, subject to review and approval by counsel.

Discussion: This resolution will give David Leathers, General Manager of the Jamestown Board of Public Utilities, authorization to sign the Clean Water Infrastructure Act grant application and supporting documentation for the sanitary sewer slip-lining and rehabilitation of approximately 30,000 linear feet of sanitary sewer collection pipe within the City of Jamestown.

**ADOPTED.** Ayes: 8 Nays: 0  
June 26, 2017

**#170607 By Mr. Lehman:**

Whereas, Three-quarters ( $\frac{3}{4}$ ) of this Board concur that it is impractical to take bids for the purchase of natural gas needed from time to time and on very short notice to support the BPU operations at the Samuel A. Carlson Generating Station, and

Whereas, Sprague Operating Resources LLC, of Portsmouth, NH, is a supplier of natural gas and wishes to sell gas to the BPU, and

Whereas, The BPU wishes to maintain contractual agreements with multiple natural gas suppliers capable of providing the fuel needed to support its operations at the lowest competitive price possible;

Now, Therefore, Be It

Resolved, That the General Manager is hereby authorized to enter into a “Base Contract for Sale and Purchase of Natural Gas” with Sprague Operating Resources LLC, pending review by counsel, and be it further

Resolved, That the General Manager or his designee is hereby authorized to enter into conforming Transaction Confirmations for gas purchases from that company as defined by the Base Contract.

Discussion: Sprague Operating Resources LLC is a large national supplier of natural gas. They are an active shipper on the TGP interstate pipeline which is an important upstream supply to the Carlson Station. The Base Contract, otherwise called a “NAESB” Purchase Agreement, is intended to establish mutually agreed to contractual terms and conditions to be used when actual transactions are entered. Such transactions generally occur on a short notice basis and are of short duration. By having NAESB Agreements in place with multiple suppliers, the BPU is able to competitively and reliably secure fuel to meet its needs. The proposed NAESB Agreement with Sprague Operating Resources LLC is being reviewed by counsel. Mr. Leathers commented that we have a number of NAESB contracts with different firms to obtain competitive and available bids for natural gas delivery to the power plant. Mr. Leathers congratulated Dave Gustafson, Kris Sellstrom and the rest of the team for securing this opportunity.

**ADOPTED.** Ayes: 8 Nays: 0  
June 26, 2017

Mrs. Jones arrived at 4:14 P.M.

Dave Leathers provided his General Manager’s Report. He began by thanking Mike Saar and his team for working diligently through the grant process for the drinking water and clean water applications, which are extremely demanding and require a great amount of detail.

The power plant went through a complete and full six-month DMNC run during the week of June 12<sup>th</sup> which qualifies the BPU for capacity run payments. Mayor Teresi asked if the energy that is created during the DMNC run is sold on the open market. Dave Gustafson replied that we strategize as to when the timing is best for these runs to take place. Items such as market pricing and manpower are considered. He commented that, during this particular run period, the BPU made out quite well. Mr. Leathers said the power plant also recently commissioned Boiler 9 on fuel oil. He commended the power plant team for their accomplishments. The demolition project of Boilers 11 & 12 continues on schedule. Meetings are held both daily and weekly for planning and to review progress.

Mr. Leathers announced that the NYS DEC approved our action plan that we had submitted for the wastewater treatment plant order on consent.

Mr. Leathers attended the annual APPA National Conference last week. He said there was good information provided at this conference. Items that were reviewed include electric reliability, distribution system reliability, electric vehicles, solar projects, cyber security along with a lot of other information. He said the whole country is moving rapidly toward solar, wind, and renewables. Many of the items and priorities that we are working on are in direct alignment with the New York State energy plan and state standards. Expectations around the country are to continue to produce energy reliably, affordably, and as responsibly as possible.

For Board awareness, the Solid Waste department has been experiencing a growing problem with bed bug infestations during large item pick ups in recent weeks. Mike Saar and Jim Alexander have been working to educate our employees and minimize their exposure. Staff has also reached out to the Chautauqua County Health Department and Department of Development about this growing problem. Mr. Leathers said that a change to our solid waste policy and schedule of rates may be needed to help prevent the spread of these bugs and protect everyone involved. This change may include a requirement for customers to put large items, such as mattresses, in plastic bags. Mayor Teresi commented that he has seen an increase in the use of totes and also an increase in the number of damaged garbage bags that are not put in totes. Ms. Zenns asked if the BPU plans to provide bags if customers will be required to use them. Mr. Leathers replied yes, this has been brought up and we are in the process of trying to figure out a good solution for our customers to purchase large-size plastic bags.

Mr. Leathers highlighted the work that is currently taking place behind the utility parking lot for the pedestrian bridge project. This work should continue through the summer and is being coordinated with the other work taking place at the utility.

Upcoming meetings:

- Board Personnel Committee meeting – Monday, July 10<sup>th</sup> at 4:00 P.M.
- Board Finance & Capital Projects Committee meeting – Monday, July 17<sup>th</sup> at 3:30 P.M.
- Board Meeting - Monday, July 24<sup>th</sup> at 4:00 P.M.



On motion of Mr. Wallace, seconded by Mr. Lehman, the Board convened into executive session to discuss one potential litigation issue, one contract negotiation issue, and one personnel issue.

Chairman Cornell departed during executive session.

On motion of Mr. Wallace, seconded by Mr. Case, the Board convened into open session.

**#170608 By Mr. Case:**

Whereas, The Personnel Committee, with input from the Board, has completed the review of the General Manager for the 2016-2017 evaluation period, and

Whereas, The Personnel Committee has studied and approved the appraisal,

Now, Therefore, Be It

Resolved, That the General Manager be given a salary increase of 1.95% effective as of March 18, 2017. Mayor Teresi commented that next year this resolution should take place in May and the Personnel Committee will be discussing the exit conference with the General Manager on July 10<sup>th</sup>.

**ADOPTED.** Ayes: 8 Nays: 0  
June 26, 2017

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

**David L. Leathers, General Manager**  
**Tammy J. Anderson, Secretary to the Board**