

# Bath Electric Gas & Water Systems MUNICIPAL UTILITY COMMISSION Meeting Minutes

MAY 5, 2015

**Call to order**

Harold Rodbourn called to order the regular meeting of the Municipal Utilities Commission at 4:30 PM on May 5, 2015 at BEGWS Small Conference Room.

**Roll call**

Chairman Rodbourn conducted a roll call. The following persons were present which constituted a quorum:

|                 |                 |
|-----------------|-----------------|
| Chairman        | Harold Rodbourn |
| Vice Chairman   | Michael Austin  |
| Commissioner    | Rhonda Sweet    |
| Commissioner    | Bill Heigel     |
| Commissioner    | Barney Bonicave |
| Director        | Guy Hallgren    |
| Village Trustee | Mike Sweet      |

**Audit of Bills**

- The bills were reviewed by all Commissioners present. *Motion by Vice Chairman Austin and seconded by Commissioner Sweet, passed unanimously to pay the Abstract of Audited Vouchers: April 2015 for Electric Fund of \$145,742.28.*
- List of accounts payable and electronic fund transfers paid to date: April 2015.

| Expense                  | Amount       |
|--------------------------|--------------|
| CNG                      | \$216,025.69 |
| 4/10 – Payroll           | \$68,309.91  |
| NYPA                     | \$91405.03   |
| New York State Sales Tax | \$14,813.41  |
| NYMPA                    | \$212,649.00 |
| HRA Deposit              | \$6830.00    |
| Accounts Payable 4/14    | \$3802.03    |
| Accounts Payable 4/24    | \$141092.25  |
| 4/24 – Payroll           | \$64797.44   |

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| NYSEG | \$127,242.00 |
|-------|--------------|

**Approval of minutes from last meeting**

Request by Vice Chairman Austin to change Call to Order to Vice Chairman Austin in April 2015 minutes. *Motion by Commissioner Bonicave and seconded by Vice Chairman Austin to accept pending the above listed changes for April 2015. Passed unanimously.*

**Petitions and Communications**

**Supervisors Reports**

**Accounting/Commercial Office/Meter Reading**

- During the month BEGWS Accounting Staff submitted a 2015-2016 budget to the Director.
- Updated the 2014-2015 projected to budget variance report.
- The Bonadio Group has scheduled to begin the annual audit at BEGWS on September 14<sup>th</sup>.
- Completed a survey for the AWWA pertaining to salaries.
- The Commercial Office employees received numerous calls from customers who did not receive bills. It was discovered that the Post Office had lost an entire cycle of bills. Most bills were never delivered and some were delivered weeks after being sent. The Post Office was looking into the cause of the incident.
- On April 28<sup>th</sup> Meter Reader, Connie Frankel announced her retirement effective June 25<sup>th</sup>. Connie has been a dedicated employee for over 25 years, her knowledge will be greatly missed.
- During the month of April \$87,965.49 was spent on the Electric Upgrade Project, primarily for retainage for contractor work and expenditures for bonding.
- One QRS case of customer complaints was filed with the NYS PSC during the month of April against BEGWS.
- Month to date 7,447 meters have been read out of a possible 8,329. This is an 89.5% reading rate so far this month, with 741 meters still scheduled to be read. Percentage of meters not read by department are: Electric 5.5%, Gas 15.4%, & Water 16.1%. The primary reason for not getting a read is no coverage when a Meter Reader is off and a lack of access to the meter is another contributing factor.
- Currently we have 976 electric meters being read by radio. This is about 22% of our electric meter population. We currently have 251 Direct Withdrawal customers and 216 E-Bill customers.

Jim Housworth – Accounting Supervisor

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**Electric Line Department**

- Repaired several street lights
- Worked on the meter test program
- Removed 4 trees for the County Highway Dept.
- Continued work on the conversion, setting 13 poles on Pine, Howell and West Steuben. Also ran new 3 phase wire from Howell to the alley behind Liberty street to remove the old copper.
- Repaired 2 more URD breaks on the Exit 39 lights
- Responded to a callout on Cruger St.
- Evan Green attended his first Apprentice Lineworker class on 4/14-17
- We are down one bucket as it was damaged from backing into a low hanging tree. Repair is expected the first week in May.

Mark Hawk – Electric Line Supervisor

**Service Department**

- Investigated 12 gas odor complaints
- Investigated 1 CO Complaint
- Changed out 20 Gas Meters
- Completely tore down and rebuilt and installed 2 new regulators along with the HP Regulators replaced in February, also painted regulator station.
- Assembled work stations for Jordan and Kris's new office.
- Performed inspection and maintenance on Distribution Regulator Reliefs (oil seals)
- Rechecked pending gas leak

Steve Larsen – Service Department Supervisor

**Underground Line Maintenance Department**

- Repaired gas main at 81 Geneva St
- Currently doing bacteriological testing for Steuben County Fairgrounds
- Preparing the Annual Water Quality Report to be submitted to DOH
- Water: Repaired main break on Howell St (circumferal)
- Installing water service for Bluegill Farms for Heifer barn
- Sewer: Flushed main on West Morris St (Burger Alley)
- Inspected two sewer services after repair

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- Making repairs to Chlorine distribution at Well#8 and Well#4
- Have done many Dig Safely Requests
- Planted trees for Arbor Day !

Andrew Burdin – Asst. UGLM Supervisor

**Sewer plant**

- Daily lab test & regular maintenance
- Pressed 33,200 gals of sludge for Village of Waverly
- Shut down and unplugged #2 primary effluent pump 10 times
- Replaced #1 primary effluent pump with new Chicago pump model VPM-OS6. Equipment cost of \$19,000+ was expended from the capital reserve fund.
- Repaired and drained to cells of the aerobic digester to get all 4 cells back up and running
- Drained primary clarifier tank in preparation for the repair of chains and flights
- Drained , cleaned and refilled Final Tank

Royce Hoad – WWTP Supervisor

**Review of NY Prize Application**

BEGWS was awarded \$100,000 for a feasibility study on April 17<sup>th</sup>. We are one 3 municipalities in upstate NY The monies will be used to have Wildan Energy Solutions perform a feasibility study for deploying Smartgrid in the Village and Towns of Bath. The feasibility study will be submitted with the goal of being awarded \$1,000,000 for engineering.

**Supervisor and Leadership Training**

All supervisors and assistant supervisors will be receiving supervisor training. This training started May 5. Mike McDonald a Corning Inc. trainer and facilitator will be providing this training.

**Accounting**

**Sewer Rate Increase Request**

BEGWS requests a 6% sewer rate increase to offset increased cost of operations as well as the loss of revenues from industrial customers.

Below is a history of sewer rates:

No increase from 4/1/92 to 5/1/10. 18 years.

In 2010 it was determined that a 30% increase was needed for the sewer department to breakeven on operations vs. revenues.

The Village Board decided to raise rates 15% and review annually.

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The rates were increased as follows:

|          |          |       |                                       |
|----------|----------|-------|---------------------------------------|
|          | 5/1/2010 | 15%   |                                       |
|          | 6/1/2011 | 20%   |                                       |
|          | 6/1/2012 | 15%   |                                       |
|          | 6/1/2013 | 15%   | Plus Increase in sewer unit of \$1.25 |
|          | 7/1/2014 | 12.5% |                                       |
| Proposed | 7/1/2015 | 6%    |                                       |

Reasons for rate increase request:

- The Chesapeake Bay Regulations and subsequent SPEDES permit require BEGWS WWTP reduce nitrogen and phosphorous emissions. This reduction has required the installation of process equipment to achieve the new lower limits. The chemical cost alone for doing so is \$67,200.
- Increase Utility Costs approximately \$50,000
- Health Insurance rate increase of 12%, approximately \$21,000
- Loss of Philips as a large sewer customer - Approximately 4.5% of Sewer Sales
- Reduction in usage at VA - Approximately \$20,000 reduction in sales annually

Motion by Commissioner Bonicave to forward rate request to the Village Board for approval. Motion seconded by Vice Chairman Austin. Approval unanimous.

MGP Site Cleanup – GEI has been contacted. GEI will submit a proposed site evaluation for review and BEGWS will write an RFQ to get the ball rolling.

Cycled Tree Trimming Program

Bid documents were received from two tree trim contractors after advertising legal notice in the local papers. Bids were below projected budget for 2015-2016. In addition Director Hallgren and Mrs. Bushnell met with Mr. Steven Bates to design and draft a work plan for landscaping at the Fairview Substation. Collins Tree Trimming provided a design, scope of work and estimate of \$15,000 to accomplish the landscaping.

Spruce Up Project

Demolition of the office open area has commenced. Carpets, conference rooms chairs and tables have been ordered. The accountants have been relocated to the former large conference room.

RRH

- BEGWS has been approached by Kraft to create a proposal to convey their waste by products to the BEGWS plant. The benefit to BEGWS would be in increased energy production through the use of the waste by-product. The plants energy production capacity would then increase.
- BEGWS requests authorization to fund detailed engineering for the RRH upgrades. *Motion by Vice Chairman Austin to approve engineering spending in the amount of \$\$1,377,000. Commissioner Heigel seconds motion. Approval unanimous.*

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- *Motion was presented to designate Director Hallgren as authorized party to process EFC documents. Motion to approve by Commissioner Heigel, Second by Commissioner Barnicave. Approval unanimous.*

At Risk Gas Pipe Replacement Program

BEGWS has contracted with Integrity Engineering of Montour Falls to review all gas pipe. An algorithm using various variables such as age of pipe, type of pipe, population density were used to prioritize which pipe should be replaced 1<sup>st</sup>. IE has written project charter. After review this project charter will be submitted to the PSC to seek rate recovery for at risk pipe replacements.

**Executive Session** – no executive session requested

**Adjournment**

Request for Adjournment by Vice Chairman Austin, seconded by Commissioner Sweet. Chairman Rodbourn adjourned meeting at 6:43PM.

Minutes submitted by: Guy Hallgren