

VILLAGE OF SKANEATELES
MUNICIPAL BOARD
MINUTES OF REGULAR MEETING – February 25, 2015

Present: Chairman Moffa, Commissioner Blackler Commissioner Hall, Advisor Dienst, Director of Municipal Operations Harty, David Colegrove

Chairman Moffa called the meeting to order at 6:02 pm.

Electric System Master Plan. Chairman Moffa Peter suggested that DMO Harty and Advisor Dienst finish the draft. Mr. Dolmatch has had some recent health issues.

Unit substation. DMO Harty showed updated schedules and budget estimates. A conference call with CHA was held on 2/23/15 to review project scope and to establish targets of late March/April for beginning site work. The Village Board already approved the CHA engagement. The site must be cleared and soil borings completed to confirm the foundation design. The Village will do soil borings in late March or April depending on snow cover and frost conditions. Ms. Harty will have to have a surveyor stake the location. Construction should be mid-May through summer. Estimated project cost is approx. \$350K (excluding hauling/craning and construction costs from Grid and NYPA). There are 3 main components (1) establishing main feed tap done by Grid, (2) installation of metering by NYPA (estimated at \$33K), and (3) the CHA/VOS scope of work, which will include \$50K in materials. In Advisor Dienst's estimation the total installed cost will come in far below the amount the Village would have paid for components alone; the Village has secured a bargain.

AMR. DMO Harty and Mr. Dundon explained that the initial focus of the project will be on water meters. The project is underway to finish conversion of all remaining water and electric meters to automatic reading capability, to eliminate manual readings. A master list of all remaining meters has been developed, and some initial installations have been completed, though installations are delayed because of extreme snow removal and water repair requirements for personnel..

LED street lighting. Comm. Hall found a NYSERDA report on street lighting that he forwarded to all members. He reported that the costs of LED street lighting is less than 50% of what it was 4 years ago. Comm. Hall went on to suggest that the Board wants to continue to advance the analysis of LED street lighting, specifically that the Board define requirements and specs and send out RFI. The goal would be to enter a full demonstration period. The Board believes that LED lighting is increasingly cost effective and long-lived and that current models offer the ability to adjust the color spectrum of the light provided – addressing a key objection. Chairman Moffa noted that this initiative is consistent with concern for minimizing purchased power and the recently-adopted Climate Action Plan. Ms. Harty was asked to follow up with Allan Abbott regarding scheduling his conversation with Solvay regarding that community's experience and to meet with Comm. Hall to discuss an approach.

Electric System statistical performance. Chairman Moffa reported that he had met with DMO Harty and Advisor Dienst to discuss the potential impacts of the Community Center expansion. DMO Harty presented a wealth of information about the Village's cost structure for power as well as the consumption and demand model. On the cost side, she worked through the components – our hydropower allotment from NYPA which is our base power supply. The demand (purchased) power, necessary when demand exceeds that allotment, is supplied through our open market contracts administered by NYMPA, the organization which does the purchasing and hedging for a number of municipal systems. We are also charged a wheeling (distribution) fee by National Grid which handles our interconnection. And there is the IEEP surcharge, which operates like a savings account. Ms. Harty explained the historical cost data to the Board. The opportunity is to make residents aware of peak usage timeframes and the possibility of scheduling their routine usage at off-peak times.

After determining the various cost components, the Village calculates – and submits to the NYSPSC for approval – the 'Purchase Power Adjustment' -- which is applied to the bills. Advisor Dienst handed out the PSC tariff rate schedules and service rate classifications. He noted that the service classifications for existing customers "are ripe for a thorough review" to be sure that customers are in the proper rate classification.

Based on total KWH consumption, the data show that the residential service class consumes 47.1% of the power distributed by the Village. The commercial class is about 10%. The industrial class (those with demand meters) makes up about 42% of total annual consumption. Residential usage displays a great deal more volatility in usage than do the commercial classifications. Chairman Moffa asked if the data show that residential customers are the go-to place to achieve reductions through efficiency. DMO Harty said that she would like to develop trends before concluding that. Advisor Dienst opined that the issue is electric heat. Chairman Moffa suggested that it may be time to craft a message to residents regarding power. Ms. Harty stated that while peak demand usage is a cost driver, another factor is the total consumption during the winter. She intends to confirm how these interrelate in the overall cost structure.

Water System. DMO Harty said that she has been working with GHD to ensure that their water system model reflects the actual 12 inch main installed on East Street last year and used the model to project results for different size mains in the upcoming replacement of the East Lake Street main. The results show that the Village will not realize a significant improvement in fire flow if it drastically oversizes this new main to 12 inch. Based on Ms. Harty's concerns about the low flow rates through an oversized main resulting in potential water quality and health risks, GHD and DMO concur that use of an 8 inch main will be optimum in providing improved fire flow and ensuring the appropriate turnover of the water. Chairman Moffa said that he wants to ensure that holding times are being correctly calculated and reflected in water quality.

Village Hall/NYSERDA Grant - DMO explained that we have reviewed solar production and HVAC operation. Some of the components of the HVAC system have been in continuous operation when they probably should be operating on a scheduled calendar. We are also evaluating the installation of 4 additional panels near the front of the building, which will be less likely to be compromised by snow & ice and may be more visible as part of the public

demonstration component of this installation. Additionally, the Village has reached out to NYSERDA to schedule a discussion of preliminary operating data.

Arc Flash; review of proposals – This topic was introduced at the prior meeting; making the required arc flash calculations and labeling the substation components. DMO Harty explained she contacted both Fairport and Massena and that both utilities had done this work several years ago – and that both had opted to do a lot of the field work themselves. The contracted work cost them between \$9,000 and \$12,000 to do. Ms. Harty has solicited 3 proposals, one from HMT that does circuit testing and inspecting for us at the substation, but estimated the work with only one visit; one from CHA, which seemed not as clear as to the scope of work; and one from Matco a large electrical contractor from Binghamton, which made an extensive visit and quoted the lowest cost per label. Ms. Harty was most comfortable with Matco. Upon motion of Chairman Moffa, seconded by Comm. Blackler the Board unanimously agreed to recommend that the Trustees contract with Matco, at a cost of \$14,700.

WWTP; Flow Meter proposals - DMO Harty reported that she had received quotations for replacement effluent flow meters. Based on expected performance in a submerged environment, Ms. Harty recommended the Hach pump proposed by Total System Control, the Rochester company which does our instrumentation and control work. It was the lowest cost and included full installation & support. Upon motion of Comm. Blackler seconded by Chairman Moffa, the Board unanimously agreed to recommend that the Trustees contract with TSC at a cost of \$13,900.

SU Senior Project – Due to insurance concerns, the students are not able to work on site. DMO Harty has gotten some materials to them, more will be forwarded next week; some of the information may not be required. Lack of site access may hamper their effectiveness in this project. Chairman Moffa suggested that perhaps they could have access to the passageways – looking through the doorways without actually entering the work spaces.

Demand Response – The Board had previously recommended that the Village contract with Constellation Energy for limited access by them to the Village's standby generating capacity. The agreement was never executed before DMO Lotkowitz left the Village. DMO Harty has reopened the opportunity with CPower, a subsidiary of Constellation, but wants to contact some other municipalities to identify the magnitude of getting started costs. She feels that we are close to moving ahead on this initiative. She has asked Attorney Byrne to review the agreement.

EV Connect Charging Stations - DMO Harty reported that the units are ready to go. For a brief interval they were set as 'Public' and configured to operate for free. Ms. Harty has determined that two potential charging algorithms are available – a usage-based charge per KWH and a time-based charge per hour. Ms. Harty recommends the adoption of the usage based per KWH rate and then evaluate how it is working. At a suggested rate of \$0.25 per KWH consistent with many other municipalities, the cost of power and administration will be covered – a Prius might require \$1.00 to charge; a Nissan Leaf less than \$6.00. A \$1,500 ancillary annual charge from EV Connect will be absorbed by NYPA through 2019 and can be built into the rate structure thereafter. Upon motion of Comm. Hall, seconded by Comm. Blackler the Board

unanimously agreed to recommend that the Trustees adopt a usage rate of \$0.25 per KWH consumed.

Next Meeting. The next meeting was scheduled for Wednesday March 25, 2015 at 6:00 pm.

On motion of Comm. Blackler seconded by Chairman Moffa the meeting was adjourned at 7:37 pm.

Respectfully submitted,

Dennis Dundon, Clerk to the Boards