

VILLAGE OF SKANEATELES
MUNICIPAL BOARD
MINUTES OF REGULAR MEETING – June 25, 2012

Present: Chair Peter Moffa, Commissioners Blackwell and Hall. Trustee Lanning, DMO Lotkowitz. Also, Mark Ramsgard, Amy Casper and Joe Casper of Ephesus Technologies, LLC (arrived at approximately 8 pm).

Absent: Commissioner Blackler

Minutes: The minutes from the meeting of May 21, 2012 were approved as submitted on motion by Comm. Hall, seconded by Comm. Blackwell. The vote was 3 – 0 in favor.

Acknowledgement: Chairman Moffa announced that Commissioner Alan Dolmatch has tendered his resignation from the Municipal Board effective immediately. He said, “We will miss him dearly.” The Chair continued, expressing the Board’s great appreciation for Alan’s involvement. Because of the intensity of involvement and quality of input, his presence will be missed. Commissioner Hall characterized Alan as highly energetic, motivated and an excellent writer.

Cryptosporidium – UV Project Status: DMO Lotkowitz said the project is “about wrapped up.” The Village has been asked to release some of the retention on the project, based on the accomplishment of punch-list items. DMO Lotkowitz had some questions after the Village Engineers’ review. Pending satisfactory answers, DMO Lotkowitz will recommend partial release of retained funds. Some retention will remain to cover work still to be accomplished. The system is up and running and has been through two monthly reporting cycles. The Village staff is well along the learning curve. The system has produced 100% on-spec water. The treatment systems have more than adequate back-up. Chairman Moffa offered congratulations and credit to all for a “job well done. It’s a very successful project.” Only two or three similar systems are working in New York.

Commissioner Hall asked about the upgrades and refurbishment items discussed at the previous meeting. DMO Lotkowitz did receive a proposal from GHD for engineering some of the upgrades/enhancements and development of a scope of work, which was tabled at the Village Board meeting pending answers to questions raised by the trustees regarding the ability to make changes to the contract without the engineers being directly involved. Some of the electrical and insulation work really does not require engineering input; it can be done by the contractor directly. The estimate to install the insulation was \$19,000 to insulate all the piping in the pit, as well as the UV apparatus, to deal with sweating pipes.

AMR: DMO Lotkowitz reported that 50 new meters have been installed this month. Two employees from the water and electric department are working on installations when they are not actually reading meters. We are having success in knocking on doors and being able to

immediately install the meters. Trustee Lanning asked how much time an install takes. DMO Lotkowitz replied that the crew can do 5 to 7 meters per day. Time is dependent on the amount of rewiring required.

Comm. Blackwell asked how many large meters are left. DMO Lotkowitz recalls that there are six left. Comm. Blackwell believes that these have a significant benefit in replacing worn-out meters and they should be a higher priority. DMO Lotkowitz said that the Village already has the new meters. Chairman Moffa believes that it is a good idea to get the big ones put in, since there will be an immediate benefit revenue-wise.

In response to a question from Comm. Blackwell, DMO Lotkowitz said that there are 250 water meters left to be installed (being installed at a rate of 50 per month) and 150 electric meters, mostly demand and commercial, left to be installed. Comm. Hall reiterated that it is the sense of the Board that the larger water meters should be given priority for installation.

On the subject of billing, the Village has purchased a new billing system that is to come on line by September. The vendor has now provided the software with rate structure and rate tables. They are now translating the Village's database into the new system's format. This will allow for a parallel test of the new system for one monthly billing cycle to be sure data are correct. All address formats and other data will be standardized as part of the process. Then we will cut to the new system in the August – September timeframe. The billing vendor has integrated with Prescott in several locations, so a seamless interface is likely.

Community Center Impact Study – update: DMO Lotkowitz reported that he is still working with National Grid to obtain a second delivery point so that the Village can use existing infrastructure to deliver power to the Community Center via State Street. This is, by far the most cost-effective way to do it, with the least impact on the Village infrastructure and the least costly for the Community Center; National Grid has termed this a “sham connection”. The Village plans to approach the New York Public Service Commission to see if the PSC can broker a deal with National Grid. It looks more and more likely, though, that upgrading of the Village infrastructure may be required

The alternative is to look at another delivery point off the 34.5 KW line and to build up the Village's infrastructure to serve the Community Center, overbuilding up Jordan Street and feeding a new transformer in the back of the Community Center.

Hydro-power Increase – update: NYPA is recommending to their Board, that the Village receive an additional allocation of 100 KW of hydro-power. The item is on the agenda for the June 26 board meeting. The amount of the allocation is determined according to a formula driven by the number of full-time jobs that will be created. As a result, the full load request for 416 KW cannot be obtained. The jobs will be created as a result of serving the Community Center, and the additional allocation will be subject to the Community Center actually becoming a customer of the Village's system. Approval would increase the hydro-power allocation from 5.1 MW to 5.2 MW.

Tallcott Lane Water Line – update: DMO Lotkowitz reported no change in status for this item. It is pending the completion of obtaining the easements.

WWTP – RBC – update: DMO Lotkowitz reported that delivery of the RBCs is expected in mid-August.

CNY Climate Change Innovation Grant – update: DMO Lotkowitz recently received a call from a County Planning Board staff member who noted that the ESF students doing the study to define the carbon footprint of Village operations buildings left a bit of work remaining. Once DMO Lotkowitz answers a couple of questions for her, the CNY Regional Planning Board will project those results to the remainder of the Village. Then the final report will be prepared and the Village will need to define a project or projects to reduce that carbon footprint. This is a matching grant of up to \$30K in EPA grant money that must be matched by \$30K of Village funds. It could be used for Village Hall renovations or streetlight retrofits that will reduce greenhouse gas emissions.

Reservoirs’ Future – Town & Village – Plumley report: DMO Lotkowitz had provided the Commissioners with a copy of the 2003 letter from Stearns & Wheeler (now GHD), the Village’s engineers, which indicated the feasibility of the existing site for a microfiltration facility, given the freeing up of the reservoir area by the Town. The Town will not construct a new tank; they will use an existing tank. Chairman Moffa asked, if in the interest of safety, should the Village fill in the reservoir, or leave it empty with the drains open? Or leave it full? The area is fenced.

The Town is making changes in its piping in order to use the tank. Once that is done, the reservoirs will be unused. Trustee Lanning has concerns about mosquito breeding if these are left full of standing water. All agree that it should be drained. **Comm. Blackwell moved to recommend the filling in and leveling off of both of the reservoirs when they are no longer in use. Comm. Hall seconded. Upon the unanimous vote of the members present in favor of the motion, Chairman Moffa declared the motion passed.**

CHA Proposal for Underground Service – Fennell/Jordan Streets: DMO Lotkowitz has walked the proposed area with CHA. Comm. Blackwell asked how this is different from the study done in 2008. DMO Lotkowitz said that the 2008 study brought two feeders in the same conduit ductbank out to the corner of Jordan and Fennell and then split – one toward Jordan and up Jordan and one down Fennell. The current thinking is to retain two feeders in their current locations. No cost has been assigned at this time. An unanswered question is whose financial responsibility it is to rearrange the service to a residence or store.

On Jordan Street, the feed would remain overhead from the J4 pole by the Old Stone Mill back to the substation. It is not feasible to land everything on the pole in front of Town Hall and make it a riser pole. It will require a new pole in front of the Methodist Church. We will install a manhole at intersection of Jordan & Fennell, install a manhole in front of Town Hall and install a duct bank from J4 to pole 5. Pole 5 would be the riser. Pad-mounted switchgear would be installed adjacent to Town Hall to serve the transformers behind Town Hall and Doug’s Fish Fry, and sectionalize in the event of cable failure. The overhead service would be removed between J4 and pole 1, and to pole 4 on Jordan. Comm. Hall said it sounds like a good plan but no cost

numbers. Comm. Blackwell said the costs from the previous study were about \$500K, and should be able to be updated pretty easily. He asked if the cost were \$500K, how would it be paid? DMO Lotkowitz said it would have to be covered under the Electric Fund, and eventually the ratepayer will bear the cost. Comm. Blackwell suggested that if the ratepayers will bear the cost, they should be alerted to the discussion.

Chairman Moffa suggested that the Municipal Board needs to deal with the technical issues on whether it makes sense and is feasible; the Trustees will have to struggle with how to pay for it. Comm. Blackwell said that there is no question about the ability to put the service underground; it is simply a matter of cost and willingness to pay. The alternative is to leave them overhead. The Trustees might ask the Municipal Board to look at the impact on the ratepayers. Comm. Hall asked if this plan worked with a planned redesign of the Fennell/Jordan intersection. DMO Lotkowitz said yes, that was incorporated. Manholes would not be in the streetscape.

On Fennell Street, the plan is to remove all poles from the intersection with Jordan, to just around the bend at Kelley Street/TOPS, and possibly remove primary on Kelley Street. DMO Lotkowitz noted that Kinney building, the new Village Hall and Victor Ianno's building all are served underground already. He said that the next step is to get costs for these options.

The question came up on the ability to piece-meal this project. The Chairman felt that this may not be the optimal way to accomplish this objective, since you can bond for it all at once. DMO Lotkowitz observed that while it could be staged, it is necessary to get Time Warner and Verizon committed to moving to underground also. Chairman Moffa stated that there may be staging costs that would have to be duplicated. Comm. Hall asked for updated cost numbers.

Next Steps for Master Plan of Village Electric System: Chairman Moffa noted that each member had agreed to work on portions of the Master Plan. Former Comm. Dolmatch was the principal writer, but now is no longer part of the Municipal Board. The Chair suggested that the inputs developed so far be given to CHA, and have them begin to craft a master plan. Comm. Blackwell said hiring a consultant would be costly; he would prefer to bootstrap and do it internally. Comm. Hall asked if it were possible to retain Mr. Dolmatch to prepare the plan input. Chairman Moffa indicated that Mr. Dolmatch might be receptive; he will approach him.

CHA Report for Underground and Aerial Service: Comm. Blackwell said that in the previous draft report by CHA several deficiencies were noted. He had requested that a plan and budget to correct those be prepared. Many of these were safety issues, such as standing water in junction boxes and transformer boxes. DMO Lotkowitz said that one of them, the pumping station on Prentiss Drive, will have a new pad installed this summer. He continued that there is a final draft with cost estimates. The Board members requested a copy.

Comm. Hall asked if all these items were on the work plan. DMO Lotkowitz indicated that these are outlined in the report by severity, and that he will take care of the severe problems as soon as practicable. Each year, the severe items must be corrected by year-end and reported to the PSC as corrected or the reason for the delay. All the ones for the Western circuit and the Fennell circuit have been corrected. The Jordan circuit is being worked on this year. There are two priorities in the Eastern circuit; they and Onondaga will be done next year.

Chairman Moffa suggested that the current priorities are the installation of meters for AMR and these fixes to the electric system, some of which are of immediate need. If safety issues are still open they should be done. If DMO Lotkowitz needs a recommendation to use an outside contractor; if necessary, the Board can help support. Many of the issues are tree issues, and DMO Lotkowitz has Bartlett hired to help.

Ephesus Technologies Demo of LED Street Lighting: Mr. Ramsgard introduced himself and introduced Mr. and Ms. Casper, the founders of Ephesus. The company brought a demonstration fixture with them to be able to show the new lighting application in an actual Skaneateles ornamental fixture. Comm. Hall observed that what we would be seeing is what Auburn is already doing. Mr. Casper observed that Auburn is not an Ephesus customer, but that Village of Baldwinsville is. Skaneateles has some 400 streetlights, 60 of which are the ornamental style used in the Village center. Ephesus has an LED replacement for the high-pressure sodium metal halide light. Their light is maintenance-free for 40 years.

Ephesus prepared a cost and payback analysis using assumptions about the 400 existing street lights that the Village has. They estimate that we are replacing some 20 lights over the course of the year. Annual energy cost for the lights is \$2,500 per year; the LED lighting would run between \$500 and \$1,000 for energy. The HP sodium fixtures operate at 150 Watts, while the LED fixtures require just 55 Watts for a higher lumen output. Assuming bulb costs of \$27, and labor cost of \$50, and \$2 hazardous disposal fee for the HP sodium lights replaced, coupled with the energy savings yields a simple ROI (recovery of capital against the estimated \$28,000 project cost to replace the 60 ornamental units with LED fixtures) is 3.9 years. Of the project cost, \$19,000 is the cost of the lights and the labor to assemble is \$9,000. The units come with a 10 year warranty.

The LED unit would be wholly contained within the globe support structure, using a fabricated metal bracket to hold the LED array. Everything will fit the existing poles and globes that the Village has installed currently. The power converter -- military grade and fully waterproof -- is housed at the base of the pole. Each watertight LED array is comprised of 36 LEDs that can be steered, focused or shielded depending on the situation. In the LED unit, the light is directed downward, making them dark-side compliant, unlike the HP sodium which is visible from above.

Each discrete light is centrally controllable, so it can be dimmed, flashed or otherwise operated. There is an RF remote controller, and each light is addressable. The control box is an added cost. Any individual complaint may be addressed at the particular pole. The units are nearly entirely sourced from the US, most of the sourcing being done from New York companies.

The LED output is a white light, with a color rendering index of 86. The HP sodium is a yellow light with much more impact on actual color when viewed, because of its lower index. It will appear different in a side-by-side comparison; the LED being a cooler light (about 5500 degrees K vs. 3000 degrees K). Also, the tops of the globes will be dark with the LED array, rather than lighted as with the HP sodium. This will prevent light-splash into second floor windows. Comm. Blackwell urged that we install some units as a demonstration project so that we can get resident feedback and reaction to the lights before proceeding. Trustee Lanning agreed.

Discussion ensued about the possible preferences for warm or cool and reviewing the ROI assumptions. Mr. Casper asserted that any assumption changes would be consistent with the 3.9 years recovery period.

Mr. Casper stated that he was willing to support an aggressive price for the trial, if the Board would agree that upon successful completion of a trial, that the Village would commit to the 60 unit deployment. He indicated that his pricing of \$299 per unit compares favorably to competitors' pricing of \$350 per unit, and Ephesus' normal trial price of \$425.

The structure of a trial was thoroughly discussed, with advocates for 6 units downtown and advocates for 4 units downtown and 2 units in a subdivision, like Parkside. **Comm. Hall moved to proceed with a trial of 4 LED units downtown and 2 LED units in Parkside to gather resident feedback, with such trial to be for a period of two months. Comm. Blackwell seconded. Upon the unanimous vote of the members present in favor of the motion, Chairman Moffa declared the motion passed.**

Next Meeting – July 16, 2012: The members agreed to hold the next meeting on July 16, 2012.

Upon motion of Comm. Blackwell, seconded by Comm. Hall, the meeting adjourned at 9:00 pm.