

**MINUTES OF THE ANNUAL MEETING  
OF THE  
BUFFALO SEWER AUTHORITY  
July 1, 2004**



# **BUFFALO SEWER AUTHORITY**

**July 1, 2004**

**ANNUAL MEETING**

**9:00 A.M.**

**1038 CITY HALL**

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<b><u>ITEM NO.</u></b>	<b><u>CONTENTS</u></b>	<b><u>PAGE NO.</u></b>
	Roll Call	
1	Motion to Adopt the Minutes of June 16, 2004	50119
2	Election of Officers	50120
3	Report on Bids Received - Natural Gas Supply	50121
4	Authorization to Enter into a Service Agreement with National Fuel Gas to Participate in Customer Balancing and Aggregation Program Under Service Classification No. 18	50122
5	Adjournment of Meeting	50123





## ITEM NO. 2

**ELECTION OF OFFICERS**

	MOTION TO	<u>APPROVE</u>
CHAIRMAN	MADE BY	<u>MR. NAPLES</u>
HERBERT L. BELLAMY, JR.	2 <sup>ND</sup> BY	<u>MR. ROOSEVELT</u>
	AYES <u>3</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
VICE CHAIRMAN	MADE BY	<u>MR. ROOSEVELT</u>
JAMES P. NAPLES	2 <sup>ND</sup> BY	<u>MR. BELLAMY</u>
	AYES <u>3</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
ASSISTANT VICE CHAIRMAN	MADE BY	<u>MR. NAPLES</u>
JOHN D. KENNEDY	2 <sup>ND</sup> BY	<u>MR. ROOSEVELT</u>
	AYES <u>3</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
SECRETARY	MADE BY	<u>MR. NAPLES</u>
CHRISTOPHER ROOSEVELT	2 <sup>ND</sup> BY	<u>MR. BELLAMY</u>
	AYES <u>3</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
ASSISTANT SECRETARY	MADE BY	<u>MR. NAPLES</u>
ELEANOR WILSON-DIVINCENZO	2 <sup>ND</sup> BY	<u>MR. ROOSEVELT</u>
	AYES <u>3</u>	NOES <u>0</u>

## ITEM NO. 3

**REPORTS ON BIDS RECEIVED - NATURAL GAS SUPPLY**

WHEREAS: Informal bids were solicited to supply natural gas to the Treatment Plant for various terms beginning July 1, 2004. The following bids were received:

<u>Terms</u>	<u>Bidder</u>	<u>Cost</u>
12-months	Mid American Natural Resources	\$0.544/Dth + NYMEX*
	NOCO Energy	\$0.615/Dth + NYMEX
	National Fuel Resources	\$0.577/Dth + NYMEX
24-months	Mid American Natural Resources	\$0.564/Dth + NYMEX*
	NOCO Energy	\$0.590/Dth + NYMEX
	National Fuel Resources	\$0.581/Dth + NYMEX

\*plus \$0.10/Dth for hedged volumes

; and

WHEREAS: The General Manager and Buffalo Sewer Authority consultants, United Energy, reviewed the bids and recommend awarding a 24-month contract to National Fuel Resources. National Fuel Resources has submitted the lowest responsible bid for natural gas supply for the contract term on a variable price basis, at a cost of \$0.581 per dekatherm, plus monthly closing price on the New York Mercantile Exchange (NYMEX), for delivery to the National Fuel Gas Distribution Company City Gate; and

WHEREAS: Due to time constraints, the Board was polled on May 26, 2004, and verbally authorized the General Manager to enter into a contract with the lowest responsible bidder; and

WHEREAS: It is now necessary to formally ratify that authorization.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby formally authorizes the General Manager to enter into and execute a contract for a 24-month period with National Fuel Resources for natural gas supply on a variable price basis, at a cost of \$0.581 per dekatherm, plus monthly closing price on the New York Mercantile Exchange (NYMEX).

MOTION TO APPROVE

MADE BY MR. NAPLES

2<sup>ND</sup> BY MR. ROOSEVELT

AYES 3 NOES 0

Board Meeting of July 1, 2004

ITEM NO. 4

**AUTHORIZATION TO ENTER INTO A SERVICE AGREEMENT WITH NATIONAL FUEL GAS TO PARTICIPATE IN CUSTOMER BALANCING AND AGGREGATION PROGRAM UNDER SERVICE CLASSIFICATION NO. 18**

WHEREAS: The Buffalo Sewer Authority desires to enter into a service agreement with National Fuel Gas Distribution Corporation in order to establish the Buffalo Sewer Authority as an independent municipal services natural gas pool within National Fuel Gas Distribution Corporation; and

WHEREAS: This service agreement with National Fuel Gas Distribution Corporation will enable the Buffalo Sewer Authority’s energy consultant, United Energy, to purchase natural gas at wholesale rates, thereby resulting in significant savings; and

WHEREAS: The General Manager and United Energy have reviewed this service agreement and recommend its acceptance.

NOW THEREFORE  
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby formally authorizes the General Manager to enter into and execute a service agreement with National Fuel Gas Distribution Corporation in order to participate in the Customer Balancing and Aggregation Program under Service Classification No. 18 for the period July 1, 2004 to June 30, 2005. Funds for this service agreement will be charged to account no. 00380103-441001.

MOTION TO	_____	APPROVE	_____
MADE BY	_____	MR. NAPLES	_____
2 <sup>ND</sup> BY	_____	MR. ROOSEVELT	_____
AYES	_____	3	NOES _____ 0

Board Meeting of July 1, 2004



ITEM NO. 5

**ADJOURNMENT OF MEETING**MOTION TO                     APPROVE                    MADE BY                     MR. NAPLES                    2<sup>ND</sup> BY                     MR. ROOSEVELT                    AYES           3           NOES           0          

Board Meeting of July 1, 2004