

NIAGARA POWER COALITION ANNUAL MEETING MINUTES

Wednesday, April 1, 2009 – 12:00 p.m.

Niagara County Department of Economic Development
6311 Inducon Corporate Drive, Suite One
Sanborn, New York 14132

1.0 Call to Order

Chairman Ross called the meeting to order at 12:15 p.m.

2.0 Roll Call

Ms. Melloni performed roll call:

Representatives Present:

William L. Ross, Chairman	Niagara County
Cynthia Bianco, Superintendent	Niagara Falls City School District
Thomas M. O'Donnell, Esq.	City of Niagara Falls
Donald Rappold, Assistant Superintendent	Lewiston-Porter School Dist
Scott Hapeman, Esq., Counsel	Niagara Wheatfield School District
Fred M. Newlin, Supervisor	Town of Lewiston
Michael Risman, Esq.	Town of Niagara

Guests:

Chris Roser	Lewiston Porter School District
Tom Burgasser, Esq.	Niagara County
Jackie Siegmann	Town of Niagara

Staff Present:

Charles Miller, President, NPC
John Baird, Treasurer, NPC
Mary Melloni, Recording Secretary
Stan Widger, Esq., NPC Counsel, Nixon Peabody
Samuel M. Ferraro, Executive Director/Commissioner - Niagara County Center for
Economic Development

3.0 Annual Membership Meeting

3.1 Confirm Directors/Members

Chairman Ross reviewed the current membership list and alternates. He asked for a motion to accept the current slate of directors as read. *Mr. Newlin made a motion, seconded by Mr. Hapeman, to keep the current slate of Directors. Motion passed.*

3.0 Annual Membership Meeting (Continued...)

3.1 Elect Chairperson

Mr. Newlin made a motion to nominate Mr. Ross as Chairman of the NPC; seconded by Mr. Rappold. Motion passed.

3.2 Appoint Committees

Mr. Ross reviewed the committees and members. He indicated that the Audit Committee will remain the same (Baird, Miller, Hapeman); on the Governance Committee (Ross, Richards, Grant), Mr. Grant will be replaced with Ms. Bianco; and on the Ad Hoc Committee (Newlin, Richards, Grant), Mr. Grant will again be replaced by Ms. Bianco. *Mr. Newlin made a motion, seconded by Mr. Rappold, to accept the committees as appointed by Chairperson Ross.*

3.3 Annual Report

Mr. Miller stated that there are two major points covered in the Annual Report: the focus of the Coalitions efforts in 2008 was on developing procedures for the Standing Committee Protocol for the approval of projects by the Host Community Standing Committee; and in 2007 the former Executive Director of the Niagara Power Coalition brought suit against the NPC claiming entitlement to approximately \$37 million. All but one claim against the Coalition were dismissed in 2008; the Coalition appealed to the Appellate Division and in November 2008 the case was settled for \$175,000.

At this time Mr. Miller explained that under Financial matters there are a couple of changes – in the second paragraph the amount paid to the Niagara County economic Development Department for staff support and resources should be changed from \$2,000 per month to \$1,000 per month. The amount paid to the Niagara County Industrial Development Agency for administrative services should be changed from \$350.75 to \$375.11.

Mr. Newlin made a motion, seconded by Ms. Bianco, to accept the Draft report as presented. Motion passed.

3.4 Budget Report

Mr. Baird indicated that the report includes a cover letter to the BAO, along with a listing of the entities and the representatives of those entities. Attached to that is the budget as was previously approved by the NPC.

3.0 Annual Membership Meeting (Continued...)

3.5 Draft 2008 Audit Report

Mr. Widger explained that he has been in contact with Mr. John Schiavone of Lumsden & McCormick and one of the concerns they had is that they needed to make sure the Audit also deals with the Greenway funds properly. The Audit reflects the fact that the NPC assisted in making arrangements for the banking accounts for the master account and the individual Host Communities, but none of those funds are under the control of the NPC. It was the Auditor's recommendation to address those funds in the NPC Audit Report. Footnote 3 on Page 6 of the draft reflects how the money is handled and how the NPC is involved.

Mr. Widger stated that the concern of the Auditors' is that the Host Community Standing Committee, pursuant to the protocol, has to have an audit performed. Rather than going to the separate expense of doing that, it was suggested that it could be folded into the NPC Audit. Mr. Schiavone will explain this when he presents the audit to the members.

Mr. Newlin stated that if the two committees had the exact same membership it would be clearer; however, the fact that the Standing Committee has an additional outside member it makes it difficult to determine where the Committee fits.

Mr. Miller stated that the Audit will be presented formally at a meeting in May.

4.0 Approval of NPC Meeting Minutes

4.1 Minutes of November 18, 2008 Regular Meeting

Mr. O'Donnell made a motion, seconded by Mr. Rappold, to approve the meeting minutes of the November 18, 2008 meeting.

4.2 Minutes of December 9, 2008 Regular Meeting

Mr. Hapeman pointed out that on page 2, under Item 3.0, the minutes should read "Mr. Hapeman stated that Mr. Widger provided the committee with some estimates that that was based on all potential action by this board, including the possible letter ruling..."; asking that the minutes be revised to include the word "ruling."

Mr. O'Donnell made a motion, seconded by Mr. Rappold, to approve the minutes of the December 9th meeting with the revision as stated. Motion passed.

5.0 Financial Report

5.1 February 1 – February 28, 2009

Mr. Baird reviewed the financial report for the period of February 1 – February 28, 2009. *[A copy of which will be attached hereto and made a part hereof these minutes.]*

Chairman Ross requested a motion to authorize a payment of \$50,000 to legal counsel Nixon Peabody.

Mr. Hapeman asked Mr. Widger if there were at least \$50,000 in outstanding legal bills on account at this time.

Mr. Rappold made a motion, seconded by Ms. Bianco, to authorize a payment of \$50,000 to the Nixon Peabody account. Motion passed.

Mr. Hapeman made a motion, seconded by Mr. O'Donnell, to approve the Financial Report for February 1-28, 2009 as presented. Motion passed.

6.0 Correspondence

Chairman Ross indicated that he received a letter from NYPA President/CEO Richard M. Kessel, dated March 26, 2009 announcing that “*subject to approval by our Board of Trustees on Tuesday, March 31, 2009, there will be no production rate increases for NYPA’s hydropower customers from May 1, 2009 through April 30, 2010.*” Chairman Ross explained that this will be addressed again a year from now. “*This action applies to all NYPA customers receiving hydropower, including the preference-rate customers.*” Chairman Ross indicated a copy of the letter is available to anyone wishing to receive it.

7.0 Old Business – None.

8.0 New Business

President Miller stated that the by-laws limit the date of the Annual Meeting to only April 1st of each year. It creates some complications with the Audit and Annual Reports and it was discussed amending the by-laws to reflect that the Annual Meeting be held between March 15 and April 1 each year. That will provide additional time to set the meeting.

Mr. Widger will provide the language for this amendment to be considered at the next meeting.

9.0 Legal Counsel

Mr. Widger stated that a decision was handed down on March 13, 2009 from the Court of Appeals of District of Columbia Circuit Court regarding the Eastern Niagara Public Power Alliance, the Public Power Coalition of Niagara County on their challenge of FERC regarding relicensing. Mr. Widger will pass this decision on to the members for their information.

Mr. O'Donnell made a motion, seconded by Mr. Newlin, to enter into Executive Session for the purpose of discussing potential litigation. Executive session began at 1:00 p.m.

Mr. O'Donnell made a motion, seconded by Mr. Newlin, to end Executive Session and return to the Regular session of the NPC meeting. Regular session resumed at 1:18 p.m.

10.0 Next Meeting: To Be Determined

11.0 Adjournment

Mr. Newlin made a motion to adjourn, seconded by Mr. O'Donnell. Motion passed. Meeting adjourned at 1:18 p.m.

Respectfully submitted,

Mary P. Melloni
Secretary