

**NIAGARA POWER COALITION
MEETING MINUTES**

Thursday, November 2, 2011 – Following HCSC Meeting
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 1:23 p.m.

2.0 Roll Call

Ms. Melloni performed roll call:

Representatives Present:

William L. Ross, Chairman, NPC	Niagara County
Don Rappold, Asst. Superintendent	Lewiston-Porter School District
Cynthia Bianco, Superintendent	Niagara Falls City School District
Tom O'Donnell, Esq.	City of Niagara Falls
Kerin Dumphrey, Business Manager	Niagara Wheatfield School District
Michael Risman, Esq.	Town of Niagara
Steven L. Reiter, Supervisor	Town of Lewiston

Guests:

Thomas Burgasser, Esq.	Niagara County
Scott Hapeman, Esq.	Niagara Wheatfield School District
Tom Prohaska	Buffalo News
Angelo Massaro, Esq.	Niagara Falls City School District
Mike Johnson	Town of Lewiston

Staff Present:

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

3.0 Approval of NPC Meeting Minutes

3.1 Meeting Minutes of August 9, 2011

3.2 Meeting Minutes of September 15, 2011

After a review of the minutes, a correction on the September 15th minutes was requested: to add the Town of Lewiston to the list of attendees. After correction, motion to approve both the August 9th and September 15th minutes was made by Mr. O'Donnell and seconded by Mr. Hapeman. Motion passed.

Charles W. Miller, President

Chairman Ross announced to the membership that President Charles Miller will be phasing out of his position as President of the NPC, but has promised to assist the NPC until the Committee is prepared to replace him. At the present time it is being researched whether the Committee needs a President in place. Mr. Ross indicated that it will also be necessary to secure a second signature on the NPC checking account upon Chuck's departure.

Mr. Miller indicated that his business with Robitaille Real Estate is flourishing, causing him to be so busy that he was unable to make the last two meetings. He also stated that he has volunteered his time to community organizations for 35 years and since his term on the Buffalo Association of Realtors expires this year, he feels that this is a good time to take a hiatus and concentrate on his business. He also stated that the NPC is running smoothly and he is proud to have been a part of the group.

4.0 Financial Report

4.1 March – October 2011 – *Informational Only*

4.2 Adopt 2012 Budget

Mr. Hapeman indicated that the Budget Committee drafted the 2012 Budget which has been provided to members [*to be attached hereto and made a part hereof these minutes*]. He indicated that the attorney fees for Nixon Peabody were adjusted to allocate \$53,000 for 2012, based on Mr. Widger's actual costs that he provided to the NPC. Mr. Widger's estimates also included a 25% contingency as has done in the past approved by the NPC on previous budgets; however, the Committee decided not to include that contingency amount in the 2012 budget in order to attempt to further this body's goal of reducing legal fees. It does not actually reduce the fees, but the theory is if the amount budgeted does not include the contingency it may be easier to keep legal fees lower. The administrative support was increased to \$5002.70 which reflects the increase that Ms. Melloni will receive. Meetings and supplies has been increased substantially due to the fact that it was underestimated last year and in speaking with Ms. Melloni she indicated that additional supply costs are incurred with increased activity of the Host Community Standing Committee. The Budget Committee also discussed whether to include any information in the budget to reflect interest amounts that the HCSC is accumulating. It was decided not to include those amounts in the 2012 budget, but recommend that this body and the HCSC should address the possibility of utilizing a portion of the interest earned for some of the fees and costs incurred by the NPC, particularly for the fees of the upcoming HCSC audit.

Mr. Rappold asked if the budget includes the audit fees for the upcoming HCSC audit. Mr. Hapeman indicated that it does not. Mr. O'Donnell suggested that the HCSC expenses be divided among the 8 members when those expenses occur.

4.0 Financial Report

4.2 Adopt 2012 Budget

Mr. Baird reminded the members of the over \$4,000 that is still in the Power Niagara account.

Mr. Rappold asked that a budget update be provided to the members at the NPC meetings so that the members can monitor the status year to date.

Mr. O'Donnell made a motion, seconded by Mr. Rappold, to adopt the proposed 2012 NPC Budget, with the understanding that the members would like to have a fund balance at the end of the 2012 fiscal year.

A roll call vote was taken.

Town of Lewiston	<u>Yes</u>
Town of Niagara	<u>Yes</u>
Lewiston Porter	<u>Yes</u>
City of Niagara Falls	<u>Yes</u>
Niagara-Wheatfield	<u>Yes</u>
Niagara County	<u>Yes</u>
Niagara Falls Schools	<u>Yes</u>

The resolution was thereupon duly adopted.

5.0 NYPA Matters

Mr. Widger explained that comments on the proposed NYPA power increase have been prepared. The deadline for submission of comments was moved by NYPA to the end of October and NPC's comments were submitted on October 21, 2011. NYPA's original schedule had called for a decision at its Trustees meeting on October 27th and that has also been pushed back to later this month. There should be a decision in a few weeks. Mr. Widger indicated he had an opportunity to speak with one of the attorneys for some of the municipalities who submitted comments as well.

Mr. Widger stated that he received a note from Mr. Daly as a follow-up to a question raised at the last HCSC meeting. The NPC asked whether there was any basis in NYPA's procedures for the formulation of the audit requirement that indicates the Office of the State Comptroller be requested to do the audit; or the alternative of an independent auditor. The members of the HCSC are in favor of an independent auditor. Mr. Daly indicates that there is no requirement that the Office of the Comptroller do the audit. The language in the protocols will allow the HCSC to go to the Comptroller or independent auditor as its option. This will allow the ad hoc committee (Ross, Dumphy and Daly) to move forward with an RFP for an auditor.

5.0 NYPA Matters

Mr. Widger stated that the ad hoc committee should also consider the method/source of payment for the audit and make recommendations to the NPC. Mr. Widger stated there is no specific deadline for the audit but it is advisable to move this along. Mr. Ross indicated that they plan to schedule a meeting sometime next week.

Mr. Widger stated that the audit language in the protocols can remain as is as long as there are no concerns.

A discussion was held regarding what expenses NYPA might be responsible for in relation to the HCSC. There is no budget for the HCSC and it was suggested that possibly it might be necessary to create a budget for the HCSC. The audit is going to be expensive and possibly this should be paid for through the HCSC. It was stated that the HCSC is actually a committee of the NPC and therefore would not be subject to a budget of its own. Mr. Burgasser stated that the Relicensing Agreement was signed by all parties but put together by the NPC and the Agreement says there will be a committee formed and include NYPA as a voting member, which makes it and keeps it a part of the NPC. There could be a soft budget for the HCSC which could then be part of the overall budget. Perhaps NYPA would then have to share in 1/8 of that since they would have a vote. These issues need to be clarified. Mr. Widger stated that it will be important to see whether the Relicensing Settlement Agreement says anything about how expenses of the HCSC are to be covered and whether it includes NYPA.

Mr. Reiter stated that he has not yet seen comments from Mr. Daly on his reasons for voting no on the Artpark project. Mr. Ross stated he will remind Mr. Daly.

Mr. Rappold complimented Mr. Miller on how once he was brought on board he was able to benefit the NPC by providing good public relations for the group.

4.0 Adjournment

Mr. Dumphrey made a motion to adjourn, seconded by Mr. Reiter. Motion passed. Meeting adjourned at 12:57 p.m.

Respectfully submitted,

Mary P. Melloni
Secretary