

MINUTES of the **ANNUAL MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 350 Ellicott Square Build, Buffalo, New York, on the 2nd day of May, 2007.

PRESENT: Frank E. Swiatek, Commissioner
Robert J. Lichtenthal, Jr., Commissioner
Francis G. Warthling, Commissioner
Robert A. Mendez, Executive Director
Matthew J. Baudo, Secretary to the Authority
Edward J. Kasprzak, Deputy Director
Wesley C. Dust, Executive Engineer
Mark J. Fuzak, Attorney
Ronald P. Bennett, Associate Attorney
Karla L. Thomas, Director of Human Resources
Paul H. Riester, Director of Administration
Albert J. Meaney, Comptroller
Daniel J. NeMoyer, Public Affairs Officer
Susan L. Rinaldo, Cash Manager
Karen A. Prendergast, Manager of Accounting Services

ATTENDEES: Michael Rosich

Meeting called to order at 8:30 a.m.

CALL TO ORDER

PLEDGE TO THE FLAG

I. - ROLL CALL

ITEM 1- TEMPORARY CHAIRMAN

Motion by Mr. Frank E. Swiatek seconded by Mr. Francis G. Warthling and carried to appoint Mr. Robert J. Lichtenthal, Jr. Temporary Chairman for the Annual Meeting.

ITEM 2- TEMPORARY SECRETARY

Motion by Mr. Frank E. Swiatek seconded by Mr. Francis G. Warthling and carried to appoint Mr. Matthew J. Baudo Temporary Secretary for the Annual Meeting.

ITEM 3- CHAIRMAN

Nominations were opened for the office of Chairman.

Unanimous motion and second and carried to nominate Mr. Frank E. Swiatek as Chairman of the Erie County Water Authority for the ensuing year.

Motion by Mr. Robert J. Lichtenthal, Jr. seconded by Mr. Francis G. Warthling and carried to move that nominations be closed.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling

Noes: None

Motion carried to elect Frank E. Swiatek as Chairman.

ITEM 4 - VICE CHAIRMAN

Nominations were opened for the office of Vice Chairman.

Unanimous motion and second and carried to nominate Mr. Robert J. Lichtenthal, Jr. as Vice Chairman of the Erie County Water Authority for the ensuing year.

Motion by Mr. Frank E. Swiatek seconded by Mr. Francis G. Warthling and carried to move that nominations be closed.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling

Noes: None

Motion carried to elect Robert J. Lichtenthal, Jr. as Vice Chairman.

ITEM 5 - TREASURER

Nominations were opened for the office of Treasurer.

Unanimous motion and second and carried to nominate Mr. Francis G. Warthling as Treasurer of the Erie County Water Authority for the ensuing year.

Motion by Mr. Frank E. Swiatek seconded by Mr. Robert J. Lichtenthal, Jr. and carried to move that nominations be closed.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

Motion carried to elect Mr. Francis G. Warthling as Treasurer.

ITEM 6 - ASSISTANT TREASURER

Nominations were opened for the office of Assistant Treasurer.

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to nominate Mr. Mark J. Fuzak as Assistant Treasurer of the Erie County Water Authority for the ensuing year.

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to move that nominations be closed.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

Motion carried to elect Mark J. Fuzak as Assistant Treasurer.

ITEM 7 - RENEWAL OF TREASURER'S AND EMPLOYEES' BONDS

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried that the Erie County Water Authority ratify the continuation of the Treasurer and Bill Collector's Bond with the Hanover Insurance Group in the amount of \$250,000.00 and all other employees with St. Paul/Travelers Insurance Company in the amount of \$500,000.00 for the period of January 1, 2007 through January 1, 2008, (covered under the existing Public Employee's Blanket Bond).

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 8 - SECRETARY

Nominations were opened for the office of Secretary.

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to nominate Mr. Matthew J. Baudo as Secretary to the Erie County Water Authority for the ensuing year.

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to move that nominations be closed.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling

Noes: None

ITEM 9 - ASSISTANT SECRETARY

Nominations are open for the office of Assistant Secretary.

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to nominate Mr. Edward J. Kasprzak as Assistant Secretary to the Erie County Water Authority for the ensuing year.

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to move that nominations be closed.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling

Noes: None

Motion carried to elect Edward J. Kasprzak as Assistant Secretary to the Authority.

ITEM 10 - AUTHORIZATION TO DESIGNATE DEPOSITORIES FOR FUNDS

Motion by Mr. Frank E. Swiatek seconded by Mr. Robert J. Lichtenthal, Jr. and carried that the Erie County Water Authority designate the following as depositories for funds collected by Mr. Francis G. Warthling Treasurer:

HSBC BANK USA

Erie County Water Authority Improvement & Extension Debt Reserve Fund - 1st, 2nd & 3rd Series Bonds

Erie County Water Authority Improvement & Extension Debt Service Fund - 1st, 2nd & 3rd Series Bonds

1. 1973 Escrow Debt Service A Account - Restricted Investment
2. 1973 Escrow Debt Service B Account - Unrestricted Investment

MANUFACTURERS & TRADERS TRUST COMPANY

Erie County Water Authority Water System Revenue Fund

Erie County Water Authority Extension & Improvement Fund

Erie County Water Authority MTB Money Market Fund

Erie County Water Authority Private Fire Protection Construction Account

Erie County Water Authority Operating and Maintenance

Erie County Water Authority Sick Pay and Pension Reserves

Erie County Water Authority Savings Account

Erie County Water Authority Water Works System Revenue Refunding Bonds Series 1990A - Debt Service Fund:

1. Principal Account - Serial Bonds
2. Interest Account
3. Bond Retirement Account - Term Bonds (Sinking Fund - for Principal on Called Bonds)

Erie County Water Authority Fourth Resolution Refunding Water Revenue Bonds - Series 1992 - Bond Fund:

1. Principal Account
2. Interest Account
3. Bond Retirement Account
4. Reserve Account

Erie County Water Authority Series 1993A & B Weekly Adjustable/Fixed Rate Water Works System Revenue Bonds - Construction Fund

Erie County Water Authority Series 1993A & B Weekly Adjustable/Fixed Rate Water Works System Revenue Bonds - Series 1993 A & B Cost of Issuance Account

Erie County Water Authority Series 1993A & B Weekly Adjustable/Fixed Rate Water Works System Revenue Bonds - Secondary Bond Fund:

1. Secondary Interest Account
2. Secondary Principal Account
3. Secondary Bond Retirement Account
4. Payment Account (for SWAP Agreement)
5. Secondary Reserve Account - 1993A
6. Secondary Reserve Account - 1993B

Erie County Water Authority Series 1993A & B Weekly Adjustable/Fixed Rate Water Works System Revenue Bonds - Purchase Account

Erie County Water Authority Series 1993A & B Weekly Adjustable/Fixed Rate Water Works System Revenue Bonds - Remarketing Account

Erie County Water Authority Series 1993A & B Weekly Adjustable/Fixed Rate Water Works System Revenue Bonds - Charges Fund

Erie County Water Authority Debt Service Fund, Series 1998A

Erie County Water Authority (DWSRF) Debt Service Reserve Fund, Series 1998A

Erie County Water Authority DWSRF Construction Fund, Series 1998A

Erie County Water Authority Debt Service Fund, Series 1998B

Erie County Water Authority Debt Service Reserve Fund, Series 1998B

Erie County Water Authority Construction Fund, Series 1998B

Erie County Water Authority 2003F Construction Account

Erie County Water Authority 2003F Debt Service Reserve Fund

Erie County Water Authority 2003F Debt Service Fund

BANK OF AMERICA

Erie County Water Authority Extension & Improvement Fund

Erie County Water Authority Customer Deposit Account

Erie County Water Authority Customer Refund Account

Erie County Water Authority Money Market Account

KEY BANK OF NEW YORK

Erie County Water Authority Operating & Maintenance Fund

Erie County Water Authority General Fund

Erie County Water Authority Money Market Account

Erie County Water Authority Employee Activity Account

JP MORGAN CHASE BANK

Erie County Water Authority Water Extension and Improvement Fund

Erie County Water Authority Payroll Account

Erie County Water Authority Government Money Market

MBIA - MUNICIPAL INVESTORS SERVICES CORPORATION

Erie County Water Authority Extension and Improvement Fund

Erie County Water Authority Operating and Maintenance Fund

Erie County Water Authority Sick Pay and Pension Reserves

Erie County Water Authority Customer Deposits

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 11 - AUTHORIZATION TO APPROVE THE FOLLOWING INDIVIDUALS TO EXECUTE ERIE COUNTY WATER AUTHORITY CHECKS ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to authorize the following individuals to execute Erie County Water Authority checks on behalf of the Authority:

Robert A. Mendez, Executive Director
Matthew J. Baudo, Secretary to the Authority
Francis G. Warthling, Treasurer
Mark J. Fuzak, Assistant Treasurer

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 12 - AUTHORIZATION TO APPROVE THE FOLLOWING INDIVIDUALS TO MAKE WIRE TRANSFERS ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to authorize the following individuals to make wire transfers on behalf of the Erie County Water Authority:

Susan L. Rinaldo, Cash Manager
Karen A. Prendergast, Manager of Accounting Services

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

05/02/07

ITEM 13 - AUTHORIZATION TO APPROVE THE FOLLOWING INDIVIDUALS APPROVE WIRE TRANSFERS VIA BANK CALL BACKS ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to authorize the following individuals to approve wire transfers via bank call backs on behalf of the Erie County Water Authority:

Albert J. Meaney, Comptroller
Timothy J. Pulsifer, Jr. Accountant
Joseph Cukierski, Chief Account Clerk

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 14 - AUTHORIZATION TO APPROVE THE FOLLOWING INDIVIDUALS TO MAKE AUTOMATED CLEARING HOUSE (ACH) TRANSFERS ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to authorize the following individuals to make payroll direct deposit wire transfers on behalf of the Erie County Water Authority:

See attached list

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 15 - AUTHORIZATION TO APPROVE THE FOLLOWING INDIVIDUALS TO VIEW DAILY BALANCES AND CHECK CLEARING AT JP MORGAN CHASE BANK AND KEY BANK ON THE INTERNET ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to authorize the following individuals to view daily balances and check clearing at JP Morgan Chase Bank on the Internet on behalf of the Erie County Water Authority:

Edward J. Kasprzak, Deputy Director
Albert J. Meaney, Comptroller
Susan L. Rinaldo, Cash Manager
Karen A. Prendergast, Manager of Accounting Services
Timothy J. Pulsifer, Jr. Accountant

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 16 - AUTHORIZATION TO APPROVE THE FOLLOWING INDIVIDUALS TO VIEW DAILY COLLATERAL REPORTS FOR THE BANK OF NEW YORK ON THE INTERNET ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to authorize the following individuals to view daily collateral reports for the Bank of New York on the Internet on behalf of the Erie County Water Authority:

Susan L. Rinaldo, Cash Manager
Karen A. Prendergast, Manager of Accounting Services
Peter R. Reszka, Assistant Business Office Manager

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 17 - AUTHORIZATION TO APPROVE THE ERIE COUNTY WATER AUTHORITY'S ANNUAL INVESTMENT REPORT WITH AUDIT AND THE ANNUAL INVESTMENT GUIDELINES

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to approve the Annual Investment Report with attached Audit and the Investment Guidelines for the ensuing year or until such time at the Erie County Water Authority deems it necessary to amend said Guidelines.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling

Noes: None

ITEM 18 - AUTHORIZATION TO APPROVE AND ADOPT THE AUDIT COMMITTEE CHARTER PURSUANT TO THE PUBLIC AUTHORITIES LAW SECTION 2824 (4)

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to approve and adopt the attached Audit Committee Charter pursuant to the Public Authorities Law Section 2824 (4).

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling

Noes: None

ITEM 19 - AUTHORIZATION TO APPROVE AND ADOPT THE GOVERNANCE COMMITTEE CHARTER PURSUANT TO THE PUBLIC AUTHORITIES LAW SECTION 2824 (7)

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to approve and adopt the attached Governance Committee Charter pursuant to the Public Authorities Law Section 2824 (7).

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

**ITEM 20 - AUTHORIZATION TO APPROVE THE FOLLOWING
INDIVIDUALS TO BE MEMBERS OF THE AUDIT COMMITTEE**

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr.
and carried to authorize the following individuals to be members of the Audit Committee:

Frank E. Swiatek, Chairman
Robert J. Lichtenthal, Jr., Vice Chairman
Francis G. Warthling, Treasurer

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

**ITEM 21 - AUTHORIZATION TO APPROVE THE FOLLOWING
INDIVIDUALS TO BE MEMBERS OF THE GOVERNANCE
COMMITTEE**

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr.
and carried to authorize the following individuals to be members of the Governance Committee:

Frank E. Swiatek, Chairman
Robert J. Lichtenthal, Jr., Vice Chairman
Francis G. Warthling, Treasurer

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 22 - AUTHORIZATION TO APPROVE THE FOLLOWING INDIVIDUALS TO AUTHORIZE INVESTMENT TRANSACTIONS EXECUTED BY BLACKROCK PRIVATE INVESTORS

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to authorize the following individuals to authorize investment transactions executed by Blackrock Private Investors:

Edward J. Kasprzak, Deputy Director
Albert J. Meaney, Comptroller
Susan L. Rinaldo, Cash Manager
Karen A. Prendergast, Manager of Accounting Services

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 23 - AUTHORIZATION TO APPROVE THE DIRECTOR OF ADMINISTRATION TO AUTHORIZE AND EXECUTE PURCHASE ORDERS AFTER DEPARTMENTAL AND BOARD APPROVAL

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to approve the Director of Administration to authorize and execute purchase orders after departmental and Board approval.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 24 - AUTHORIZATION TO APPROVE THE DIRECTOR OF ADMINISTRATION TO AUTHORIZE AND EXECUTE ASSOCIATED PURCHASING AGREEMENTS, WARRANTEES AND MAINTENANCE AGREEMENTS ON DEPARTMENTAL AND BOARD APPROVED PURCHASE ORDERS NOT TO EXCEED AN AGGREGATE OF \$20,000 PER CALENDAR YEAR PER VENDOR

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to approve the Director of Administration to authorize and execute associated purchasing agreements, warrantees and maintenance agreements on departmental and Board approved purchase orders not to exceed an aggregate of \$20,000 per calendar year per vendor.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 25 - COMMITTEES

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to approve that the existing committees remain the same for the coming year and that the Chairman of the Erie County Water Authority will continue to be empowered to name new committees and assign members.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling
Noes: None

ITEM 26 - ADJOURNMENT

Motion by Mr. Francis G. Warthling seconded by Mr. Robert J. Lichtenthal, Jr. and carried to adjourn this annual organization meeting until the next organization meeting to be held on the first regularly scheduled board meeting after the 27th day of April, 2008.

On Roll Call the following votes were cast:

Ayes: Three; Commr. Swiatek, Lichtenthal and Warthling

Noes: None

Matthew J. Baudo
Secretary to the Authority

PF

05/02/07

	NYS Retirement	Payroll Direct Deposit
Maria Gugliuzza Principal Clerk	X	X
Timothy Pulsifer Jr. Accountant	X	X
Joseph Cukierski Chief Account Clerk	X	X
Karen Prendergast Mgr. of Acct. Services	X	X
Albert Meaney Comptroller	X	X

05/02/07