

MINUTES of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 350 Ellicott Square Building, Buffalo, New York, on the 17th day of May, 2007.

PRESENT: **Frank E. Swiatek, Chairman**
Robert J. Lichtenthal, Jr., Vice Chairman
Francis G. Warthling, Treasurer
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
Daniel J. NeMoyer, Public Affairs Officer
Albert J. Meaney, Comptroller

ATTENDEES: **Danielle Elliott**
Timothy Cashmore

CALL TO ORDER

PLEDGE TO THE FLAG

I. - ROLL CALL

II. - READING OF ANNUAL MINUTES

Motion by Mr. Lichtenthal seconded by Mr. Warthling and carried to read the Minutes of the Annual Meeting held on Wednesday, May 2, 2007.

III. - APPROVAL OF ANNUAL MINUTES

Motion by Mr. Lichtenthal seconded by Mr. Warthling and carried to approve the Minutes of the Annual Meeting held on Wednesday, May 2, 2007.

IV. - READING OF MINUTES

Motion by Mr. Lichtenthal seconded by Mr. Warthling and carried to read the Minutes of the Regular Meeting held on Wednesday, May 2, 2007.

V. - APPROVAL OF MINUTES

Motion by Mr. Lichtenthal seconded by Mr. Warthling and carried to approve the Minutes of the Regular Meeting held on Wednesday, May 2, 2007.

IV. - REPORTS (See "Report" Minutes for Details)

- A) **SECRETARY/PERSONNEL**
- B) **LEGAL**
- C) **FISCAL**
- D) **OPERATIONS**
- E) **HUMAN RESOURCES**

V. - COMMUNICATIONS AND BILLS

ITEM 1 - MASTER PURCHASE ORDERS:

Motion by seconded by and carried to approve for payment of Master Purchase Order Nos. as listed on the attached sheets pages 1-19 after certification by the Comptroller that the orders are in accordance with the quotations and that the Director of Administration be authorized to execute the above and all associated documents after certifying that they are in conformity with applicable laws and the Authority's By-Laws and Purchasing Guidelines, Policies and Procedures.

VI. - UNFINISHED BUSINESS (NONE)

VII. - NEW BUSINESS (RESOLUTIONS 2-21)

ITEM 2 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND FOURTH RESOLUTION REFUNDING WATER REVENUE BONDS, SERIES 1992 - \$462,916.63

Motion by seconded by

WHEREAS, Susan Rinaldo, Cash Manager, advised under date of April 25, 2007 that there was available on May 1, 2007 the following amounts in the Debt Service Fund Fourth Resolution Refunding Water Revenue Bonds, Series 1992:

Accreted Value \$462,916.63

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Bond Fund in the amount of \$56,666.63 to mature in time for the June 1, 2007 Capital Appreciation Bond Maturity at the highest yield to 1992 Bondholders and invest from the Bond Fund in the amount of \$406,250.00 to mature in time for the December 1, 2007 Capital Appreciation Bond Maturity at the highest yield to 1992 Bondholders; and

WHEREAS, Inasmuch as the Authority does not have adequate safekeeping facilities for the aforementioned securities, the Comptroller recommends that the Manufacturers & Traders Trust Company be authorized to maintain possession of the securities, in trust, for the Authority for safekeeping purposes;

NOW, THEREFORE, BE IT RESOLVED:

That the action of Albert Meaney, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Bond Fund in the amount of \$56,666.63 to mature in time for the June 1, 2007 Capital Appreciation Bond Maturity at the highest yield to 1992 Bondholders and invest from the Bond Fund in the amount of \$406,250.00 to mature in time for the December 1, 2007 Capital Appreciation Bond Maturity at the highest yield to 1992 Bondholders, is hereby approved and ratified; and be it further

RESOLVED: That the Manufacturers & Traders Trust Company be and it hereby is authorized to retain possession of the securities, in trust, for the Authority until further direction by the Authority's Comptroller.

Ayes:

Noes:

ITEM 3 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE BONDS, SERIES 1993A - \$120,083.33

Motion by seconded by

WHEREAS, Susan Rinaldo, Cash Manager, advised under the date of April 25, 2007 that there was available on April 25, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Bonds, Series 1993A:

Secondary Interest Account \$82,741.09

Payment Account	\$37,342.24
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and has recommended that the Manufacturers and Traders Trust Company, as Fiscal Agent, be authorized to invest the Secondary Interest Account in the amount of \$82,741.09 and Payment Account in the amount of \$37,342.24 in the Guaranteed Investment Contract to mature in time for the June 1, 2007 Interest Payment to bondholders and Swap Payment to AIG at the highest yield to maturity; and

WHEREAS, Inasmuch as the Authority does not have adequate safekeeping facilities for the aforementioned securities, the Comptroller recommends that the Manufacturers & Traders Trust Company be authorized to maintain possession of the securities, in trust, for the Authority for safekeeping purposes;

NOW, THEREFORE, BE IT RESOLVED:

That the action of Albert Meaney, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Secondary Interest Account the amount of \$82,741.09 and Payment Account in the amount of \$37,342.24 in the Guaranteed Investment Contract to mature in time for the June 1, 2007 Interest Payment to bondholders and Swap Payment to AIG at the highest yield to maturity, is hereby approved and ratified; and be it further

RESOLVED: That the Manufacturers & Traders Trust Company be and it hereby is authorized to retain possession of the securities, in trust, for the Authority until further direction by the Authority's Comptroller.

Ayes:

Noes:

ITEM 4 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE BONDS, SERIES 1993B - \$73,625.00

Motion by seconded by

WHEREAS, Susan Rinaldo, Cash Manager, advised under the date of April 25, 2007 that there was available on April 25, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Bonds, Series, 1993B:

Secondary Interest Account	\$45,131.50
Payment Account	\$28,493.50

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest the Secondary Interest Account in the amount of \$45,131.50 and Payment Account in the amount of \$28,493.50 in the Guaranteed Investment Contract to mature in time for the June 1, 2007 Interest Payment to bondholders and Swap Payment to AIG at the highest yield to maturity; and

WHEREAS, Inasmuch as the Authority does not have adequate safekeeping facilities for the aforementioned securities, the Comptroller recommends that the Manufacturers & Traders Trust Company be authorized to maintain possession of the securities, in trust, for the Authority for safekeeping purposes;

NOW, THEREFORE, BE IT RESOLVED:

That the action of Albert Meaney, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Secondary Interest Account the amount of \$45,131.50 and Payment Account in the amount of \$28,493.50 in the Guaranteed Investment Contract to mature in time for the June 1, 2007 Interest Payment to bondholders and Swap Payment to AIG at the highest yield to maturity, is hereby approved and ratified; and be it further

RESOLVED: That the Manufacturers & Traders Trust Company be and it hereby is authorized to retain possession of the securities, in trust, for the Authority until further direction by the Authority's Comptroller.

Ayes:

Noes:

ITEM 5 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 1998A - \$50,840.41

Motion by seconded by

WHEREAS, Susan Rinaldo, Cash Manager advised under date of April 25, 2007 that there was available on May 1, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 1998A:

Principal Account	\$30,833.33
Interest Account	\$20,007.08

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$20,007.08 to mature in time for

the June 15, 2007 Interest Payment at the highest yield to maturity and invest from the Principal Account in the amount of \$30,833.33 to mature in time for the December 15, 2007 Principal Payment at the highest yield to maturity; and

WHEREAS, Inasmuch as the Authority does not have adequate safekeeping facilities for the aforementioned securities, the Comptroller recommends that the Manufacturers & Traders Trust Company be authorized to maintain possession of the securities, in trust, for the Authority for safekeeping purposes;

NOW, THEREFORE, BE IT RESOLVED:

That the action of Albert Meaney, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Interest Account in the amount of \$20,007.08 to mature in time for the June 15, 2007 Interest Payment at the highest yield to maturity and to invest from the Principal Account in the amount of \$30,833.33 to mature in time for the December 15, 2007 Principal Payment at the highest yield to maturity, is hereby approved and ratified; and be it further

RESOLVED: That the Manufacturers & Traders Trust Company be and it hereby is authorized to retain possession of the securities, in trust, for the Authority until further direction by the Authority's Comptroller.

Ayes:

Noes:

ITEM 6 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 1998B - \$112,761.56

Motion by seconded by

WHEREAS, Susan Rinaldo, Cash Manager advised under date of April 25, 2007 that there was available on May 1, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 1998B:

Interest Account	\$50,261.56
Principal Account	\$62,500.00

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$50,261.56 to mature in time for the October 15, 2007 Interest Payment at the highest yield to maturity to 1998B Bondholders and invest from the Principal Account in the amount of \$62,500.00 to mature in time for the October 15, 2007 Principal Payment at the highest yield to maturity to 1998B Bondholders; and

WHEREAS, Inasmuch as the Authority does not have adequate safekeeping facilities for the aforementioned securities, the Comptroller recommends that the Manufacturers & Traders Trust Company be authorized to maintain possession of the securities, in trust, for the Authority for safekeeping purposes;

NOW, THEREFORE, BE IT RESOLVED:

That the action of Albert Meaney, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Interest Account in the amount of \$50,261.56 to mature in time for the October 15, 2007 Interest Payment at the highest yield to maturity to 1998B Bondholders and invest from the Principal Account in the amount of \$62,500.00 to mature in time for the October 15, 2007 Principal Payment at the highest yield to maturity to 1998B Bondholders, is hereby approved and ratified; and be it further

RESOLVED: That the Manufacturers & Traders Trust Company be and it hereby is authorized to retain possession of the securities, in trust, for the Authority until further direction by the Authority's Comptroller.

Ayes:

Noes:

ITEM 7 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 2003F - \$92,944.53

Motion by seconded by

WHEREAS, Susan Rinaldo, Cash Manager advised under date of April 25, 2007 that there was available on May 1, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 2003F:

Interest Account	\$41,694.53
Principal Account	\$51,250.00

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$41,694.53 to mature in time for the July 15, 2007 Interest Payment at the highest yield to maturity to 2003F Bondholders and invest from the Principal Account in the amount of \$51,250.00 to mature in time for the July 15, 2007 Principal Payment at the highest yield to maturity to 2003F Bondholders; and

WHEREAS, Inasmuch as the Authority does not have adequate safekeeping facilities for

the aforementioned securities, the Comptroller recommends that the Manufacturers & Traders Trust Company be authorized to maintain possession of the securities, in trust, for the Authority for safekeeping purposes;

NOW, THEREFORE, BE IT RESOLVED:

That the action of Albert Meaney, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Interest Account in the amount of \$41,694.53 to mature in time for the July 15, 2007 Interest Payment at the highest yield to maturity to 2003F Bondholders and invest from the Principal Account in the amount of \$51,250.00 to mature in time for the July 15, 2007 Principal Payment at the highest yield to maturity to 2003F Bondholders, is hereby approved and ratified; and be it further

RESOLVED: That the Manufacturers & Traders Trust Company be and it hereby is authorized to retain possession of the securities, in trust, for the Authority until further direction by the Authority's Comptroller.

Ayes:

Noes:

ITEM 8 - AUTHORIZATION TO ENTER INTO A COOPERATIVE AGREEMENT WITH THE COUNTY OF ERIE/ERIE COUNTY SEWER DISTRICT NO. 6 IN CONNECTION WITH THE SANITARY SEWER REHABILITATION PROJECT AND THE WATERMAIN REPLACEMENT PROJECT ON HOLLAND AVENUE, CITY OF LACKAWANNA, NEW YORK

Motion by seconded by

WHEREAS, The County of Erie has initiated plans to undertake the rehabilitation of the Holland Avenue Sanitary Sewer in the City of Lackawanna, Erie County Sewer District No. 6, County of Erie; and

WHEREAS, The Erie County Water Authority ("Authority") intends to replace the existing watermain presently located on Holland Avenue; and

WHEREAS, The County and the Authority desire to enter into a Cooperative Agreement to coordinate and facilitate the sanitary sewer rehabilitation project and the watermain replacement project on Holland Avenue in order to achieve cost containment and efficiency; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director recommend entering into a Cooperative Agreement with the County;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority accepts the Cooperative Agreement between the County of Erie and the Authority to coordinate and facilitate the sanitary sewer rehabilitation project and the watermain replacement project on Holland Avenue in order to achieve cost containment and efficiency; and be it further

RESOLVED: That the Chairman be and he hereby is authorized to execute said agreement on behalf of the Authority; and be it further

RESOLVED: That the Secretary be and he hereby is authorized to forward an executed copy of said Agreement together with a certified copy of this resolution to the County of Erie.

Ayes:

Noes:

ITEM 9 - AUTHORIZATION TO ENTER INTO A RENEWAL AGREEMENT WITH CSEA EMPLOYEE BENEFIT FUND TO PROVIDE BENEFITS TO THE ERIE COUNTY WATER AUTHORITY'S CSEA EMPLOYEES UNDER THE DUTCHESS DENTAL PLAN AND THE GOLD 12 VISION PLAN

Motion by seconded by

WHEREAS, Heretofore and on the 28th day of March 1991 the Erie County Water Authority ("Authority") entered into an Agreement with the CSEA Employee Benefit Fund ("EBF") to provide benefits to the Authority's CSEA employees, which Agreement was extended by Renewal Agreements dated August 9, 2001 and June 24, 2004; and

WHEREAS, The parties desire to continue the provisions of the covenants and promises contained in said Agreement; and

WHEREAS, EBF has submitted a renewal agreement to perform the abovementioned services through March 31, 2008; and

WHEREAS, Karla L. Thomas, Director of Human Resources and Robert A. Mendez, Executive Director recommend acceptance of said agreement by the Authority;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority accepts the renewal agreement of EBF to provide benefits to the Authority's CSEA employees under the Dutchess Dental Plan and the Gold 12 Vision Plan under the terms and conditions set forth in said agreement; and be it further

RESOLVED: That the Executive Director be and he hereby is authorized to execute

said agreement on behalf of the Authority; and be it further

RESOLVED: That the Secretary be and he hereby is authorized to forward an executed copy of said Agreement together with a certified copy of this resolution to EBF.

Ayes:

Noes:

ITEM 10 - AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH HI-TECH SERVICES TO PROVIDE INFORMATION TECHNOLOGY CONSULTING AND SUPPORT SERVICES, CONTRACT NO. HT-004, PROJECT NO. 200700462 AND AUTHORIZATION TO REDUCE THE PROFESSIONAL LIABILITY INSURANCE COVERAGE

Motion by seconded by

WHEREAS, The Erie County Water Authority's ("Authority") Board of Commissioners authorized the issuance of a Request for Proposals ("RFP") to qualified firms to provide information technology consulting and support services on March 8, 2007; and

WHEREAS, A copy of the RFP was sent to:

Computer Consulting Services of WNY, Inc.
Computer Task Group
GEMKO Information Group
Hi-Tech Services
Professional Support, Inc.
Computerpeople
Systems Personnel Group, Inc.
Globalquest Staffing Solutions, Inc.
Personnel Resource, Inc.
Computer Solutions Unlimited
VITEC Solutions, LLC
AURORA Consulting Group
Superior Group
DCM Staffing; and

WHEREAS, The respondents to the RFP were: Computer Task Group, GEMKO Information Group, Hi-Tech Computer Systems, Inc., AURORA Consulting Group; and

WHEREAS, The RFP process was conducted pursuant to the enacted state legislation (New York State Finance Law §§139-j and 139-k) and the Authority's Purchasing Guidelines, Policies and Procedures; and

WHEREAS, Upon evaluating the response to the RFP, the Authority deems it advisable to have Hi-Tech Services render professional information technology consulting and support services; and

WHEREAS, Hi-Tech Services have committed to a three-year period to render information technology consulting and support services, commencing June 1, 2007 and, at the Authority's option, to enter into one additional three-year agreement renewal; and

WHEREAS, The Authority's Risk Assessment for this project requires the contractor carry Professional Liability insurance in the amount of \$5,000,000; and

WHEREAS, Matthew J. Baudo, Secretary to the Authority advised that Hi-Tech Services carries only \$1,000,000 in Professional Liability insurance; and

WHEREAS, Matthew J. Baudo, Secretary to the Authority deems it necessary to reduce the \$5,000,000 Professional Liability insurance requirement to \$1,000,000 in order to award the project to Hi-Tech Services for the abovementioned project; and

WHEREAS, Matthew J. Baudo, Secretary to the Authority and Robert A. Mendez, Executive Director recommend that the Authority enter into an agreement with Hi-Tech Services and reduce the \$5,000,000 Professional Liability insurance requirement to \$1,000,000 for the abovementioned project;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority accepts the proposal of Hi-Tech Services to provide information technology consulting and support services; and be it further

RESOLVED: That the Authority is hereby authorized to reduce the \$5,000,000 Professional Liability insurance requirement to \$1,000,000 for the abovementioned project; and be it further

RESOLVED: Pursuant to New York State Finance Law §§139-j and 139-k and the Authority's Purchasing Guidelines, Policies and Procedures with the award and execution by the Authority of this agreement, the Restricted Period will cease; and be it further

RESOLVED: That the Chairman be and he hereby is authorized to execute said agreement on behalf of the Authority; and be it further

RESOLVED: That the Secretary be and he hereby is authorized to forward an executed copy of said Agreement together with a certified copy of this resolution to Hi-Tech Services.

Ayes:

Noes:

**ITEM 11 - AUTHORIZATION TO RETAIN THE LEGAL SERVICES OF HODGSON
RUSS LLP TO ACT AS COUNSEL FOR SPECIALIZED LEGAL SERVICES
ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY**

Motion by seconded by

WHEREAS, Pursuant to Article V, Title 3, Section 1053 of the Public Authorities Law, the Erie County Water Authority (the "Authority") has the authority to appoint an attorney and may also from time to time contract for expert professional services; and

WHEREAS, Article V, Section 6 of the By-Laws of the Authority grants to the Authority the right to name and appoint from time to time an attorney or engineer and may also from time to time contract for expert professional services; and

WHEREAS, Hodgson Russ LLP is a highly qualified law firm with extensive experience in handling complex legal matters; and

WHEREAS, Hodgson Russ, LLP serves as local panel counsel for many insurance carriers for example, Scottsdale Insurance Company ("Scottsdale"); and

WHEREAS, Hodgson Russ LLP is currently representing the Authority on several matters assigned to it by Scottsdale, under the terms of the Insurance Policy; and

WHEREAS, When not assigned as panel counsel, the Authority may desire to employ Hodgson Russ, LLP to perform expert legal professional services;

NOW, THEREFORE, BE IT RESOLVED:

That the Legal Department of the Authority is hereby authorized to negotiate a retainer agreement for expert legal professional services with Hodson Russ, LLP on an as needed basis.

Ayes:

Noes:

ITEM 12 - AWARD OF CONTRACT TO BIDCO MARINE GROUP, INC. FOR THE FURNISHING AND DELIVERING OF BUOY INSTALLATION AND UNDERWATER SERVICES INCLUDING BUT NOT LIMITED TO ANNUAL INSPECTION AND VIDEO OF INTAKES, SCREENS AND CLEARWELLS, PROJECT NO. 200700136 - \$233,880.00

Motion by seconded by

WHEREAS, The Erie County Water Authority ("Authority") heretofore advertised in the Dodge Reports and Front Page on the 18th day of April, 2007, and in Business First on the 20th day of April, 2007, a notice inviting sealed bids or proposals in accordance with Section 1069 of the Public Authorities Law for the furnishing and delivering of buoy installation and underwater services including, but not limited to annual inspection and video of intakes, screens and clearwells; and

WHEREAS, A sealed bid or proposal was opened in the office of the Authority on the 1st day of May, 2007, at 11:15 a.m., local time, and was as follows:

BIDDER	AMOUNT
Bidco Marine Group, Inc.*	\$233,880.00

*Only bid received; and

WHEREAS, The bid bond has been approved by Anthony Alessi, Claims Representative/ Risk Manager; and

WHEREAS, Tamekia Hall, Director of Equal Employment Opportunity, has advised that the low bidder, Bidco Marine Group, Inc. has complied with the Authority's Affirmative Action Requirements and recommends that they be allowed to proceed with their contract based on that fact; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director have reviewed the specification and bid and determined that Bidco Marine Group, Inc. is a responsible bidder qualified to perform the project and have recommended that a contract be awarded to that firm for the abovementioned project;

NOW, THEREFORE, BE IT RESOLVED:

That it is hereby determined that Bidco Marine Group, Inc. is a responsible bidder for the abovementioned project, and that the Chairman be and he hereby is authorized and directed to execute a contract with said contractor for the furnishing and delivering of buoy installation

and underwater services including, but not limited to annual inspection and video of intakes, screens and clearwells in the total amount of \$233,880.00; and be it further

RESOLVED: Pursuant to New York State Finance Law §§139-j and 139-k and the Authority's Purchasing Guidelines, Policies and Procedures with the award and execution by the Authority of this contract, the Restricted Period will cease; and be it further

RESOLVED: That the Director of Administration is hereby authorized and directed to create a Master Purchase Order for the abovementioned contract.

Ayes:

Noes:

ITEM 13 - AWARD OF CONTRACT AND AUTHORIZATION TO WAIVE THE INSURANCE REQUIREMENTS TO HUNTING SPECIALIZED PRODUCTS, INC. FOR 24-INCH DIAMETER JOINT REPAIRS, WATER SYSTEM IMPROVEMENTS, HAMBURG, NEW YORK, PROJECT NO. 200700014 - \$27,600.00

Motion by seconded by

WHEREAS, The Erie County Water Authority (the "Authority") heretofore advertised in the Dodge Reports and Front Page on the 21st day of March, 2007, and in Business First on the 23rd day of March, 2007, a notice inviting sealed bids or proposals in accordance with Section 1069 of the Public Authorities Law for 24-inch diameter joint repairs, water system improvements, Hamburg, New York; and

WHEREAS, A sealed bid or proposal was opened in the office of the Authority on the 10th day of April, 2007, at 11:15 a.m., local time, and was as follows:

BIDDER	AMOUNT
Hunting Specialized Products, Inc.*	\$27,600.00

*Corrected Figure; and

WHEREAS, The Official Check has been approved by Anthony Alessi, Claims Representative/Risk Manager; and

WHEREAS, Inasmuch as said contract is under the limit of \$100,000 and complies with the Authority's Affirmative Action Policy, Tamekia Hall, Director of Equal Employment Opportunity, recommends that Hunting Specialized Products, Inc. proceed with their contract;

05/17/07

and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director have reviewed the specification and bid and determined that Hunting Specialized Products, Inc is a responsible bidder qualified to perform the project and have recommended that a contract be awarded to that firm for the abovementioned project; and

WHEREAS, The Authority's Risk Assessment for this project requires the contractor carry Commercial General Liability insurance in an amount not less than \$1,000,000 combined single limit, per occurrence, per project or job and \$2,000,000 in the aggregate, per project or job and Excess Umbrella Liability insurance in an amount of not less than \$5,000,000 each occurrence, per project or job; and

WHEREAS, Edward J. Kuwik, Sr. Distribution Engineer advised that Hunting Specialized Products, Inc. carries a \$5,000,000 Commercial General Liability insurance policy with the general aggregate limit on a per policy basis and carries a \$1,000,000 Excess Umbrella Liability policy from a non AM Best Rated insurance carrier; and

WHEREAS, Edward J. Kuwik, Sr. Distribution Engineer deems it necessary to waive the original insurance requirements in order to award the bid to Hunting Specialized Products, Inc. for the abovementioned project; and

WHEREAS, Edward J. Kasprzak, Deputy Director, Wesley C. Dust, Executive Engineer and Robert A. Mendez, Executive Director recommend waiving the original insurance requirements for the abovementioned project;

NOW, THEREFORE, BE IT RESOLVED:

That it is hereby determined that Hunting Specialized Products, Inc. is a responsible bidder for the abovementioned project, and that the Chairman be and he hereby is authorized and directed to execute a contract with said contractor for the 24-inch diameter joint repairs, water system improvements, Hamburg, New York in the total amount of \$27,600.00; and be it further

RESOLVED: That the Authority is hereby authorized to waive the original insurance requirements for the abovementioned project; and be it further

RESOLVED: Pursuant to New York State Finance Law §§139-j and 139-k and the Authority's Purchasing Guidelines, Policies and Procedures with the award and execution by the Authority of this contract, the Restricted Period will cease; and be it further

RESOLVED: That the Director of Administration is hereby authorized and directed to create a Master Purchase Order for the abovementioned contract.

05/17/07

Ayes:

Noes:

ITEM 14 - AWARD OF CONTRACT TO APPLIED SPECIALTIES, INC. FOR THE FURNISHING AND INSTALLING OF CHLORINATION SYSTEM FOR HORNER PUMP STATION, CALIFORNIA ROAD AND SOUTHWESTERN BLVD., TOWN OF ORCHARD PARK, NEW YORK, PROJECT NO. 200600634 - \$16,900.00

Motion by seconded by

WHEREAS, The Erie County Water Authority ("Authority") heretofore advertised in the Dodge Reports and Front Page on the 21st day of February, 2007, and in Business First on the 23rd day of February, 2007, a notice inviting sealed bids or proposals in accordance with Section 1069 of the Public Authorities Law for the furnishing and delivering of chlorination system for Horner Pump Station, California Road and Southwestern Blvd., Town of Orchard Park, New York; and

WHEREAS, A sealed bid or proposal was opened in the office of the Authority on the 6th day of March, 2007, at 11:15 a.m., local time, and was as follows:

BIDDER	AMOUNT
Applied Specialties, Inc.*	\$16,900.00

*Only bid received; and

WHEREAS, The bid bond has been approved by Anthony Alessi, Claims Representative/Risk Manager; and

WHEREAS, Inasmuch as said contract is under the limit of \$100,000 and complies with the Authority's Affirmative Action Policy, Tamekia Hall, Director of Equal Employment Opportunity, recommends that Applied Specialties, Inc. proceed with their contract; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director have reviewed the specifications and bids and determined that Applied Specialties, Inc. is a responsible bidder qualified to perform the project and have recommended that a contract be awarded to that firm for the abovementioned project;

NOW, THEREFORE, BE IT RESOLVED:

That it is hereby determined that Applied Specialties, Inc. is a responsible bidder for the abovementioned project, and that the Chairman be and he hereby is authorized and directed to execute a contract with said contractor for the furnishing and delivering of chlorination system for Horner Pump Station, California Road and Southwestern Blvd., Town of Orchard Park, New York in the total amount of \$16,900.00; and be it further

RESOLVED: Pursuant to New York State Finance Law §§139-j and 139-k and the Authority's Purchasing Guidelines, Policies and Procedures with the award and execution by the Authority of this contract, the Restricted Period will cease; and be it further

RESOLVED: That the Director of Administration is hereby authorized and directed to create a Master Purchase Order for the abovementioned contract.

Ayes:

Noes:

ITEM 15 - AUTHORIZATION TO ADVERTISE FOR BIDS FOR THE FURNISHING AND DELIVERING OF WATER METERS FROM AUGUST 1, 2007 TO JULY 31, 2009, PROJECT NO. 200700422

Motion by seconded by

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director recommend that the Erie County Water Authority ("Authority") publish a notice inviting sealed bids or proposals pursuant to Section 1069 of the Public Authorities Law for the furnishing and delivering of water meters from August 1, 2007 to July 31, 2009; and

WHEREAS, The work, labor and services for the abovementioned project is estimated to cost an amount in excess of \$10,000.00; and

WHEREAS, The Advertisement for Bids for the furnishing and delivering of water meters from August 1, 2007 to July 31, 2009 will be conducted pursuant to the newly enacted legislation, New York State Finance Law §§ 139-j and 139-k and the Authority's Purchasing Guidelines, Policies and Procedures; and

WHEREAS, John J. Kuryak, Distribution Engineer will be the designated contact person for the project with the adoption of this resolution;

NOW, THEREFORE, BE IT RESOLVED:

That the plans and specifications and form of bid be prepared for the furnishing and delivering of water meters from August 1, 2007 to July 31, 2009 and upon completion be made available for inspection by bidders in the office of the Authority; and be it further

RESOLVED: That the Secretary be and he hereby is authorized and directed to publish a notice inviting sealed bids or proposals pursuant to Section 1069 of the Public Authorities Law for the abovementioned project.

Ayes:

Noes:

ITEM 16 - AUTHORIZATION TO AMEND THE ERIE COUNTY WATER AUTHORITY'S ANNUAL BUDGET FOR FISCAL YEAR 2007

Motion by seconded by

WHEREAS, In a resolution dated November 20, 2006 the Erie County Water Authority (the "Authority") adopted its Annual Budget for the fiscal year 2007; and

WHEREAS, From time to time, due to changes in spending priorities, availability of funds, or changes in other circumstances the Authority finds it proper to amend its Budget to reflect such changes; and

WHEREAS, The Authority was notified by the Town of West Seneca that the town is planning the road reconstruction of Knox Ave. in the town, in 2007, and is recommending that the Authority replace the 3,250 LF of water main along Knox Ave., and

WHEREAS, The Authority deems it advisable to replace the water main along Knox Ave., which would necessitate the re-allocation of budget funds by transferring \$200,000 from budget item 100304, Contract NC-26B, Variable Speed Drive Improvements, and \$150,000 from budget item 000006, Contract NC-26B, Variable Speed Pumping Improvements, funds for which projects are not expected to be used in 2007 (Contract NC-26B has been bid, and came in under budget); and

WHEREAS, Robert A. Mendez, Executive Director, Edward J. Kasprzak, Deputy Director, and Wesley C. Dust, Executive Engineer, recommend approval of said amendment;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority's Annual Budget for the fiscal year 2007 be amended by transferring \$200,000 from budget item 100304, Contract NC-26B, Variable Speed Drive Improvements, and \$150,000 from budget item 000006, Contract NC-26B, Variable Speed Pumping Improvements, funds for which projects are not expected to be used in 2007, to the water main replacement project along Knox Ave. in the Town of West Seneca.

Ayes:

Noes:

ITEM 17 - AUTHORIZATION TO TRANSFER FUNDS - \$2,750.00 - CUSTOMER DEPOSIT ACCOUNT TO WATER SYSTEMS REVENUE FUND FOR 2005 AND 2006 PLANS AND SPECIFICATIONS FEE FORFEITURES

Motion by seconded by

WHEREAS, The Erie County Water Authority (the "Authority") regularly invites sealed bids or proposals in advertising for various projects throughout its territory and it is indicated in the legal advertisement that a copy of Plans and Specifications may be obtained by depositing with the Authority the sum of \$25.00 (or more or less depending on the size of the documents) and that all or part of said deposits will be refunded upon return of said plans and specifications to the Authority in good order within ten (10) days from the date of the bid opening; and

WHEREAS, Attached hereto is Schedule "A", being a list of deposits made by contractors during the years 2005 and 2006 for such plans and specifications, which plans and specifications have never been returned to the Authority; and

WHEREAS, Mark J. Fuzak, Counsel recommends that the deposits submitted by Susan Rinaldo, Cash Manager, and which have been reviewed by Wesley Dust, Executive Engineer, be forfeited and the funds in the amount of \$2,750.00 be transferred from the Customer Deposit Account to the Water Systems Revenue Fund;

NOW, THEREFORE, BE IT RESOLVED:

That the deposits set forth in Schedule "A" attached hereto which were made by

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contractors during the years 2005 and 2006 for plans and specifications for various projects throughout the Authority, and hereby are forfeited to the Authority; and be it further

RESOLVED: That the amount of \$2,750.00 be transferred from the Customer Deposit Account to the Water Systems Revenue Fund.

Ayes:

Noes:

05/17/07

SCHEDULE "A"

<u>DATE</u>	<u>RECEIPT NUMBER</u>	<u>NAME</u>	<u>PROJECT</u>	<u>W/O AMOUNT</u>
12/30/04	02043	Triple Development of WNY	No. EA-06	\$ 50.00
12/31/04	02044	J.L. Moore Inc.	No. EA-06	50.00
01/04/05	02046	Sicar Inc.	No. EA-06	50.00
01/04/05	02047	C.M.H. Co., Inc.	No. EA-06	50.00
01/04/05	02049	Mar-Wal Const. Co., Inc.	No. EA-06	50.00
01/10/05	02051	Lock City Supply Inc.	No. EA-06	50.00
01/12/05	02053	Intercom Construction	No. EA-06	50.00
01/13/05	02054	Howard P. Smith	No. EA-06	50.00
01/13/05	02055	Visone Construction Inc.	No. EA-06	50.00
01/18/05	02058	Triple R Development of WNY	No. WE-1	50.00
01/18/05	02061	Nichols Long & Moore Const.	No. WE-1	50.00
01/18/05	02058	Triple R Development of WNY	No. T-19	50.00
01/20/05	02064	Milherst Construction Inc.	No. T-19	50.00
01/24/05	02067	A&L Inc.	No. WE-1	50.00
01/18/05	02058	Triple R Development of WNY	No. GP-2	50.00
01/18/05	02059	A&L Inc.	No. GP-2	50.00
01/18/05	02062	Milherst Construction Inc.	No. GP-2	50.00
01/21/05	02065	Accadia Site Contracting Inc.	No. GP-2	50.00
01/24/05	02066	Visone Construction Inc.	No. GP-2	50.00
01/24/05	02067	A&L Inc.	No. T-19	50.00
01/27/05	02069	Mainlining Service Inc.	No. T-19	50.00
01/27/05	02069	Mainlining Service Inc.	No. GP-2	50.00
01/31/05	02072	Price Bros. Company	No. EA-06	100.00
01/31/05	02074	R. Myers Contractors Inc.	No. EA-06	50.00
01/31/05	02073	H&H Enterprises	No. EA-06	50.00
01/31/05	02071	American Cast Iron Pipe Co.	No. EA-06	50.00
02/01/05	02077	Fairway Contracting	No. T-19	50.00
02/01/05	02078	Mar-Wal Constr. Co.,Inc.	No. T-19	50.00
02/03/05	02079	E&R General Const., Inc.	No. GP-2	50.00
02/03/05	02079	E&R General Const., Inc.	No. T-19	50.00
02/09/05	02080	Huber Construction, Inc.	No. W-20	50.00
02/22/05	02082	Electrical Services & Systems	No. W-20	50.00
06/09/05	02086	J.L. Moore Inc.	No. NC-26A	50.00
06/13/05	02087	Jim Beresch	No. NC-26A	50.00
06/14/05	02089	K.J. Electric	No. NC-26A	50.00
06/15/05	02091	O'Connell Electric Co.	No. NC-26A	50.00
06/20/05	02092	IPL Electric & Communications	No. NC-26A	50.00
06/20/05	02093	Quackenbush Co., Inc.	No. NC-26A	50.00
01/12/06	04222	C. Destro Development Co.	No. WSA-5	50.00
01/12/06	04223	C. Destro Development Co.	No. CH-001	50.00
01/13/06	04226	Triple R Development of WNY	No. WSA-5	50.00
01/16/06	04228	Mar-Wal Construction Co.,Inc.	No. CH-001	50.00
01/17/06	04229	Milherst Construction, Inc.	No. WSA-5	50.00
01/17/06	04230	Milherst Construction, Inc.	No. CH-001	50.00
01/24/06	04236	Southern Tier Site Utility, Inc.	No. WSA-5	50.00
01/24/06	04234	Visone Construction, Inc.	No. CH-001	50.00
01/24/06	04235	Southern Tier Site Utility, Inc.	No. CH-001	50.00
01/25/06	04237	C. Destro Development Co.	No. GP-003	50.00
02/01/06	04242	Sicar, Inc.	No. GP-003	50.00
02/01/06	04244	Accadia Site Contracting, Inc.	No. GP-003	50.00
02/03/06	04247	E&R General Construction, Inc.	No. GP-003	50.00
02/01/06	04243	Sicar, Inc.	No. DA-005	25.00
02/02/06	04245	Sicar, Inc.	No. DA-005	25.00
08/31/06	05203	Triple R. Development	No. WSA-5	50.00
TOTAL				\$2,750.00

ITEM 18 - AUTHORIZATION OF SUBSTITUTION OF STANDBY BOND PURCHASE AGREEMENT IN CONNECTION WITH ERIE COUNTY WATER AUTHORITY'S WEEKLY ADJUSTABLE/FIXED RATE WATER WORKS SYSTEM REVENUE BONDS, SERIES 1993A AND 1993B

Motion by seconded by

WHEREAS, On February 18, 1993, the Authority adopted the Third Supplemental Resolution under the Water Works System Revenue Bond Resolution, authorizing the issuance of \$27,500,000 Weekly Adjustable/Fixed Rate Water Works System Revenue Bonds, Series 1993A and \$15,000,000 Weekly Adjustable/Fixed Rate Water Works System Revenue Bonds, Series 1993B (collectively, the "Series 1993 Bonds"); and

WHEREAS, In conjunction with the issuance and sale of the Series 1993 Bonds, the Authority entered into Interest Rate Swap Agreements and a Liquidity Guaranty Agreement (the "Liquidity Guaranty") with AIG Financial Products Corp. ("AIG"); and

WHEREAS, In conjunction with the issuance and sale of the Series 1993 Bonds, the Authority also entered into, and caused to be delivered to Manufacturers and Traders Trust Company, as trustee (the "Trustee"), a Standby Bond Purchase Agreement (the "Initial Standby Agreement") with The Industrial Bank of Japan, Limited, acting through its New York Branch; and

WHEREAS, On April 25, 1996, due to a rating downgrade of The Industrial Bank of Japan, the Authority delivered to the Trustee a Standby Bond Purchase Agreement (the "Current Standby Agreement") between the Authority and National Australia Bank Limited, acting through its New York Branch, in substitution of, and as a replacement for, the Initial Standby Agreement; and

WHEREAS, Pursuant to Section 2.1 of the Liquidity Guaranty, AIG has provided a new Standby Bond Purchase Agreement (the "Alternate Standby Agreement") to be entered into between the Authority and DEPFA BANK plc, New York Branch, which will be substituted for, and be in replacement of, the Current Standby Agreement; and

WHEREAS, The term of the Alternate Standby Agreement extends to the maturity of the Series 1993 Bonds, thus obviating the need for annual renewals of the Standby Agreement; and

WHEREAS, AIG has agreed to bear most of the costs associated with such substitution and replacement; and

WHEREAS, The Trustee and the holders of the Series 1993 Bonds must be notified of any replacement and substitution of the Current Standby Agreement; and

WHEREAS, Counsel to AIG has prepared an Addendum to the Official Statement issued in connection with the sale and issuance of the Series 1993 Bonds describing the proposed substitution of the Current Standby Agreement by the Alternate Standby Agreement; and

WHEREAS, Damon & Morey LLP, counsel to the Authority, has reviewed the proposed substitution of the Current Standby Agreement by the Alternate Standby Agreement, and has found the Alternate Standby Agreement and the proposed substitution to be in compliance with the requirements of the Third Supplemental Resolution and the other documents governing the Series 1993 Bonds; and

WHEREAS, Letters (the "Rating Agency Letters") have been requested from Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Service, a Division of The McGraw-Hill Companies, Inc. ("S&P"), respectively, confirming that upon the effectiveness of the Alternate Standby Agreement, the Series 1993 Bonds will continue to be rated "Aaa/VMIG-1" by Moody's and "AAA/A-1+" by S&P;

NOW, THEREFORE, BE IT RESOLVED: That, conditioned upon receipt of the Rating Agency Letters, the Authority approves the replacement and substitution of the Current Standby Agreement by the Alternate Standby Agreement; and be it further

RESOLVED: That the Authority directs management of the Authority to notify the Trustee upon receipt of the Rating Agency Letters that the Authority has agreed to replace and substitute the Current Standby Agreement with the Alternate Standby Agreement; and be it further

RESOLVED: That the Authority approves the Addendum to the Official Statement in the form presented to this meeting and authorizes the distribution and use thereof upon receipt of the Rating Agency Letters; and be it further

RESOLVED: That, conditioned upon receipt of the Rating Agency Letters, the Chairman, or his designee, be and he hereby is authorized and directed to execute the Alternate Standby Agreement with such changes, additions or modifications as the Chairman or his designee deem proper and in the best interest of the Authority, and to deliver the executed Alternate Standby Agreement to the Trustee; and be it further

RESOLVED: That the Chairman and the Secretary, or their respective designees, be and they hereby are authorized and directed to execute and deliver all ancillary instruments and certificates as the Chairman, the Secretary or their respective designees deem proper in connection with the foregoing resolutions.

Ayes:
Noes:

ITEM 19 - PURCHASE ORDERS:

Motion by seconded by and carried to approve for payment of Purchase Order Nos. as listed on the attached sheets pages 20-28 after certification by the Comptroller that the orders are in accordance with the quotations and that the Director of Administration be authorized to execute the above and all associated documents after certifying that they are in conformity with applicable laws and the Authority's By-Laws and Purchasing Guidelines, Policies and Procedures.

ITEM 20 - PURCHASE ORDER AMENDMENTS:

Motion by seconded by and carried to approve for payment of Purchase Order Amendments as listed on the attached sheet page 29 after certification by the Comptroller that the orders are in accordance with the quotations and that the Director of Administration be authorized to execute the above and all associated documents after certifying that they are in conformity with applicable laws and the Authority's By-Laws and Purchasing Guidelines, Policies and Procedures.

ITEM 21 - SERVICE CONNECTION WORK ORDER LIST:

Motion by seconded by and carried to approve Service Connection Work Order Nos. 07-19 and 07-20, to C. Destro Development Co., Inc. for Service Area No. 1 under Contract No. 07-04-01 and to C. Destro Development Co., Inc. for Service Area No. 2 under Contract No. 07-05-01 and large services under Contract No. 07-03-01 to Kandey Company, Inc.

VIII. - ADJOURNMENT

Meeting adjourned until the next regular meeting to be held on Thursday, May 31, 2007 at 4:00 p.m.

Matthew J. Baudo
Secretary to the Authority

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