

MINUTES of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 350 Ellicott Square Building, Buffalo, New York, on the 27th day of December, 2007.

PRESENT: Frank E. Swiatek, Chairman
Kelly M. Vacco, Vice Chair
Francis G. Warthling, Treasurer
Robert A. Mendez, Executive Director
Matthew J. Baudo, Secretary to the Authority
Robert J. Lichtenthal, Jr., Deputy Director
Wesley C. Dust, Executive Engineer
Mark J. Fuzak, Attorney
Ronald P. Bennett, Associate Attorney
Emilio Colaiacovo, Associate Attorney
Paul H. Riestler, Director of Administration
Karla L. Thomas, Director of Human Resources
Daniel J. NeMoyer, Public Affairs Officer
Albert J. Meaney, Comptroller
Steven V. D'Amico, Budget & Finance Analyst

ATTENDEES: Joseph Matteliano

CALL TO ORDER

PLEDGE TO THE FLAG

I. - ROLL CALL

II. - READING OF MINUTES

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to waive the reading of the Minutes of the Meeting held on Thursday, December 13, 2007.

III. - APPROVAL OF MINUTES

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve the Minutes of the Meeting held on Thursday, December 13, 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 - CREATION OF MASTER PURCHASE ORDERS:

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve the creation of Master Purchase Order Nos. as listed on the attached sheet page 1 not to exceed the amount of \$3,458,500.00 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 2 - MASTER PURCHASE ORDERS:

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve for payment of Master Purchase Order Nos. as listed on the attached sheets pages 1-8 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 3-27)

ITEM 3 - PAYMENT OF INVOICE OF DEPFA BANK FOR SERVICES RENDERED IN CONNECTION WITH THE ISSUANCE OF ERIE COUNTY WATER AUTHORITY, WEEKLY AJUSTABLE/FIXED RATE WATER WORKS SYSTEM REVENUE BONDS, SERIES 1993A AND WEEKLY ADJUSTABLE/FIXED RATE WATER WORKS SYSTEM REVENUE BONDS, SERIES 1993B - \$28,492.78

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 18th day of February, 1993 the Authority adopted the Third Supplemental Resolution authorizing the issuance of \$27,500,000 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; and

WHEREAS, Depfa Bank has submitted an invoice dated November 23, 2007 in the total amount of \$28,492.78 for services performed during the period September 1, 2007 through November 30, 2007 in connection with said bond issuance; and

WHEREAS, Said invoice has been approved for payment by Robert J. Lichtenthal, Jr., Deputy Director;

NOW, THEREFORE, BE IT RESOLVED:

That the abovementioned invoice of Depfa Bank in the amount of \$28,492.78 for professional services rendered during the period September 1, 2007 through November 30, 2007 in connection with the Erie County Water Authority Adjustable/Fixed Rate Water Works System Revenue Bonds, Series 1993A and Series 1993B be referred to the Comptroller for his verification and if found to be in order that said invoice be approved and the Treasurer, or in his/her absence the Assistant Treasurer, be and hereby is authorized to pay same.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling
Noes: None

ITEM 4 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND FOURTH RESOLUTION REFUNDING WATER REVENUE BONDS, SERIES 1992 - \$33,333.33

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager, advised under date of December 19, 2007 that there was available on December 27, 2007 the following amounts in the Debt Service Fund Fourth Resolution Refunding Water Revenue Bonds, Series 1992:

Accreted Value	\$33,333.33
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and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Bond Fund in the amount of \$33,333.33 to mature in time for the June 1, 2008 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 \$33,333.33 to mature in time for the June 1, 2008 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: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 5 - 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 Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager, advised under the date of December 19, 2007 that there was available on December 20, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Bonds, Series 1993A:

Secondary Interest Account	\$74,656.84
Payment Account	\$46,656.84

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 \$74,656.84 and Payment Account in the amount of \$45,656.84 in the Guaranteed Investment Contract to mature in time for the June 1, 2008 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 \$74,656.84 and Payment Account in the amount of \$45,656.84 in the Guaranteed Investment Contract to mature in time for the June 1, 2008 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: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 6 - 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 Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager, advised under the date of December 19, 2007 that there was available on December 20, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Bonds, Series, 1993B:

Secondary Interest Account	\$40,721.92
Payment Account	\$32,903.08

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest the Secondary Interest Account in the amount of \$40,721.92 and Payment Account in the amount of \$32,903.08 in the Guaranteed Investment Contract to mature in time for the June 1, 2008 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 \$40,721.92 and Payment Account in the amount of \$32,903.08 in the Guaranteed Investment Contract to mature in time for the June 1, 2008 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: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 7 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 1998A - \$50,270.84

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager advised under date of December 19, 2007 that there was available on December 27, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 1998A:

Principal Account	\$31,666.67
Interest Account	\$18,604.17

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$18,604.17 to mature in time for the June 15, 2008 Interest Payment at the highest yield to maturity to 1998B Bondholders and invest from the Principal Account in the amount of \$31,666.67 to mature in time for the December 15, 2008 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 \$18,604.17 to mature in time for the June 15, 2008 Interest Payment at the highest yield to maturity to 1998B Bondholders and invest from the Principal Account in the amount of \$31,666.67 to mature in time for the December 15, 2008 Principal Payment at the highest yield to maturity to 1998B, 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: Three; Commrs. Swiatek, Vacco and Warthling
Noes: None

**ITEM 8 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE
MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE
FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS,
SERIES 1998B - \$112,094.89**

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager advised under date of December 19, 2007 that there was available on December 27, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 1998B:

Interest Account	\$47,511.56
Principal Account	\$64,583.33

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$47,511.56 to mature in time for the April 15, 2008 Interest Payment at the highest yield to maturity to 1998B Bondholders and invest from the Principal Account in the amount of \$64,583.33 to mature in time for the October 15, 2008 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 \$47,511.56 to mature in time for the April 15, 2008 Interest Payment at the highest yield to maturity to 1998B Bondholders and invest from the Principal Account in the amount of \$64,583.33 to mature in time for the October 15, 2008 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: Three; Commrs. Swiatek, Vacco and Warthling
Noes: None

ITEM 9 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 2003F - \$92,860.49

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager advised under date of December 19, 2007 that there was available on December 27, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 2003F:

Interest Account	\$40,777.16
Principal Account	\$52,083.33

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$20,388.58 to mature in time for the January 15, 2008 Interest Payment at the highest yield to maturity to 2003F Bondholders and to invest from the Interest Account, in the amount of \$20,388.58 to mature in time for the July 15, 2008 Interest Payment at the highest yield to maturity to 2003F Bondholders and to invest from the Principal Account in the amount of \$52,083.33 to mature in time for the July 15, 2008 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 \$20,388.58 to mature in time for the January 15, 2008 Interest Payment at the highest yield to maturity to 2003F Bondholders and to invest from the Interest Account, in the amount of \$20,388.58 to mature in time for the July 15, 2008 Interest Payment at the highest yield to maturity to 2003F Bondholders and to invest from the Principal Account in the amount of \$52,083.33 to mature in time for the July 15, 2008 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: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 10 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE
MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE
FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS,
SERIES 2007 - \$515,034.96**

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager advised under date of December 19, 2007 that there was available on December 20, 2007 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 2007:

Interest Account	\$490,451.63
Principal Account	\$24,583.33

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$490,451.63 to mature in time for the June 1, 2008 Interest Payment at the highest yield to maturity to 2007 Bondholders and invest from the Principal Account in the amount of \$24,583.33 to mature in time for the December 1, 2008 Principal Payment at the highest yield to maturity to 2007 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 \$490,451.63 to mature in time for the June 1, 2008 Interest Payment at the highest yield to maturity to 2007 Bondholders and invest from the Principal Account in the amount of \$24,583.33 to mature in time for the December 1, 2008 Principal Payment at the highest yield to maturity to 2007 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: Three; Commrs. Swiatek, Vacco and Warthling
Noes: None

ITEM 11 - AUTHORIZATION TO RESCIND ITEM NO. 5 OF THE MINUTES OF THE MEETING OF THE ERIE COUNTY WATER AUTHORITY HELD ON DECEMBER 13, 2007 IN CONNECTION WITH THE FISCAL YEAR 2008 INSURANCE-PROTECTION PROGRAM AND AUTHORIZATION TO PAY INSURANCE INVOICES

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Erie County Water Authority ("Authority") is required by bond covenant to maintain insurance for its properties and protection from loss, damage, liability, etc., from such causes that are customarily insured against; and

WHEREAS, The Authority's Board of Commissioners authorized the issuance of a Request for Proposals ("RFP") in connection with the procurement of Insurance-Protection Program Services on September 26, 2007; 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, Heretofore and on the 30th day of November, 2007 by resolution Item No.

16 the Authority awarded "CRIME - COVERAGE FOR FORGERY, THEFT, DISHONESTY, ALTERATION, ETC." to Amherst Insurance Co./Lawley Insurance Co.; and

WHEREAS, Robert J. Lichtenthal, Jr., Deputy Director advised that The Vanner Group, Inc. should have been awarded "CRIME - COVERAGE FOR FORGERY, THEFT, DISHONESTY, ALTERATION, ETC."; and

WHEREAS, Heretofore and on the 13th day of December, 2007 the Authority amended Item No. 16 of the Minutes of the Meeting of the Authority held on November 30, 2007 awarding "CRIME - COVERAGE FOR FORGERY, THEFT, DISHONESTY, ALTERATION, ETC." to The Vanner Group; and

WHEREAS, Subsequently, The Vanner Group informed the Authority that it is unable to secure this coverage at this time;

WHEREAS, Due to the above information, Robert J. Lichtenthal, Jr., Deputy Director recommends rescinding Item No. 5 of the Minutes of the Meeting of the Authority held on December 13, 2007 awarding "CRIME - COVERAGE FOR FORGERY, THEFT, DISHONESTY, ALTERATION, ETC." to The Vanner Group.;

WHEREAS, Robert A. Mendez, Executive Director concurs with said recommendation;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority rescind Item No. 5 of the Minutes of the Meeting of the Authority held on December 13, 2007 awarding "CRIME - COVERAGE FOR FORGERY, THEFT, DISHONESTY, ALTERATION, ETC." to The Vanner Group; and be it further

RESOLVED, That this coverage be obtained from Amherst Insurance Co./Lawley Insurance Co. as originally designated by Item No. 16 of the Minutes of the Meeting of the Authority held on November 30, 2007.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 12 - AUTHORIZATION TO SOLICIT REQUEST FOR PROPOSALS FOR
2008/2009 WATERLINE PROJECTS AND SERVICE CENTER PAVING**

PROJECT

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Pursuant to Article V, Title 3, Section 1053 of the Public Authorities Law, the Erie County Water Authority (“Authority”) has the authority to contract for expert professional services; and

WHEREAS, Article III, Section 6 of the Authority's By-Laws grants to the Authority the right to contract for expert professional services; and

WHEREAS, The Authority deems it necessary to issue a Request for Proposal (“RFP”) to qualified firms to provide consulting engineering services for 2008/2009 waterline replacement/installation projects and a paving project at the Authority’s Service Center; and

WHEREAS, The proposals received by the Authority will be evaluated in accordance with the terms of the RFP, and a professional services contract will be negotiated and executed with the successful offerer; and

WHEREAS, The RFP for 2008/2009 waterline replacement/installation projects and a paving project at the Authority’s Service Center 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, Daniel Seider, Distribution Engineer, will be the designated contact person for the RFP with the adoption of this resolution;

NOW, THEREFORE BE IT RESOLVED:

The Authority is hereby authorized to issue a RFP to qualified firms to provide consulting engineering services for 2008/2009 waterline replacement/installation projects and a paving project at the Authority’s Service Center.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 13 - AUTHORIZATION TO SOLICIT REQUEST FOR PROPOSALS FOR VAN DE WATER TREATMENT PLANT CAPITAL IMPROVEMENT PLAN AND THE WATER QUALITY LABORATORY RELOCATIONS STUDY

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Pursuant to Article V, Title 3, Section 1053 of the Public Authorities Law, the Erie County Water Authority (“Authority”) has the authority to contract for expert professional services; and

WHEREAS, Article III, Section 6 of the Authority's By-Laws grants to the Authority the right to contract for expert professional services; and

WHEREAS, The Authority deems it necessary to issue a Request for Proposal (“RFP”) to qualified firms to provide consulting engineering services for the Van de Water Treatment Plant Capital Improvement Plan and the Water Quality Laboratory Relocations Study; and

WHEREAS, The proposals received by the Authority will be evaluated in accordance with the terms of the RFP, and a professional services contract will be negotiated and executed with the successful offerer; and

WHEREAS, The RFP for the Van de Water Treatment Plant Capital Improvement Plan and the Water Quality Laboratory Relocations Study 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, Daniel Seider, Distribution Engineer, will be the designated contact person for the RFP with the adoption of this resolution;

NOW, THEREFORE BE IT RESOLVED:

The Authority is hereby authorized to issue a RFP to qualified firms to provide consulting engineering services for the Van de Water Treatment Plant Capital Improvement Plan and the Water Quality Laboratory Relocations Study.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 14 - AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH
MANUFACTURERS AND TRADERS TRUST COMPANY TO PROVIDE
LOCKBOX SERVICES**

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Erie County Water Authority's ("Authority") Board of Commissioners authorized the issuance of a Request for Proposals ("RFP") to qualified banking institutions for lockbox services on November 15, 2007; and

WHEREAS, A copy of the RFP was sent to:

JPMorgan Chase
Manufacturers & Traders Trust Company ("M&T")
Bank of America
First Niagara Commercial Bank
Citizens Bank, NA
Key Bank
HSBC Bank USA; and

WHEREAS, The respondents to the RFP were M&T, JPMorgan Chase and HSBC Bank USA; 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, The Review Committee reviewed the proposal and deems it advisable to have M&T provide the Authority with lockbox services based on their qualifications, the Buffalo lockbox location and fee; and

WHEREAS, M&T have committed to a three-year period to render lockbox services and, at the Authority's option, to enter into a two-year or three-year agreement renewal; and

WHEREAS, Robert J. Lichtenthal, Jr., Deputy Director and Robert A. Mendez, Executive Director recommend that the Authority enter into an agreement with M&T;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority accepts the proposal of M&T to provide lockbox services; 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 M&T.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling
Noes: None

ITEM 15 - AUTHORIZATION TO SETTLE LITIGATION

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 25th day of January, 2005 the Erie County Water Authority ("Authority") entered into a contract with Accadia Site Contracting, Inc. ("Accadia") for Contract No. EA-06, water system improvements in the Town of Amherst, New York, identified as Contract No. 05-13-04; and

WHEREAS, Since commencement of the contract, Accadia and the Authority have been involved in a dispute over extra costs that the Authority allegedly owes to Accadia; and

WHEREAS, Accadia filed a Summons & Complaint against the Authority in the Supreme Court of the State of New York under index number I 2007-10857 on October 31, 2007; and

WHEREAS, The Authority tendered defense and indemnification of the lawsuit to the Authority's insurance carriers which was denied; and

WHEREAS, The Authority deems it necessary to authorize the Authority's Legal Department to settle the lawsuit in the best interest of the Authority without costly and time consuming litigation;

NOW, THEREFORE, BE IT RESOLVED:

That the Board of Commissioners of the Erie County Water Authority hereby authorizes the Authority's Legal Department to settle the lawsuit in the best interest of the Authority without costly and time consuming litigation.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 16 - AUTHORIZATION TO ENTER INTO AN AGREEMENT IN CONNECTION WITH COST OF RELOCATING MUNICIPALLY OWNED FACILITIES MAINTAINED FOR PUBLIC USE WITH THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION FOR US ROUTE 20, SOUTHWESTERN BLVD., SH 9237 & 9269, US ROUTE 62 TO NY ROUTE 240/277, TOWNS OF HAMBURG AND ORCHARD PARK, ERIE COUNTY, PROJECT NO. 200400117, IDENTIFIED AS PIN NO. 5111.69 - \$6,657.00

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, By Erie County Water Authority ("Authority") resolution dated February 8, 2007, the Authority entered into a Preliminary Utility Work Agreement with the New York State Department of Transportation ("NYSDOT") for US Route 20, Southwestern Blvd., SH 9237 & 9269, US Route 62 to NY Route 240/277, Towns of Hamburg and Orchard Park, Erie County, identified as Pin No. 5111.69; and

WHEREAS, Under date of December 4, 2007 NYSDOT submitted a copy of a proposed Agreement in Connection with Cost of Relocating Municipally Owned Facilities Maintained for Public Use in the total amount of \$6,657.00 covering the reimbursable costs of the US Route 20, Southwestern Blvd., SH 9237 & 9269, US Route 62 to NY Route 240/277, Towns of Hamburg and Orchard Park, Erie County, identified as Pin No. 5111.69; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer, and Robert A. Mendez, Executive Director recommend execution of said Agreement;

NOW, THEREFORE, BE IT RESOLVED:

That the Chairman be and he hereby is authorized and directed and directed to enter into an Agreement in Connection with Cost of Relocating Municipally Owned Facilities Maintained for Public Use with the NYSDOT in the total amount of \$6,657.00, which covers the US Route 20, Southwestern Blvd., SH 9237 & 9269, US Route 62 to NY Route 240/277, Towns of Hamburg and Orchard Park, Erie County, identified as Pin No. 5111.69; and be it further

RESOLVED: That the Secretary be and he hereby is authorized to forward the original and four copies of the executed Agreement to Scott McKay, P., E., Regional Utilities Engineer,

New York State Department of Transportation, 100 Seneca Street, Buffalo, New York, 14203.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 17 - AUTHORIZATION TO EXECUTE GENERAL RELEASE IN CONNECTION WITH COST OF RELOCATING MUNICIPALLY OWNED FACILITIES MAINTAINED FOR PUBLIC USE (SUBDIVISION 24, SECTION 10, OF THE HIGHWAY LAW) FOR NY ROUTE 263, MILLERSPORT HIGHWAY, ELLICOTT CREEK TO NY ROUTE 270, CAMPBELL BLVD., BIN 1071720 OVER ELLICOTT CREEK, TOWN OF AMHERST, PROJECT NO. 199900067, IDENTIFIED AS PIN NO. 5568.12, - \$2,965.74

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, By resolution identified as Item No. 8 of the Minutes of the Meeting of July 12, 2001, the Erie County Water Authority ("Authority"), a public benefit corporation in the County of Erie and State of New York, entered into a Preliminary Utility Work Agreement with the New York State Department of Transportation ("NYSDOT") acting by and through Adele Cannarozzo, Main Office Utilities Engineer for the Commissioner of Transportation, for the NY Route 263, Millersport Highway, Ellicott Creek to NY Route 270, Campbell Blvd., BIN 1071720 over Ellicott Creek, Town of Amherst, Erie County, identified as PIN No. 5568.12 at an amount not to exceed \$6,962.00; and

WHEREAS, By resolution identified as Item No. 8 of the Minutes of the Meeting of August 23, 2001, the Authority entered into an Agreement in Connection with Cost of Relocating Municipally Owned Facilities Maintained for Public Use (Subdivision 24, Section 10 of the Highway Law) in an amount not to exceed \$6,962.00; and

WHEREAS, All the work under said Agreements has been performed by the employment of the forces and the use of the equipment of the Authority or by contract between the Authority and others and accepted by the State of New York; and

WHEREAS, The NYSDOT under date of December 5, 2007, submitted a Utility Field Audit Report for costs incurred in the relocation of the Authority's facilities in the adjusted amount of \$2,965.74 and has requested the execution of a General Release in said amount; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Albert J. Meaney, Comptroller have verified the Summary of Costs and recommended executing the General Release in the adjusted amount of \$2,965.74;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority hereby authorizes the Chairman to execute a General Release to the State of New York in consideration of the sum of \$2,965.74 to it previously paid in part, the balance of which is to be duly paid by the State of New York, the receipt whereof is to be confessed and acknowledged and which sum is in complete and full reimbursement for the work performed by the said Authority, which does for itself, its successors and assigns, in all things give full release and discharges the said State of New York, its officers, agents and employees, from all claims, demands and liabilities of every kind and nature, legal or equitable, occasioned by or arising out of the work performed by the Authority under said Agreement; and be it further

RESOLVED: That the Secretary be and he hereby is authorized to forward the original and three copies of the executed General Release to Scott McKay, P.E., Regional Utilities Engineer, New York State Department of Transportation, 100 Seneca Street, Buffalo, New York, 14203.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 18 - AUTHORIZATION TO EXECUTE GENERAL RELEASE IN CONNECTION WITH COST OF RELOCATING MUNICIPALLY OWNED FACILITIES MAINTAINED FOR PUBLIC USE (SUBDIVISION 24, SECTION 10, OF THE HIGHWAY LAW) FOR US ROUTE 20A, BIG TREE ROAD, SH 1066, CAZENOVIA CREEK CROSSING, WEST OF JEWITT HOLMWOOD ROAD, TOWN OF AURORA, ERIE COUNTY, PROJECT NO. 200100035, IDENTIFIED AS PIN NO. 5010.18 - \$5,756.38

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, By resolution identified as Item No. 7 of the Minutes of the Meeting of December 19, 2002, the Erie County Water Authority ("Authority"), a public benefit corporation in the County of Erie and State of New York, entered into a Preliminary Utility Work Agreement with the New York State Department of Transportation ("NYSDOT") acting by and through Adele Cannarozzo, Main Office Utilities Engineer for the Commissioner of Transportation, for the US Route 20A, Big Tree Road, SH 1066, Cazenovia Creek Crossing, west of Jewitt Holmwood Road, Town of Aurora, Erie County, identified as PIN No. 5010.18 at an amount not to exceed \$4,051.00; and

WHEREAS, By resolution identified as Item No. 8 of the Minutes of the Meeting of January 30, 2003, the Authority entered into an Agreement in Connection with Cost of Relocating Municipally Owned Facilities Maintained for Public Use (Subdivision 24, Section 10 of the Highway Law) in an amount not to exceed \$4,051.00; and

WHEREAS, A Supplemental Agreement in Connection with Cost of Relocating Municipally Owned Facilities Maintained for Public Use was executed by the Authority by resolution identified as Item No. 8 of the Minutes of the Meeting of July 17, 2007; and

WHEREAS, All the work under said Agreements has been performed by the employment of the forces and the use of the equipment of the Authority or by contract between the Authority and others and accepted by the State of New York; and

WHEREAS, The NYSDOT under date of December 10, 2007, submitted a Utility Field Audit Report for costs incurred in the relocation of the Authority's facilities in the adjusted amount of \$5,756.38 and has requested the execution of a General Release in said amount; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Albert J. Meaney, Comptroller have verified the Summary of Costs and recommended executing the General Release in the adjusted amount of \$5,756.38;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority hereby authorizes the Chairman to execute a General Release to the State of New York in consideration of the sum of \$5,756.38 to it previously paid in part, the balance of which is to be duly paid by the State of New York, the receipt whereof is to be confessed and acknowledged and which sum is in complete and full reimbursement for the work performed by the said Authority, which does for itself, its successors and assigns, in all things give full release and discharges the said State of New York, its officers, agents and employees, from all claims, demands and liabilities of every kind and nature, legal or equitable, occasioned by or arising out of the work performed by the Authority under said Agreement; and be it further

RESOLVED: That the Secretary be and he hereby is authorized to forward the original and three copies of the executed General Release to Scott McKay, P.E., Regional Utilities Engineer, New York State Department of Transportation, 100 Seneca Street, Buffalo, New York, 14203.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 19 - APPROVAL OF CHANGE ORDER NO. 1 OF WESTERN NEW YORK CONTRACTORS, INC. FOR CONTRACT NO. WSA-6, WATER SYSTEM IMPROVEMENTS IN THE TOWN OF CHEEKTOWAGA, NEW YORK, PROJECT NO. 200600180, CONTRACT NO. 07-16-04

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 8th day of March, 2007, the Erie County Water Authority ("Authority") entered into a contract with Western New York Contractors, Inc. for Contract No. WSA-6, water system improvements in the Town of Cheektowaga, New York, identified as Contract No. 07-16-04; and

WHEREAS, Said contractor has submitted Change Order No. 1 to extend the Substantial Completion date by 23 days and extend the Final Completion date by 26 days; and

WHEREAS, The reason for said change is because the Contractor encountered unforeseen subsurface conditions on Zoerb Avenue that delayed service installations necessitating an increase in Contract Time; and

WHEREAS, Wm. Schutt & Associates, P.C., Consulting Engineers, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director recommend approval of said Change Order No. 1;

NOW, THEREFORE, BE IT RESOLVED:

That Change Order No. 1 of Western New York Contractors, Inc. to provide for the abovementioned change be approved; and be it further

RESOLVED: That the Chairman be and he hereby is authorized to execute said Change Order No. 1 on behalf of the Authority.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 20 - APPROVAL OF CHANGE ORDER NO. 1 OF E&R GENERAL CONSTRUCTION FOR CONTRACT NO. DA-006, LARGE VALVE REPLACEMENTS, PROJECT NO. 200700321, CONTRACT NO. 07-40-09 - \$32,800.00

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 19th day of September, 2007, the Erie County Water Authority ("Authority") entered into a contract with E&R General Construction for Contract No. DA-006, large valve replacements, identified as Contract No. 07-40-09; and

WHEREAS, Said contractor has submitted Change Order No. 1 in the sum of \$32,800.00 to provide for the following changes:

1. Replace an existing valve at 1900 Ridge Road with a 24" butterfly valve and install associated piping and fittings.
2. Change Contract Time for Substantial Completion of 2007 work from November 30, 2007 to December 7, 2007 and Final Completion from December 15, 2007 to December 21, 2007; and

WHEREAS, The reasons for the above changes are as follows:

1. Existing valve was found inoperable during associated work and requires replacement.
2. Substantial and Final Contract Times modified per Section 12.02 and 12.03 of the General Conditions; and

WHEREAS, DiDonato Associates, P.E., P.C., Consulting Engineers, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director recommend approval of said Change Order No. 1;

NOW, THEREFORE, BE IT RESOLVED:

That Change Order No. 1 of E&R General Construction in the amount of \$32,800.00 to provide for the abovementioned change be approved; and be it further

RESOLVED: That the Chairman be and he hereby is authorized to execute said Change Order No. 1 on behalf of the Authority.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling
Noes: None

ITEM 21 - REFUND FOR NEW SERVICE INSTALLATIONS - \$30,232.35

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Erie County Water Authority ("Authority") has installed new services identified on its records by OWIP numbers; and

WHEREAS, Said new services have been completed and the actual cost thereof ascertained; and

WHEREAS, The entire actual cost thereof is less than the estimated cost of the new services; and

WHEREAS, Albert J. Meaney, Comptroller, under the date of December 27, 2007, has

recommended that the following refunds be made as listed on attached Schedule "A";

NOW, THEREFORE, BE IT RESOLVED:

That the Authority repay the difference between the estimated cost of said new services and the entire actual costs thereof to the parties and in the amounts hereinafter set forth as listed on attached Schedule "A".

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 22 - AUTHORIZATION TO APPROVE KELLY M. VACCO, VICE CHAIR FOR MEMBER OF AUDIT COMMITTEE

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 2nd day of May, 2007, the Erie County Water Authority ("Authority") adopted an Audit Committee Charter pursuant to the Public Authorities Law Section 2824 (4); and

WHEREAS, Heretofore and on the 2nd day of May, 2007 the Authority appointed Frank E. Swiatek, Robert J. Lichtenthal, Jr., and Francis G. Warthling members of the Audit Committee; and

WHEREAS, The Authority accepted the resignation of Robert J. Lichtenthal, Jr. as Vice Chairman of the Authority effective midnight September 30, 2007; and

WHEREAS, Heretofore and on the 29th day of November, 2007 the Erie County Legislature duly appointed Kelly M. Vacco as a Member of the Authority to serve for the balance of a three year term expiring April 27, 2008; and

WHEREAS, Heretofore and on the 30th day of November, 2007 the Authority elected Kelly M. Vacco as Vice Chair of the Authority;

WHEREAS, The Authority deems it necessary to fill the vacancy on the Audit Committee created by the resignation of Robert J. Lichtenthal, Jr.; and

NOW, THEREFORE, BE IT RESOLVED:

That Kelly M. Vacco, Vice Chair be appointed a member of the Authority's Audit Committee until the next annual meeting.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling
Noes: None

**ITEM 23 - AUTHORIZATION TO APPROVE KELLY M. VACCO, VICE CHAIR FOR
MEMBER OF GOVERNANCE COMMITTEE**

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 2nd day of May, 2007, the Erie County Water Authority (“Authority”) adopted an Governance Committee Charter pursuant to the Public Authorities Law Section 2824 (7); and

WHEREAS, Heretofore and on the 2nd day of May, 2007 the Authority appointed Frank E. Swiatek, Robert J. Lichtenthal, Jr., and Francis G. Warthling members of the Governance Committee; and

WHEREAS, The Authority accepted the resignation of Robert J. Lichtenthal, Jr. as Vice Chairman of the Authority effective midnight September 30, 2007; and

WHEREAS, Heretofore and on the 29th day of November, 2007 the Erie County Legislature duly appointed Kelly M. Vacco as a Member of the Authority to serve for the balance of a three year term expiring April 27, 2008; and

WHEREAS, Heretofore and on the 30th day of November, 2007 the Authority elected Kelly M. Vacco as Vice Chair of the Authority;

WHEREAS, The Authority deems it necessary to fill the vacancy on the Governance Committee created by the resignation of Robert J. Lichtenthal, Jr.; and

NOW, THEREFORE, BE IT RESOLVED:

That Kelly M. Vacco, Vice Chair be appointed a member of the Authority's Governance Committee until the next annual meeting.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling
Noes: None

ITEM 24 - MICHAEL MCGAVIS - LEAVE OF ABSENCE

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to grant Michael McGavis a leave of absence from his permanent position of Water Utility Worker during his provisional appointment as Dispatcher.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling
Noes: None

ITEM 25 - PURCHASE ORDERS:

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve for payment of Purchase Order Nos. as listed on the attached sheets pages 9-12 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 26 - PURCHASE ORDER AMENDMENTS:

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve for payment of Purchase Order Amendments as listed on the attached sheet page 13 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 27 - SERVICE CONNECTION WORK ORDER LIST:

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve Service Connection Work Order Nos. 07-51 and 07-52, 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, January 10, 2008 at 10:00 a.m.

Matthew J. Baudo
Secretary to the Authority

SLZ

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