

MINUTES of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 350 Ellicott Square Building, Buffalo, New York, on the 3rd day of April, 2008.

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
Wesley C. Dust, Executive Engineer
Mark J. Fuzak, Attorney
Paul H. Riester, Director of Administration
Daniel J. NeMoyer, Public Affairs Officer
Albert J. Meaney, Comptroller
Steven V. D'Amico, Budget and Financial 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, March 20, 2008.

III. - APPROVAL OF MINUTES

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve the Minutes of the Meeting held on Thursday, March 30, 2008.

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

- A) SECRETARY/PERSONNEL**
- B) LEGAL**
- C) FISCAL**

- D) OPERATIONS**
- E) HUMAN RESOURCES**

F) AUDIT COMMITTEE
G) GOVERNANCE COMMITTEE

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 \$18,000 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 1-9 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 3-21)

**ITEM 3 - 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 March 26, 2008 that there was available on April 1, 2008 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 4 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE BONDS, SERIES 1993A - \$187,816.70

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager, advised under the date of March 26, 2008 that there was available on March 25, 2008 the following amounts in the Debt Service Fund Water Works System Revenue Bonds, Series 1993A:

Secondary Interest Account	\$108,520.84
Payment Account	\$ 79,295.86

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 \$45,549.95 for March installment of variable rate interest payment due to bondholders on June 1, 2008 and the Secondary Interest Account in the amount of \$62,970.89 for March 5-31 installment of interest at prime plus 3 basis points due to DEPFA, the Standby Bond Purchaser, due on June 1, 2008 and the Payment Account in the amount of \$79,295.86 for difference between the swap rate and the variable rate on the 1993A bonds from March 1 to March 4 and the difference between the swap rate and the alternative floating rate on the 1993A bonds from March 5 to March 31; 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 in the amount of \$45,549.95 for March installment of variable rate interest payment due to bondholders on June 1, 2008 and the Secondary Interest Account in the amount of \$62,970.89 for March 5-31 installment of interest at prime plus 3 basis points due to DEPFA, the Standby Bond Purchaser, due on June 1, 2008 and the Payment Account in the amount of \$79,295.86 for difference between the swap rate and the variable rate on the 1993A bonds from March 1 to March 4 and the difference between the swap rate and the alternative floating rate on the 1993A bonds from March 5 to March 31, 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 1993B - \$111,988.58

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager, advised under the date of March 26, 2008 that there was available on March 25, 2008 the following amounts in the Debt Service Fund Water Works System Revenue Bonds, Series 1993B:

Secondary Interest Account	\$60,611.28
Payment Account	\$51,377.30

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 \$43,364.14 for March installment of variable rate interest payment due to bondholders on June 1, 2008 and the Secondary Interest Account in the amount of \$17,247.14 for March 4-31 installment of interest at prime plus 3 basis points due to DEPFA, the Standby Bond Purchaser, due on June 1, 2008

and the Payment Account in the amount of \$51,377.30 for the difference between the swap rate and the variable rate on the 1993B bonds from March 1 to March 4 and the difference between the swap rate and the alternative floating rate on the 1993B bonds from March 5 to March 31; 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 in the amount of \$43,364.14 for March installment of variable rate interest payment due to bondholders on June 1, 2008 and the Secondary Interest Account in the amount of \$17,247.14 for March 4-31 installment of interest at prime plus 3 basis points due to DEPFA, the Standby Bond Purchaser, due on June 1, 2008 and the Payment Account in the amount of \$51,377.30 for difference between the swap rate and the variable rate on the 1993B bonds from March 1 to March 4 and the difference between the swap rate and the alternative floating rate on the 1993B bonds from March 5 to March 31, 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 REFUNDING BONDS, SERIES 1998A - \$50,270.84

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager advised under date of March 26, 2008 that there was available on April 1, 2008 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 7 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 1998B - \$112,094.81

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager advised under date of March 26, 2008 that there was available on April 1, 2008 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 1998B:

Interest Account \$47,511.48
 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 \$23,755.74 to mature in time for the April 15, 2008 Interest Payment at the highest yield to maturity to 1998B Bondholders and invest from the Interest Account, in the amount of \$23,755.74 to mature in time for the October 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 \$23,755.74 to mature in time for the April 15, 2008 Interest Payment at the highest yield to maturity to 1998B Bondholders and invest from the Interest Account, in the amount of \$23,755.74 to mature in time for the October 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 8 - 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 March 26, 2008 that there was available on April 1, 2008 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 \$40,777.16 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 \$40,777.16 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 9 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 2007 - \$160,819.89

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Susan Rinaldo, Cash Manager advised under date of March 26, 2008 that there was available on March 25, 2008 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 2007:

Interest Account \$136,236.56
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 \$136,236.56 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 \$136,236.56 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 10 - AUTHORIZATION TO FILE THE PUBLIC AUTHORITY REPORTING INFORMATION SYSTEM (PARIS) 2007 ANNUAL REPORT TO THE NEW YORK STATE AUTHORITY BUDGET OFFICE

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, In accordance with the Public Authority Reform Act of 2005, the Erie County Water Authority ("Authority") is required to file an Annual Report which reflects the 2007 results of operations and other supporting information; and

WHEREAS, The certification statement must be affirmatively answered confirming that the Report has been presented to and accepted by the Board before the submission of the data; and

WHEREAS, The Authority authorizes the Deputy Director as Chief Financial Officer (“CFO”) and the Executive Director as Chief Executive Officer (CEO);

NOW, THEREFORE, BE IT RESOLVED:

That the Deputy Director as CFO and the Executive Director as CEO are hereby authorized to file the Public Authority Reporting Information System 2007 Annual Report to the New York State Authority Budget Office.

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

ITEM 11 - AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH GREEMAN-PEDERSEN, INC. TO RENDER PROFESSIONAL ENGINEERING SERVICES FOR WATER SYSTEM IMPROVEMENTS IN THE TOWNS OF AMHERST, WEST SENECA, CHEEKTOWAGA AND THE CITIES OF LACKAWANNA AND TONAWANDA, IDENTIFIED AS CONTRACT NO. GP-004, PROJECT NO. 200800091 AT A TOTAL ENGINEERING COST OF \$146,710.00

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 27th day of December, 2007, the Erie County Water Authority's ("Authority") Board of Commissioners authorized the issuance of a Request for Proposals ("RFP") to qualified firms to provide consulting engineering services for waterline replacement projects for years 2008 and 2009 consisting of three new waterline replacement projects, one large valve replacement project for design in year 2008 and construction in 2009 and a paving project at the Service Center for design and construction in 2008; and

WHEREAS, A copy of the RFP was sent to:

TVGA
Greeman-Pedersen
Wm. Schutt and Associates
Clough Harbour & Associates, LLP
Erdman Anthony
Watts Architecture & Engineering, P.C.
C&S Engineers, Inc.
DiDonato Associates Engineering & Architecture, P.C.
FRA; and

WHEREAS, Proposals were received from all nine firms; 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, After review by the Authority's Engineering staff the five firms selected were Greeman-Pederson, Wm. Schutt and Associates, TVGA, Erdman Anthony and Clough Harbour & Associates, LLP; and

WHEREAS, Wesley C. Dust, Executive Engineer recommends that the Authority's waterline replacement projects for years 2008 and 2009 be divided into three projects and

awarded to Greeman-Pederson, Wm. Schutt and Associates and TVGA; the large valve replacement project be awarded to Erdman Anthony and the paving project be awarded to Clough Harbour; and

WHEREAS, One of the three waterline replacement projects is water system improvements in the Towns of Amherst, West Seneca and Cheektowaga and the Cities of Tonawanda and Lackawanna, New York; and

WHEREAS, The Authority deems it advisable to have Greeman-Pedersen, Inc. render professional engineering services for Contract No. GP-004, design and construction of 8-inch watermains along various roads in Towns of Amherst, West Seneca and Cheektowaga and the Cities of Tonawanda and Lackawanna, New York; and

WHEREAS, The Authority agrees to pay Greeman-Pedersen, Inc. for services described in said proposal in accordance with the terms as outlined in Section 3 of said proposal entitled Payment for Services; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director recommend acceptance of said proposal by the Authority

NOW, THEREFORE, BE IT RESOLVED:

That the Authority accepts the proposal of Greeman-Pedersen, Inc. to render professional engineering services for water system improvements in the Towns of Amherst, West Seneca and Cheektowaga and the Cities of Tonawanda and Lackawanna, New York, identified as Contract No. GP-004, under the terms and conditions set forth in said proposal; 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 Greeman-Pedersen, Inc.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 12 - AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH WM. SCHUTT & ASSOCIATES ENGINEERING AND LAND SURVEYING, P.C. TO RENDER PROFESSIONAL ENGINEERING SERVICES FOR WATER SYSTEM IMPROVEMENTS IN THE TOWN OF AMHERST, IDENTIFIED AS CONTRACT NO. WSA-007, PROJECT NO. 200800077 AT A TOTAL ENGINEERING COST OF \$194,650.00

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 27th day of December, 2007, the Erie County Water Authority's ("Authority") Board of Commissioners authorized the issuance of a Request for Proposals ("RFP") to qualified firms to provide consulting engineering services for waterline replacement projects for years 2008 and 2009 consisting of three new waterline replacement projects, one large valve replacement project for design in year 2008 and construction in 2009 and a paving project at the Service Center for design and construction in 2008; and

WHEREAS, A copy of the RFP was sent to:

TVGA
Greeman-Pedersen
Wm. Schutt and Associates
Clough Harbour & Associates, LLP
Erdman Anthony
Watts Architecture & Engineering, P.C.
C&S Engineers, Inc.
DiDonato Associates Engineering & Architecture, P.C.
FRA; and

WHEREAS, Proposals were received from all nine firms; 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, After review by the Authority's Engineering staff the five firms selected were Greeman-Pederson, Wm. Schutt and Associates, TVGA, Erdman Anthony and Clough Harbour & Associates, LLP; and

WHEREAS, Wesley C. Dust, Executive Engineer recommends that the Authority's

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waterline replacement projects for years 2008 and 2009 be divided into three projects and awarded to Greeman-Pederson, Wm. Schutt and Associates and TVGA; the large valve replacement project be awarded to Erdman Anthony and the paving project be awarded to Clough Harbour; and

WHEREAS, One of the three waterline replacement projects is water system improvements in the Town of Amherst, New York; and

WHEREAS, The Authority deems it advisable to have Wm. Schutt & Associates Engineering and Land Surveying, P.C. render professional engineering services for Contract No. WSA-007, design and construction of approximately 1,400 linear feet of 12-inch watermain on Kenmore Avenue from Niagara Falls Boulevard to Main Street and approximately 5, 200 linear feet of 8-inch watermain on Windermere Boulevard from Kenmore Avenue to Longmeadow Road in the Town of Amherst, New York; and

WHEREAS, The Authority agrees to pay Wm. Schutt & Associates Engineering and Land Surveying, P.C. for services described in said proposal in accordance with the terms as outlined in Section 3 of said proposal entitled Payment for Services; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director recommend acceptance of said proposal by the Authority

NOW, THEREFORE, BE IT RESOLVED:

That the Authority accepts the proposal of Wm. Schutt & Associates Engineering and Land Surveying, P.C. to render professional engineering services for water system improvements in the Town of Amherst, New York, identified as Contract No. WSA-007, under the terms and conditions set forth in said proposal; 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 Wm. Schutt & Associates Engineering and Land Surveying, P.C.

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

ITEM 13 - AUTHORIZATION TO ADVERTISE FOR BIDS FOR CONTRACT NO. NC-

04/03/08

**32P, PORTABLE STANDBY GENERATOR PURCHASE CONTRACT,
PROJECT NO. 200800010**

Motion by Mr. Warthling seconded by Mrs. Vacco

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 Contract No. NC-32P, Portable Standby Generator Purchase Contract; 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 Contract No. NC-32P, Portable Standby Generator Purchase Contract 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, Nussbaumer & Clarke, Inc., Consulting Engineers will be the designated contact 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 Contract No. NC-32P, Portable Standby Generator Purchase Contract 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: Three; Comms. Swiatek, Vacco and Warthling

Noes: None

**ITEM 14 - AUTHORIZATION TO AMEND THE ERIE COUNTY WATER
AUTHORITY'S ANNUAL CAPITAL BUDGET FOR FISCAL YEAR 2008**

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, In a resolution dated November 30, 2007 the Erie County Water Authority (the "Authority") adopted its Annual O&M and Capital Budgets for the fiscal year 2008; 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's has determined it is advisable to provide funds for a new utility vehicle to be used by the new Diesel Generator Mechanic in maintaining all leased and purchased generators, which requires the addition of a new capital item and re-allocation of Capital Budget funds as follows:

<u>Unit No</u>	<u>Capital No.</u>	<u>Description</u>	<u>Increase</u>	<u>Decrease</u>
1090	1006812	Utility Truck Vehicle #55	<u>\$ 39,883</u>	
1015	100534	In-Line Mixer		\$10,000
1090	100660	Replacement Vehicle #1		\$2,765
1090	100665	Replacement Vehicle #22		\$2,105
1090	100666	Replacement Vehicle #34		\$6,023
1090	100667	Replacement Vehicle #44		\$2,765
1090	100668	Replacement Vehicle #46		\$2,765
1090	100669	Replacement Vehicle #47		\$2,105
1090	100670	Replacement Vehicle #59		\$7,717
1090	100672	Replacement Vehicle #73		\$2,765
1090	100675	Replacement Backhoe #601		<u>\$873</u>
Totals			\$39,883	\$39,883;

and

WHEREAS, Robert A. Mendez, Executive Director, Robert J. Lichtenthal Jr., Deputy Director, Matthew J. Baudo, Secretary to the Authority, and Wesley Dust, Executive Engineer, recommend approval of said amendment;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority's Annual Capital Budget for the fiscal year 2008 be amended by making the necessary adjustments listed above.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 15 - AUTHORIZATION TO AMEND ITEM NO. 11.0 (CODE OF ETHICS) TO THE ERIE COUNTY WATER AUTHORITY'S HUMAN RESOURCES POLICIES/PROCEDURES MANUAL

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 18th day of May, 1995, by Resolution Item No. 25, the Erie County Water Authority ("Authority") adopted a Human Resources Policies/ Procedures Manual; and

WHEREAS, Heretofore and on the 27th day of December, 2005 the Authority adopted a revised Human Resources Policies/Procedures Manual; and

WHEREAS, Matthew J. Baudo, Secretary to the Authority advises that it is in the best interest of the Authority to amend Policy No. 11.0 (Code of Ethics) of said Manual to read as follows:

PURPOSE

To promote continued public confidence in the integrity of the Authority; and

To accord the members and employees of the Authority clear guidelines as to the ethical standards required of them; and

To establish and to maintain the standards and conduct expected of its members and employees.

POLICY

This policy is in addition to any and all other laws, restrictions, standards and provisions applicable to the conduct of the Authority's members and employees.

It applies to all full time or regular part time employees, hereafter called employees, as well as to the three members of the Authority appointed pursuant to Section 1053 of the Public Authority's Law to serve for a specific term, hereafter called members.

This policy shall be in compliance with the Public Authorities Accountability Act of 2005 Section 19.

MEMBERS AND EMPLOYEES OF THE AUTHORITY SHALL:

- 1) Endeavor to perform the duties of their position to the best of their ability and in a spirit of service to all persons and concerns for which the Authority was created;
- 2) Uphold the high standards of dedicated public service rendered over the years by Water Authority members and employees;

- 3) Support and encourage fellow employees in the proper execution of their duties;
- 4) When a question of conduct or regulation occurs, seek the advice of a supervisor or Counsel of the Authority.

NO MEMBER OR EMPLOYEE OF THE AUTHORITY SHALL:

- 1) Receive any compensation for or have an interest, financial or otherwise, direct or indirect, or incur any obligation that is in substantial conflict with the proper discharge of their duties with the Authority;
- 2) Engage in other employment that might impair the independence of their judgment in the execution of their duties with the Authority;
- 3) Disclose confidential information acquired in the course of official duties nor use such confidential information to further their own personal financial interests;
- 4) Directly or indirectly solicit any gift, or accept or receive any gift having a value of seventy-five dollars, or more, whether in the form of money, service, loan, travel, thing or promise, or in any other form under circumstances in which it could reasonably be inferred that the gift was intended as a reward for any official action on their part; excepting entertainment, meals or social invitations that are customary and proper under the circumstances and are wholly in keeping with good business ethics, and do not place the recipient under obligations.
- 5) Arrange for the extension of credit, or renew an extension of credit in the form of a personal loan from the Authority.

REGULATIONS:

Conflicts with the Authority's interest for an employee or member shall include, but not be limited to, the following:

- 1) Performing any water service work other than that required by the employee's position when such outside water service involves customers of the Authority and is done for personal monetary gain.
- 2) Releasing any data on competitive bids or any other information that is confidential to the Authority to anyone outside the Authority's employment.

Data on contract rates and the cost experience of the Authority, as well as other confidential information, shall not be released to anyone outside the Authority except when required by the Freedom of Information Law and except where this is deemed essential and appropriate by duly designated management

representatives and does not weaken the Authority's position in negotiating agreements with contractors and others for services and materials or otherwise affect the interest of the Authority.

- 3) Serving as an officer, director, or manager with another company or business organization directly or indirectly related to the Authority without specific authorization from the Authority.
- 4) It is considered to be in conflict with the Authority's interest for an employee, member of the Authority or any immediate family member (spouse or child),
 - a) To have a financial interest, in or a manager or director relationship with, any business organization that deals with the Authority where there is an opportunity for, or the appearance of an opportunity for, preferential treatment to be given or received by such organization except where the financial interest is limited to the insubstantial (less the 5%) ownership of the securities of widely held corporations that are quoted and sold on the open market.
 - b) To lease as a contractor or supplier any equipment to the Authority.

The foregoing is not intended as necessarily all encompassing of every situation where a conflict of interest may arise. If in doubt, inquiry is to be made to the Counsel of the Authority.

PROCEDURES

1. The Authority hereby establishes the three members of the Authority to act as the Ethics Board to interpret and make recommendations in regard to any question or purported violations of this code or any statutory enacted ethics standards affecting its members, officers or employees.
2. In the event the advice of the Board is sought by a member of the Authority, that member will abstain from the decisions and recommendations made by the Board of Ethics in that particular instance.
3. The Board may appoint a three member panel to advise on any question.
4. In all matters, a member may be excused from voting in any matter where a conflict might arise.
5. At its discretion, the Ethics Board may recommend appropriate disciplinary action which may include, but is not limited to, a reprimand, suspension or

termination of employment. Any such recommendation will only be final after any hearing required by Section 75 of the Civil Service Law or any applicable Collective Bargaining Agreement.

6. The Board may make and amend these rules, regulations and policies as it shall consider appropriate.
7. Each member and each employee in the Exempt Civil Service classification and those holding the following titles: Director of Administration, Chief Business Office Manager, Sr. Distribution Engineer, Sr. Production Engineer, Distribution Engineer, Production Engineer, Lab Director, Director of Drinking Water Quality, Cash Management Manager, Director of Human Resources, Administrative Assistant, Sr. Stores Clerk, Inspectors, Civil Engineer, Cashier, Coordinator of Employee Relations, Manager of Accounting Services, Manager of Audits and Administrative Engineer shall submit annually to the Board of Ethics,
 - a) A notarized statement listing any stock holdings, except where such holdings represent less than 5% ownership of a widely held corporation whose stock is quoted and sold on the open market, or other financial interest that he or she feels may constitute a conflict of interest;
 - b) Alternatively, a notarized statement that he or she has no outside interest or stock holdings that might create a conflict.
 - c) This disclosure statement is to be filed with the Authority's counsel annually by May 15, and is to be retained for one year by the Authority.
 - d) New employees must file within thirty days of employment.
 - e) This disclosure will also be filed with the Erie County Board of Ethics in accordance with the Public Authorities Accountability Act of 2005 Section 19.
8. This code is to be distributed to each member and employee of the Authority who shall acknowledge receipt thereof in writing.
9. This code is to be delivered to each new employee who shall acknowledge receipt thereof in writing; and

WHEREAS, Matthew J. Baudo, Secretary to the Authority recommends amending Policy No. 11.0 (Code of Ethics) of the Authority's Human Resources Policies/Procedures Manual; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the Authority amend Policy No. 11.0 (Code of Ethics) of the Authority's Human Resources Policies/Procedures Manual as noted above.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 16 - AUTHORIZATION TO ADOPT ITEM NO. 16.0 – WHISTLEBLOWER PROTECTION POLICY TO THE ERIE COUNTY WATER AUTHORITY'S HUMAN RESOURCES POLICIES/PROCEDURES MANUAL

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 18th day of May, 1995, by Resolution Item No. 25, the Erie County Water Authority ("Authority") adopted a Human Resources Policies/ Procedures Manual; and

WHEREAS, Heretofore and on the 27th day of December, 2005 the Authority adopted a revised Human Resources Policies/Procedures Manual; and

WHEREAS, Matthew J. Baudo, Secretary to the Authority advises that it is in the best interest of the Authority to adopt Policy No. 16.0 – Whistleblower Protection Policy of said Manual to read as follows:

General

The *Erie County Water Authority* Code of Ethics requires members, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Authority, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

As part of our ethical responsibility, violation of laws and regulations while performing company duties and responsibilities should be reported to the immediate supervisor, comptroller, director or officer. Violations of laws and regulations may include, but certainly not be limited to, fraud,

dishonesty, theft, cheating and misuse of information, property or equipment.

Fraud is the intentional act by an individual or a group of individuals (referred to as collusion) to deceive another by false acts, suggestions or suppression of the truth. It includes all surprises, tricks or dissembling and any unfair way which another individual or the organization is cheated.

Fraud may take the form of misuse or misappropriation of Authority assets including embezzlement, theft, stealing or the misuse of information to personally benefit. Fraud may also include causing the company to pay for goods or services not received (or pay inflated prices for goods received.)

Reporting Responsibility

It is the responsibility of all members, officers and employees to comply with the Code of Ethics and to report violations or suspected violations in accordance with this Whistleblower Policy.

No Retaliation

No member, officer or employee who in good faith reports a violation of the Code of Ethics shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Authority prior to seeking resolution outside the Authority.

Reporting Violations

The Code of Ethics addresses the Authority's open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. Supervisors and managers are required to report suspected violations of the Code of Conduct to the Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with following the Authority's open door policy, individuals should contact the Authority's Compliance Officer directly.

Compliance Officer

The Compliance Officer is the *Secretary to the Authority*. The Authority's Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code of Ethics and will report all allegations to the Chairman of the Board. The Compliance Officer has direct access to the Chairman of the Board in these matters.

Chairman of the Board

The Chairman of the Board will inform other board and staff members as he deems necessary to conduct an appropriate investigation. The Chairman has the authority to provide funds for investigations as required.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code of Ethics must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code of Ethics. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation; and

WHEREAS, Matthew J. Baudo, Secretary to the Authority recommends adopting Policy No. 16.0 – Whistleblower Protection Policy of the Authority's Human Resources Policies/Procedures Manual; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the Authority adopt Policy No. 16.0 – Whistleblower Protection Policy of the Authority's Human Resources Policies/Procedures Manual as noted above.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 17 - AUTHORIZATION TO ADOPT ITEM NO. 17.0 – DUTIES AND RESPONSIBILITIES OF ERIE COUNTY WATER AUTHORITY BOARD MEMBERS POLICY TO THE ERIE COUNTY WATER AUTHORITY'S HUMAN RESOURCES POLICIES/PROCEDURES MANUAL

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 18th day of May, 1995, by Resolution Item No. 25, the Erie County Water Authority ("Authority") adopted a Human Resources Policies/ Procedures Manual; and

WHEREAS, Heretofore and on the 27th day of December, 2005 the Authority adopted a revised Human Resources Policies/Procedures Manual; and

WHEREAS, Matthew J. Baudo, Secretary to the Authority advises that it is in the best interest of the Authority to adopt Policy No. 17.0 – Duties and Responsibilities of Erie County Water Authority Board Members Policy of said Manual to read as follows:

Duties and Responsibilities of ECWA Board Members

The Commissioners of the Erie County Water Authority shall perform the following duties and assume the following responsibilities in their role as Commissioner:

1. The Commissioners shall discharge the duties of their particular office as outlined in Article III of the Authority's By-Laws as currently adopted.
2. The Commissioners shall perform all of their duties and responsibilities outlined in Article 5, Title 3, Sections 1050 through 1073 of the Public Authorities Law, otherwise referred to as the Erie County Water Authority Act.
3. The Commissioners shall:
 - (a) execute direct oversight of the authority's chief executive and other senior management in the effective and ethical management of the authority
 - (b) understand, review and monitor the implementation of fundamental financial and management controls and operational decisions of the authority
 - (c) establish policies regarding the payment of salary, compensation and reimbursements to, and establish rules for the time and attendance of the chief executive and senior management
 - (d) adopt a code of ethics applicable to each officer, director and employee that, at a minimum, includes the standards established in section seventy-four of the public officers law
 - (e) establish written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or board member of the authority, investments, travel, the acquisition of real property and the disposition of real and personal property and the procurement of goods and services
 - (f) adopt a defense and indemnification policy and disclose such plan to any and all prospective board members
4. The Commissioners shall strive to participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes

relating to the effective oversight of the management and financial activities of public authorities and to adhere to the highest standards of responsible governance.

5. No board member, including the chairperson, shall serve as the authority's chief executive officer, executive director, chief financial officer, comptroller, or hold any other equivalent position while also serving as a member of the board.
6. The Commissioners shall establish an audit committee. The committee shall recommend to the full board the hiring of a certified independent accounting firm for the authority, establish the compensation to be paid to the accounting firm and provide direct oversight of the performance of the independent audit performed by the accounting firm hired for such purposes.
7. To the extent practicable, members of the audit committee should be familiar with corporate financial and accounting practices.
8. The Commissioners shall establish a governance committee. It shall be the responsibility of the members of the governance committee to keep the board informed of current best governance practices; to review corporate governance trends; to update the authority's corporate governance principles; and to advise appointing authorities on the skills and experiences required of potential board members; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the Authority adopt Policy No. 17.0 – Duties and Responsibilities of Erie County Water Authority Board Members Policy of the Authority's Human Resources Policies/Procedures Manual as noted above.

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

ITEM 18 - AUTHORIZATION FOR DANIEL SEIDER, DISTRIBUTION ENGINEER TO TRAVEL TO TANEYTOWN, MARYLAND

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Erie County Water Authority deems it advisable for Daniel Seider, Distribution Engineer to travel to Taneytown, Maryland for witness testing for new pumps for Ball Pump Station at a total estimated cost of \$450.00;

NOW, THEREFORE, BE IT RESOLVED:

That Daniel Seider, Distribution Engineer be and he is hereby authorized to travel to Taneytown, Maryland from April 29, 2008 to May 1, 2008 for witness testing for new pumps for Ball Pump Station at a total estimated cost of \$450.00.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 19 - 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 10-16 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 Mr. Warthling seconded by Mrs. Vacco and carried to approve for payment of Purchase Order Amendments as listed on the attached sheet page 17 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 Mr. Warthling seconded by Mrs. Vacco and carried to approve Service Connection Work Order Nos. 2008-12 and 2008-13, 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, April 24, 2008 at 4:00 p.m.

Matthew J. Baudo
Secretary to the Authority

SLZ