

MINUTES of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 350 Ellicott Square Building, Buffalo, New York, on the 7th day of August, 2008.

PRESENT: **Frank E. Swiatek, Chairman**
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
Paul H. Riester, 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 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 Mr. Swiatek and carried to waive the reading of the Minutes of the Meeting held on Thursday, July 26, 2008.

III. - APPROVAL OF MINUTES

Motion by Mr. Warthling seconded by Mr. Swiatek and carried to approve the Minutes of the Meeting held on Thursday, July 26, 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 Mr. Swiatek 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 \$3,934.00 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 Mr. Swiatek and carried to approve for payment of Master Purchase Order Nos. as listed on the attached sheets pages 1-5 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 3-14)****ITEM 3 - 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 Mr. Swiatek

WHEREAS, Susan Rinaldo, Cash Manager advised under date of July 21, 2008 that there was available on August 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 December 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 December 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: Two; Commrs. Swiatek 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 REFUNDING BONDS, SERIES 1998B - \$112,094.89

Motion by Mr. Warthling seconded by Mr. Swiatek

WHEREAS, Susan Rinaldo, Cash Manager advised under date of July 21, 2008 that there was available on August 1, 2008 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 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 \$47,511.56 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: Two; Commrs. Swiatek 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 REFUNDING BONDS, SERIES 2003F - \$91,766.74

Motion by Mr. Warthling seconded by Mr. Swiatek

WHEREAS, Susan Rinaldo, Cash Manager advised under date of July 24, 2008 that there was available on August 1, 2008 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 2003F:

Interest Account \$39,683.41
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 \$39,683.41 to mature in time for the January 15, 2009 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, 2009 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 \$39,683.41 to mature in time for the January 15, 2009 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, 2009 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: Two; Commrs. Swiatek 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 2007 - \$160,819.89**

Motion by Mr. Warthling seconded by Mr. Swiatek

WHEREAS, Susan Rinaldo, Cash Manager advised under date of July 21, 2008 that there was available on July 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 December 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 December 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: Two; Commrs. Swiatek 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 2008 - \$217,000.00**

Motion by Mr. Warthling seconded by Mr. Swiatek

WHEREAS, Susan Rinaldo, Cash Manager advised under date of July 21, 2008 that there was available on July 25, 2008 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 2008:

Interest Account \$217,000.00

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$217,000.00 to mature in time for the December 1, 2008 Interest Payment at the highest yield to maturity to 2008 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 \$217,000.00 to mature in time for the December 1, 2008 Interest Payment at the highest yield to maturity to 2008 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: Two; Commrs. Swiatek and Warthling
Noes: None

ITEM 8 - AUTHORIZATION TO ADVERTISE FOR BIDS FOR THE FURNISHING AND DELIVERING OF CAUSTIC SODA (50% SOLUTION) TO THE ERIE COUNTY WATER AUTHORITY FOR USE IN THE TREATMENT OF WATER FOR ONE YEAR FROM NOVEMBER 1, 2008 THROUGH OCTOBER 31, 2009, PROJECT NO. 200800371

Motion by Mr. Warthling seconded by Mr. Swiatek

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director recommend that the Erie County Water Authority ("Authority") publish a notice inviting sealed bids or proposals pursuant to Section 1069 of the Public Authorities Law for the furnishing and delivering of caustic soda (50% solution) to the Erie County Water Authority for use in the treatment of water for one year from November 1, 2008 through October 31, 2009; and

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

WHEREAS, The Advertisement for Bids for the furnishing and delivering of caustic soda (50% solution) to the Erie County Water Authority for use in the treatment of water for one year from November 1, 2008 through October 31, 2009 will be conducted pursuant to the newly enacted legislation, New York State Finance Law §§ 139-j and 139-k and the Authority's Purchasing Guidelines, Policies and Procedures; and

WHEREAS, John Mogavero, Chemist and Chief Water Treatment Plant Operator will be the designated contact person for the project with the adoption of this resolution;

NOW, THEREFORE, BE IT RESOLVED:

That the plans and specifications and form of bid be prepared for the furnishing and delivering of caustic soda (50% solution) to the Erie County Water Authority for use in the treatment of water for one year from November 1, 2008 through October 31, 2009 and upon completion be made available for inspection by bidders in the office of the Authority; and be it further

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

Ayes: Two; Commrs. Swiatek and Warthling
Noes: None

ITEM 9 - RATIFICATION OF THE INSTALLATION OF HYDRANTS AND VALVES AND RETIREMENT OF EXISTING HYDRANTS AND VALVES - VARIOUS

LOCATIONS

Motion by Mr. Warthling seconded by Mr. Swiatek

WHEREAS, The Engineering Department of the Erie County Water Authority ("Authority") advised that hydrants and valves were installed as part of the Authority's program to keep pace with improvements in fire fighting technology, as follows:

Replace existing valve at 8370 Vernon Circle, Town of Clarence with a new 6" resilient valve on 6/27/08. Work done by ECWA forces under Work Authorization No. 107.200 5803.

6" gate valve originally installed pre 1999 was scrapped and retired under Retirement Authorization No. R80035.

Replace existing valve at southeast corner of Arondale Road at Ericson Drive, Town of Clarence with a new 6" resilient valve on 6/26/08. Work done by ECWA forces under Work Authorization No. 107.200 5801.

6" gate valve originally installed pre 1999 was scrapped and retired under Retirement Authorization No. R80033.

Replace existing valve at 4343 Arondale Drive, Town of Clarence with a new 6" resilient valve on 6/27/08. Work done by ECWA forces under Work Authorization No. 107.200 5802.

6" gate valve originally installed pre 1999 was scrapped and retired under Retirement Authorization No. R80034.

Replace existing valve at southeast corner of Westwood Road & Ericson Road, Town of Clarence with a new 6" resilient valve on 6/23/08. Work done by ECWA forces under Work Authorization No. 107.200 5800.

6" gate valve originally installed pre 1999 was scrapped and retired under Retirement Authorization No. R80032.

Replace existing hydrant at 35 Simson Street, City of Tonawanda with a new Clow hydrant on 6/18/08. Work done by ECWA forces under Work Authorization No. 107.200 5799.

Holly originally installed pre 2004 was scrapped and retired under Retirement Authorization No. R80031; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director ratify said installations and work;

NOW, THEREFORE, BE IT RESOLVED:

8/7/08

That the Authority approve the retirement of the abovementioned hydrants and valves at the abovementioned locations; and be it further

RESOLVED: That the installation of the new hydrants and valves in the abovementioned locations, as part of the Authority's continuing program to improve its facilities is hereby approved, ratified and confirmed.

Ayes: Two; Commrs. Swiatek and Warthling
Noes: None

ITEM 10 - AUTHORIZATION TO REFUND TILE SET FEE TO MICHAEL NICHOLS - \$1,300.00

Motion by Mr. Warthling seconded by Mr. Swiatek

WHEREAS, On the 27th day of June, 2008, Michael Nichols applied for a one-inch service to 12550 Clinton Street, Marilla, New York and deposited with the Erie County Water Authority ("Authority") the sum of \$1,300.00; and

WHEREAS, Donna Spencer, Customer Service Representative, has advised that the customer thought the distance from property line to house was greater than 150 feet and the actual field measurement from right-of-way to house is 150 feet and the tile set is not required per the Authority's Tariff; and

WHEREAS, Albert J. Meaney, Comptroller, recommends that the Authority refund the \$1,300.00 deposit of Michael Nichols; and

NOW, THEREFORE, BE IT RESOLVED:

That the Comptroller be and he hereby is authorized and directed to refund \$1,300.00 to Michael Nichols.

Ayes: Two; Commrs. Swiatek and Warthling
Noes: None

ITEM 11 - REFUND FOR NEW SERVICE INSTALLATIONS - \$28,283.69

Motion by Mr. Warthling seconded by Mr. Swiatek

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 August 7, 2008, has recommended that the following refunds be made as set forth on the 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 on the attached schedule "A".

Ayes: Two; Commrs. Swiatek and Warthling

Noes: None

ITEM 12 - AUTHORIZATION TO GRANT LEAK ALLOWANCE REQUEST - \$5,804.01

Motion by Mr. Warthling seconded by Mr. Swiatek

WHEREAS, Robert J. Lichtenthal, Jr., Deputy Director advised the Authority that he has received leak allowance requests from an Authority customer listed below resulting from service line leaks:

- | | | |
|---|---|--|
| 1) Life Insurance Co. of SW
3905 Genesee Street
Cheektowaga, NY 14225
\$3,474.90 | 2) Corvett Plaza, Inc.
1340 North Forest Road
Williamsville, NY 14221
\$1,810.55 | 3) Properties Unlimited
56 Windwood Court
Cheektowaga, NY 14225
\$518.56; and |
|---|---|--|

WHEREAS, Robert J. Lichtenthal, Jr., Deputy Director advised that the requests contain documentation showing that the leaks have been repaired; and

WHEREAS, Said leak allowance requests have complied with all leak allowance requirements; and

WHEREAS, As stated in Section 9.09 of the Authority's Tariff, the granting of a leak allowance shall be in the sole discretion of the Authority; and

WHEREAS, Robert J. Lichtenthal, Jr., Deputy Director recommends granting the above leak allowance requests; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the Authority grant the leak allowance requests to the abovementioned customers; and be it further

RESOLVED: That the Comptroller is hereby authorized and directed to adjust the account of the abovementioned customers.

Ayes: Two; Commrs. Swiatek and Warthling
Noes: None

**ITEM 13 - AUTHORIZATION TO AMEND THE ERIE COUNTY WATER
AUTHORITY'S ANNUAL CAPITAL BUDGET FOR FISCAL YEAR 2008**

Motion by Mr. Warthling seconded by Mr. Swiatek

WHEREAS, In a resolution dated November 30, 2007 the Erie County Water Authority (the "Authority") adopted its Annual Budget 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 has been advised by Robert Niederpruem, Senior Production Engineer, that the bid price for capital budget item number 100631, entitled "Roof Replacement – Sturgeon Point Control Building", came in greater than budgeted due to cost increases and a greater area of work needed to be done than originally anticipated; and

WHEREAS, In order to fund this additional amount, it will be necessary to transfer \$150,137 from various capital budget items as follows:

<u>Unit No</u>	<u>Capital No:</u>	<u>Description</u>	<u>Increase</u>	<u>Decrease</u>
1010	100631	Roof Replacement – Sturgeon Point Control Building	\$ <u>150,137</u>	
1010	100143	Miscellaneous Improvements		\$ 2,000
1015	100534	In-Line Mixer		3,137
1015	100633	CO ₂ System		20,000
1020	100591	Accutab System		70,000
1020	100630	VFD Pine Hill		<u>55,000</u>
		Totals	\$ 150,137	\$150,137; and

WHEREAS, Robert A. Mendez, Executive Director, Robert J. Lichtenthal Jr., Deputy Director, 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 as listed above.

Ayes: Two; Commrs. Swiatek and Warthling

Noes: None

ITEM 14 - PURCHASE ORDERS:

Motion by Mr. Warthling seconded by Mr. Swiatek and carried to approve for payment of Purchase Order Nos. as listed on the attached sheets pages 6-8 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.

VIII. - ADJOURNMENT

Meeting adjourned until the next regular meeting to be held on Thursday, August 21, 2008 at 10:00 a.m.

Matthew J. Baudo
Secretary to the Authority

SLZ