

MINUTES of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 350 Ellicott Square Building, Buffalo, New York, on the 31st day of December, 2008.

PRESENT: **Frank E. Swiatek, Chairman**
Kelly M. Vacco, Vice Chair (via phone)
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
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, December 18, 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, December 18, 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 \$609,256.00 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 1-21 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 3-20)****ITEM 3 - FINAL ACCEPTANCE OF PROJECT WITH FAIRWAY CONTRACTING FOR WATER SYSTEM IMPROVEMENTS, TOWN OF CLARENCE, PROJECT NO. 200700424, CONTRACT NO: 08-14-04 - \$163,709.80**

Motion by Mr. Warthling seconded by Ms. Vacco

WHEREAS, Heretofore and on the 25th day of March, 2008, the Erie County Water Authority ("Authority") entered into a contract with Fairway Contracting, (Fairway) for Water System Improvements, Town of Clarence identified as Contract No. 08-14-04; and

WHEREAS, EI Team has submitted a final invoice dated December 19, 2008 in the amount of \$163,709.80; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the above project is hereby accepted by the Authority as of the date hereof.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 4 - FINAL ACCEPTANCE OF PROJECT WITH ANTHRAFILTER, US, INC.
FOR FILTER MEDIA REPLACEMENT AT THE VAN DE WATER WATER
TREATMENT PLANT, PROJECT NO. 200700568, CONTRACT NO. 08-05-02
- \$44,868.60**

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 24th day of January, 2008, the Erie County Water Authority ("Authority") entered into a contract with Anthrafilter (US), Inc. (Anthrafilter) for filter media replacement at the Van de Water Water Treatment Plant, identified as Contract No. 08-05-02; and

WHEREAS, Anthrafilter has submitted a final invoice dated December 12, 2008 in the amount of \$44,868.60; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the above project is hereby accepted by the Authority as of the date hereof.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 5 - AUTHORIZATION TO TERMINATE CONTRACT WITH PIONEER CREDIT RECOVERY, INC.

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 an agreement with Pioneer Credit Recovery, Inc. to provide collection services to collect delinquent accounts receivable; and

WHEREAS, Paragraph 6 (Right to Terminate) of the agreement states that the Authority reserves the right to terminate the services of Pioneer Credit Recovery, Inc. any time, without cause, based on seven days' written notice...; and

WHEREAS, Robert J. Lichtenthal, Jr., Deputy Director advises and recommends that it is in the best interest of the Authority to terminate the services of Pioneer Credit Recovery, Inc.;

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

NOW, THEREFORE, BE IT RESOLVED:

That the Authority terminates the services of Pioneer Credit Recovery, Inc. in accordance with Paragraph 6 (Right to Terminate) of the agreement.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 6 - SUPPORT OF TOWN OF EVANS LOCAL GOVERNMENT EFFICIENCY GRANT PROGRAM

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Town Board of the Evans (Town) fully supports intermunicipal initiatives to enhance services and reduce municipal costs; and

WHEREAS, The Erie County Water Authority (Authority) is willing to lease manage the operation and maintenance of the Town's water system; thereby eliminating the Town of Evans Water Department; and

WHEREAS, As a condition of the agreement, the Town is required to make specific upgrades to its water system, including replacement of waterlines and a new water tower; and

WHEREAS, There are significant engineering and implementation costs, which are essential to implement the consolidation; and

WHEREAS, The Town and the Authority have determined that it would be beneficial to the residents of the Town and for the Authority to undertake such services as it will result in improved health and reduce costs for Town residents; and

WHEREAS, A Feasibility Study Assessment conducted in March 2005 determined that the agreement would be to the benefit to all residents through enhanced services and reduced costs;

NOW, THEREFORE, BE IT RESOLVED:

That Robert A. Mendez, Executive Director, on behalf of the Authority, is hereby authorized and directed to support an application filed by the Town of Evans on the Authority's behalf to the 2009 Local Government Efficiency Grant Program to obtain financial assistance.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 7 - SUPPORT OF CITY OF BUFFALO LOCAL GOVERNMENT EFFICIENCY GRANT PROGRAM

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Erie County Water Authority fully supports inter-municipal initiatives to enhance services and reduce costs; and

WHEREAS, The Erie County Water Authority and the City of Buffalo are interested in evaluating the technical and financial feasibility of reactivating the Texas Street and Lang Avenue interconnection; and

WHEREAS, there are significant engineering costs to complete the evaluation of reactivating this interconnection; and

WHEREAS, The Erie County Water Authority and City of Buffalo have determined it would be beneficial to the customers of the Erie County Water Authority and the City of Buffalo to undertake such a study as it will result in improved system reliability and reduced costs to Erie County Water Authority customers;

NOW, THEREFORE, BE IT RESOLVED:

That Robert A. Mendez, Executive Director, on behalf of the Authority, is hereby authorized and directed to support an application filed by the Erie County Water Authority on our behalf to the 2009 Local Government Efficiency Grant Program to obtain financial

assistance, not to exceed \$25,000 (local cash match of \$35,000), to offset the cost of completing an evaluation of the technical and financial feasibility of reactivating the Texas Street and Lang Avenue interconnection and upon approval of said grant request, will enter into an agreement with New York State.

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

**ITEM 8 - ERIE COUNTY WATER AUTHORITY LOCAL GOVERNMENT
EFFICIENCY GRANT RESOLUTION FOR WATER DISTRICT
CONSOLIDATION WITH THE VILLAGE OF BLASDELL**

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS: the Erie County Water Authority, in collaboration with the Village of Blasdell, seeks grant monies in an amount not to exceed \$400,000 to make capital improvements to the Village of Blasdell's water system in an effort to consolidate eight water districts in order to convey ownership to the Erie County Water Authority;

WHEREAS, the Erie County Water Authority, in collaboration with the Village of Blasdell, is committed to reducing the cost of municipal services, while remaining committed to providing enhanced levels of water services in the Village of Blasdell;

WHEREAS, the Erie County Water Authority, in collaboration with the Village of Blasdell, has determined that it is in the best interest of the Village of Blasdell taxpayers to have the Erie County Water Authority take over water service for the entire Village of Blasdell as a direct service provider, thereby eliminating all future involvement and responsibility of the Village with respect to water system facilities within the Village of Blasdell;

WHEREAS, the Erie County Water Authority, in collaboration with the Village of Blasdell, is seeking capital funds to rehabilitate the Village's water system for this consolidation to achieve municipal cost savings and property tax relief;

WHEREAS, the Erie County Water Authority, in collaboration with the Village of Blasdell, will share in the decision-making processes related to this consolidation and subsequent ownership transfer;

WHEREAS, the Erie County Water Authority and the Blasdell Village Board of Trustees will be entering into a Memorandum of Understanding in January 2009, and as such, both support the consolidation and subsequent transfer of ownership to the Erie County Water Authority;

WHEREAS, the Village of Blasdell, will serve as the lead agency for the purposes of securing and administering this grant; and

WHEREAS, the Village of Blasdell, will provide the funds required to complete this project through a bond, in order to achieve consolidation, estimated to be \$4,000,000, inclusive of the 10% cash matching funds required by this grant;

NOW, THEREFORE, BE IT RESOLVED:

That Robert A. Mendez, Executive Director, on behalf of the Authority, is hereby authorized and directed to support an application filed by the Village of Blasdell on the Authority's behalf to the 2009 Local Government Efficiency Grant Program to obtain financial assistance.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 9 - ERIE COUNTY WATER AUTHORITY LOCAL GOVERNMENT EFFICIENCY GRANT RESOLUTION FOR WATER DISTRICT CONSOLIDATION WITH THE TOWN OF HAMBURG

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, the Erie County Water Authority, in collaboration with the Town of Hamburg, seeks grant monies in an amount not to exceed \$400,000, which are to be utilized to make capital improvements to the Town of Hamburg's water system in an effort to dissolve the Town's water districts and convey ownership of the Town's water system facilities to the Erie County Water Authority; and

WHEREAS, the Erie County Water Authority, in collaboration with the Town of Hamburg, is committed to reducing the cost of municipal services, while remaining dedicated to providing enhanced levels of water service to its customers in the Town of Hamburg; and

WHEREAS, the Erie County Water Authority, in collaboration with the Town of Hamburg, has determined that it is in the best interest of the Town of Hamburg taxpayers to have the Erie County Water Authority take over water service for the entire Town of Hamburg as a direct service provider, thereby eliminating all future involvement and responsibility of the Town with respect to the water system facilities within the Town of Hamburg, except for the payment of direct service hydrant maintenance fees to the Erie County Water Authority; and

WHEREAS, the Erie County Water Authority, in collaboration with the Town of Hamburg, is seeking capital funds to rehabilitate and improve the Town's water system for this consolidation, in order to achieve municipal cost savings and property tax relief; and

WHEREAS, the Erie County Water Authority, in collaboration with the Town of Hamburg, will share in the decision-making and approval processes related to this consolidation

and subsequent ownership transfer; and

WHEREAS, the Erie County Water Authority and the Hamburg Town Board entered into a Memorandum of Understanding in May 2008, through which both parties mutually support the consolidation and subsequent transfer of ownership to the Erie County Water Authority; and

WHEREAS, the Town of Hamburg will serve as the lead agency for the purposes of securing and administering this grant; and

WHEREAS, the Town of Hamburg will provide all remaining funds required to complete this project in order to achieve consolidation, estimated to be in the total amount of \$5,229,000, inclusive of the 10% cash matching funds required by this grant, and there will be no cost to the Erie County Water Authority,

NOW, THEREFORE, BE IT RESOLVED:

That Robert A. Mendez, Executive Director, on behalf of the Authority, is hereby authorized and directed to support an application filed by the Town of Hamburg on the Authority's behalf to the 2009 Local Government Efficiency Grant Program to obtain financial assistance.

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

ITEM 10 - AUTHORIZATION TO SOLICIT REQUEST FOR PROPOSALS FOR CONSULTING ENGINEERING SERVICES FOR THE INSPECTION, CLEANING AND DISINFECTION OF SEVERAL WATER STORAGE TANKS

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 inspection, cleaning and disinfection of several water storage tanks; 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 consulting engineering services for the inspection, cleaning and disinfection of several water storage tanks 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 inspection, cleaning and disinfection of several water storage tanks.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 11 - AUTHORIZATION TO SOLICIT REQUEST FOR PROPOSALS FOR REVENUE RECOVERY (COLLECTIONS) AGENCY

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 revenue recovery (collections) services; 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 revenue recovery (collections) services 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, Susan Rinaldo, Cash Manager, 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 revenue recovery (collections) services.

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

ITEM 12 - REFUND FOR NEW SERVICE INSTALLATIONS - \$42,737.27

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 31, 2008, has recommended that the refunds listed on attached Schedule "A" be made;

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 listed on attached Schedule "A".

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

ITEM 13 - AUTHORIZATION FOR SCOTT AIPLE, ELECTRICAL ENGINEER TRAVEL TO DARIEN, WISCONSIN

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Erie County Water Authority deems it advisable for Scott Aiple, Electrical Engineer to travel to Darien, Wisconsin to witness the factory performance testing of the five permanent generators for Sturgeon Point Water Treatment Plant, Ball Pump Station, Windom Pump Station, and Van de Water Treatment Plant under Contract NC-30;

NOW, THEREFORE, BE IT RESOLVED:

That Scott Aiple, Electrical Engineer be and he is hereby authorized to travel to Darien, Wisconsin to witness the factory performance testing of the five permanent generators for Sturgeon Point Water Treatment Plant, Ball Pump Station, Windom Pump Station, and Van de Water Treatment Plant under Contract NC-30.

Ayes: Three; Commrs. 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 Capital 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 Richard Rosenberry, Senior Distribution Engineer, that a difference from previous cash flow estimates for Capital Budget Item 100525 entitled "Contract NC-30" will result in this item exceeding its budgeted amount; and

WHEREAS, In order to fund this additional amount, it will be necessary to transfer \$310,000 from unused, and not expected to be used, funds from various Capital Budget items which ran, or will run, below budgeted amounts as follows:

<u>Unit No</u>	<u>Capital No:</u>	<u>Description</u>	<u>Increase</u>	<u>Decrease</u>
2510	100525	Contract NC-30	<u>\$ 310,000</u>	
2515	100319	Contract MP-75		\$ 40,000
2520	100625	Contract NC-32B		40,000
2520	100626	Contract NC-32C		20,000
2590	100597	Contract EI-1		100,000
2590	100598	Contract T-21-A		<u>110,000</u>
		Totals	\$ 310,000	\$ 310,000

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 by transferring \$310,000 from unused, and not expected to be used, funds from various Capital Budget Items as listed above to Capital Budget Item 100525 entitled "Contract NC-30".

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 15 - WILLIAM RUMSEY – RETIREMENT

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, William Rumsey, Water Treatment Plan Operator, will retire from the Erie County Water Authority effective January 2, 2009; and

WHEREAS, William Rumsey has been employed at the Authority for over twenty-four years and during that period has rendered to the Authority outstanding, dedicated service that will truly be missed;

NOW, THEREFORE, BE IT RESOLVED:

That, on behalf of the Erie County Water Authority, we would like to congratulate William and express our sincere appreciation for his service and cooperative spirit throughout his tenure at the Authority; and be it further

RESOLVED: That the Board of Commissioners extends best wishes to William for health, happiness and longevity in retirement; and be it further

RESOLVED: That a copy of this resolution be presented to William Rumsey at the Authority's Board meeting on December 31, 2008.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 16 - JAMES LISINSKI - LEAVE OF ABSENCE

Motion by Mr. Warthling seconded by Ms. Vacco and carried to grant James Lisinski a leave of absence from his permanent position of Coordinator of Employee Relations during his temporary appointment as Director of Employee Relations.

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

ITEM 17 - MARIA GUGLIUZZA - LEAVE OF ABSENCE

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to grant Maria Gugliuzza a leave of absence from her permanent position of Principal Clerk during her provisional appointment as Jr. Accountant.

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

ITEM 18 - 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 22-34 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 19 - 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 35-36 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 - SERVICE CONNECTION WORK ORDER LIST:

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve Service Connection Work Order Nos. 2008-51 and 2008-52, 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 15, 2009 at 10:00 a.m.

Matthew J. Baudo
Secretary to the Authority

SLZ