

MINUTES of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 350 Ellicott Square Building, Buffalo, New York, on the 15th day of January, 2009.

PRESENT: **Frank E. Swiatek, Chairman**
Kelly M. Vacco, Vice Chair
Francis G. Warthling, Treasurer
Robert A. Mendez, Executive Director
Matthew J. Baudo, Secretary to the Authority
Robert J. Lichtenthal, Jr., Deputy Director
Wesley C. Dust, Executive Engineer
Mark J. Fuzak, Attorney
Paul H. Riester, Director of Administration
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 Wednesday, December 31, 2008.

III. - APPROVAL OF MINUTES

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve the Minutes of the Meeting held on Wednesday, December 31, 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 \$9,179.32 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 1-11 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 - JAMES ELARDO, JR. – RETIREMENT

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, James M. Elardo, Jr., Water Treatment Plan Operator, will retire from the Erie County Water Authority effective January 29, 2009; and

WHEREAS, Mr. Elardo has been employed at the Authority for fifteen 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 James 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 James for health, happiness and longevity in retirement; and be it further

RESOLVED: That a copy of this resolution be presented to James M. Elardo, Jr. at the Authority's Board meeting on January 15, 2009.

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

ITEM 4 - ROBERT FARACI, SR. – RETIREMENT

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Robert C. Faraci, Sr., Water Treatment Plan Operator, will retire from the Erie County Water Authority effective January 31, 2009; and

WHEREAS, Mr. Faraci has been employed at the Authority for fifteen 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 Robert 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 James for health, happiness and longevity in retirement; and be it further

RESOLVED: That a copy of this resolution be presented to Robert C. Faraci, Sr. at the Authority's Board meeting on January 15, 2009.

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

ITEM 5 - FINAL ACCEPTANCE OF PROJECT WITH C. DESTRO DEVELOPMENT CO., INC. FOR CONTRACT NO. T-21-A, WATER SYSTEM IMPROVEMENTS, PROJECT NO. 200700319, CONTRACT NO. 08-08-03 - \$68,967.40

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 19th day of February, 2008, the Erie County Water Authority ("Authority") entered into a contract with C. Destro Development Co., Inc. for Contract No. T-21A, water system improvements, identified as Contract No. 08-08-03; and

WHEREAS, C. Destro Development Co., Inc. has submitted a final invoice in the amount of \$68,967.40; and

WHEREAS, TVGA Consultants, Consulting Engineers, 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 6 - AUTHORIZATION TO ENTER INTO A MAINTENANCE AGREEMENT WITH RADIO SATELLITE INTEGRATORS, INC. TO MAINTAIN AND UPGRADE SOFTWARE FOR THE ERIE COUNTY WATER AUTHORITY'S AUTOMATIC VEHICLE LOCATION (AVL) SYSTEM, FEBRUARY 1, 2009 THROUGH JANUARY 31, 2011, PROJECT NO. 200900008, AT A COST NOT TO EXCEED \$74,000.00

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 18th day of October, 2001, Erie County Water Authority ("Authority") entered into an agreement with Radio Satellite Integrators, Inc, ("RSI") for the furnishing, delivering and installing of an automatic vehicle location (AVL) system for the Authority; and

WHEREAS, As part of the above Agreement, RSI provided a maintenance service agreement including all required preventive maintenance, and corrective maintenance, including all parts and labor, for all hardware, software and operational equipment; and

WHEREAS, This maintenance service contract has expired; and

WHEREAS, The AVL system hardware and software is only manufactured by RSI and relies on RSI's proprietary protocols for operation and communication; and

WHEREAS, All maintenance and support is provided directly through RSI and is not available through distributors; and

WHEREAS, The Authority deems it advisable to have RSI render maintenance services in connection with maintaining and upgrading software for the Authority's AVL system; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the Authority accepts the maintenance service agreement of Radio Satellite Integrators, Inc. to maintain and upgrade software for the Authority's AVL system for the period February 1, 2009 through January 31, 2011 under the terms and conditions set forth in said proposal; and be it further

RESOLVED: That the Chairman be and he hereby is authorized to execute said maintenance service 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 Radio Satellite Integrators, Inc.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 7 - AWARD OF CONTRACT TO KANDEY COMPANY, INC. FOR LARGE SERVICES CONTRACT, FEBRUARY 1, 2009 THROUGH JANUARY 31, 2011, PROJECT NO. 200900003 - \$1,529,700.00

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Erie County Water Authority ("Authority") heretofore advertised in the Dodge Reports and Front Page on the 10th day of December, 2008, and in Business First on the 12th day of December, 2008, a notice inviting sealed bids or proposals in accordance with Section 1069 of the Public Authorities Law for large services contract, February 1, 2009 through January 31, 2011; and

WHEREAS, A sealed bid or proposal was opened in the office of the Authority on the 23rd day of December, 2008, at 11:15 a.m., local time, and was as follows:

BIDDER	AMOUNT
Kandey Company, Inc.*	\$1,529,700

* Only Bid Received; and

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

WHEREAS, Daniel J. NeMoyer, Director of Human Resources, has advised that the low bidder, Kandey Company, Inc. has complied with the Authority's Affirmative Action Requirements and recommends that they be allowed to proceed with their contract based on that fact; and

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

NOW, THEREFORE, BE IT RESOLVED:

That it is hereby determined that Kandey Company, Inc. is a responsible bidder for the abovementioned project, and that the Chairman be and he hereby is authorized and directed to execute a contract with said contractor for the large services contract, February 1, 2009 through January 31, 2011 in the total amount of \$1,529,700.00; and be it further

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

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

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 8 - AWARD OF CONTRACT TO NICHOLS LONG & MOORE
CONSTRUCTION CORP. FOR SMALL SERVICES CONTRACT, AREA
NO. 1, FEBRUARY 1, 2009 THROUGH JANUARY 31, 2011, PROJECT NO.
200900004 - \$1,588,750.00**

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Erie County Water Authority ("Authority") heretofore advertised in the Dodge Reports and Front Page on the 10th day of December, 2008, and in Business First on the 12th day of December, 2008, a notice inviting sealed bids or proposals in accordance with Section 1069 of the Public Authorities Law for small services contract, Area No. 1, February 1, 2009 through January 31, 2011; and

WHEREAS, Sealed bids or proposals were opened in the office of the Authority on the 23rd day of December, 2008, at 11:00 a.m., local time, and were as follows:

BIDDERS	AMOUNT
Nichols Long & Moore Construction Corp.	\$1,588,750.00
Kandey Company, Inc.	1,959,680.00
C. Destro Development, Inc.	1,975,000.00; and

WHEREAS, The bid bonds submitted by Nichols Long & Moore Construction Corp. and Kandey Company, Inc. have been approved by Anthony Alessi, Claims Representative/Risk Manager; and

WHEREAS, Daniel J. NeMoyer, Director of Human Resources has advised that the low bidder, Nichols Long & Moore Construction Corp. has complied with the Authority's Affirmative Action Requirements and recommends that they be allowed to proceed with their contract based on that fact; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director have reviewed the specifications and bids and determined that Nichols Long & Moore Construction Corp. is the lowest bidder qualified to perform the project and have recommended that a contract be awarded to that firm for the abovementioned project;

NOW, THEREFORE, BE IT RESOLVED:

That it is hereby determined that Nichols Long & Moore Construction Corp. is the lowest responsible bidder for the abovementioned project, and that the Chairman be and he hereby is authorized and directed to execute a contract with said contractor for the small services contract, Area No. 1, February 1, 2009 through January 31, 2011 in the total amount of \$1,588,750.00; and be it further

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

RESOLVED: That the Secretary be and he hereby is authorized to return to the unsuccessful bidders their deposit submitted with their bid to the Authority for the abovementioned project; and be it further

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

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

ITEM 9 - AWARD OF CONTRACT TO RUSSO DEVELOPMENT, INC. FOR SMALL SERVICES CONTRACT, AREA NO. 2, FEBRUARY 1, 2009 THROUGH JANUARY 31, 2011, PROJECT NO. 200900005 - \$1,174,500.00

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, The Erie County Water Authority (the "Authority") heretofore advertised in the Dodge Reports and Front Page on the 10th day of December, 2008, and in Business First on the 12th day of December, 2008, a notice inviting sealed bids or proposals in accordance with Section 1069 of the Public Authorities Law for small services contract, Area No. 2, February 1, 2009 through January 31, 2011; and

WHEREAS, Sealed bids or proposals were opened in the office of the Authority on the 30th day of December, 2008, at 11:00 a.m., local time, and were as follows:

BIDDERS	AMOUNT
Russo Development, Inc.	\$1,174,500.00
C. Destro Development, Inc.	1,279,650.00
Nichols Long & Moore Construction Corp.	1,382,750.00
Kandey Company, Inc.	1,474,130.00*

* Corrected Figure; and

WHEREAS, The bid bonds have all been approved by Anthony Alessi, Claims Representative/Risk Manager; and

WHEREAS, Daniel J. NeMoyer, Director of Human Resources has advised that the low bidder, Russo Development, Inc. has complied with the Authority's Affirmative Action Requirements and recommends that they be allowed to proceed with their contract based on that fact; and

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

NOW, THEREFORE, BE IT RESOLVED:

That it is hereby determined that Russo Development, Inc. is the lowest responsible bidder for the abovementioned project, and that the Chairman be and he hereby is authorized and directed to execute a contract with said contractor for the small services contract, Area No. 2, February 1, 2009 through January 31, 2011 in the total amount of \$1,174,500.00; and be it further

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

RESOLVED: That the Secretary be and he hereby is authorized to return to the unsuccessful bidders their deposit submitted with their bid to the Authority for the abovementioned project; and be it further

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

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

ITEM 10 - RATIFICATION OF THE INSTALLATION OF HYDRANTS AND VALVES AND RETIREMENT OF EXISTING HYDRANTS AND VALVES - VARIOUS LOCATIONS

Motion by Mr. Warthling seconded by Mrs. Vacco

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 hydrant at 6623 Transit Road, Town of Lancaster with a new 5' Bury Clow hydrant on 12/1/08. Work done by ECWA forces under Work Authorization No. 107.200 5839.

Old Mueller hydrant originally installed was scrapped and retired under Retirement Authorization No. R80064; 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:

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: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 11 - AUTHORIZATION TO AMEND THE ERIE COUNTY WATER
AUTHORITY'S ANNUAL O&M 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 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 due to circumstances beyond our control, costs are expected to exceed the budgeted amount for the O&M line item "Chemicals" in Unit 1010 – Sturgeon Point; and

WHEREAS, In order to fund these additional amounts, it will be necessary to transfer \$150,000 from unused, and not expected to be used, funds from the O&M line item "Power" as follows:

<u>Unit No</u>	<u>Internal No:</u>	<u>Description</u>	<u>Increase</u>	<u>Decrease</u>
1010	13	Chemicals	\$ <u>150,000</u>	
1010	14	Power		\$ <u>150,000</u>
Totals			\$ 150,000	\$ 150,000

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 O&M Budget for the fiscal year 2008 be amended as listed above.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 12 - 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 12-17 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 13 - 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 18 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 14 - SERVICE CONNECTION WORK ORDER LIST:

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve Service Connection Work Order Nos. 2009-01 and 2009-02, 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 Wednesday, January 28, 2009 at 10:30 a.m.

Matthew J. Baudo
Secretary to the Authority

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