

MINUTES of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 350 Ellicott Square Building, Buffalo, New York, on the 19th day of November, 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. Riestler, Director of Administration
Daniel J. NeMoyer, Director of Human Resources
Albert J. Meaney, Comptroller
Steven V. D'Amico, Budget and Financial Analyst
Brian C. Bray, Public Affairs Officer

ATTENDEES: Danielle Elliott

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, October 29, 2009.

III. - APPROVAL OF MINUTES

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve the Minutes of the Meeting held on Thursday, October 29, 2009.

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 \$121,450.00 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 1-12 after certification by the Comptroller that the orders are in accordance with the quotations and that the Director of Administration be authorized to execute the above and all associated documents after certifying that they are in conformity with applicable laws and the Authority's By-Laws and Purchasing Guidelines, Policies and Procedures.

VI. - UNFINISHED BUSINESS (NONE)

VII. - NEW BUSINESS (RESOLUTIONS 3-13)

ITEM 3 - AUTHORIZATION TO ENTER INTO AN AGREEMENT IN CONNECTION WITH COST OF RELOCATING MUNICIPALLY OWNED FACILITIES MAINTAINED FOR PUBLIC USE WITH THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION FOR HAMBURG TURNPIKE, SH 49-10, AND SH 50-2 NY ROUTE 5, BIN 1-00149-0 OVER SMOKES CREEK, CITY OF LACKAWANNA, PROJECT NO. 199700360, IDENTIFIED AS PIN NO. 5034.94 - \$538.37

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, By Erie County Water Authority ("Authority") resolution dated August 26, 1999, the Authority entered into a Preliminary Utility Work Agreement with the New York State Department of Transportation ("NYSDOT") for Hamburg Turnpike, SH 49-10, and SH 50-2 NY Route 5, BIN 1-00149-0 over Smokes Creek, City of Lackawanna, identified as PIN No. 5034.94 at a total estimated cost of \$8,494.00, which will be reimbursed by the State of New York either in full or in part; and

WHEREAS, Under date of November 3, 2009, NYSDOT submitted a copy of a proposed Agreement in Connection with Cost of Relocating Municipally Owned Facilities Maintained for Public Use in the total amount of \$538.37 covering the reimbursable costs of the Hamburg Turnpike, SH 49-10, and SH 50-2 NY Route 5, BIN 1-00149-0 over Smokes Creek, City of Lackawanna; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the Chairman be and he hereby is authorized and directed and directed to enter into an Agreement in Connection with Cost of Relocating Municipally Owned Facilities Maintained for Public Use with the NYSDOT in the total amount of \$538.37, which covers the Hamburg Turnpike, SH 49-10, and SH 50-2 NY Route 5, BIN 1-00149-0 over Smokes Creek, City of Lackawanna, identified by P.I.N. No. 5034.94; and be it further

RESOLVED: That the Secretary be and he hereby is authorized to forward the original and five copies of the executed Agreement, together with five copies of this enabling resolution to Richard Lunz, Regional Utilities Engineer, New York State Department of Transportation, 100 Seneca Street, Buffalo, New York, 14203.

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

ITEM 4 - AWARD OF CONTRACT TO JCI JONES CHEMICALS, INC. FOR THE FURNISHING AND DELIVERING OF LIQUID CHLORINE IN ONE TON CONTAINERS TO THE ERIE COUNTY WATER AUTHORITY FOR THE TREATMENT OF WATER FOR TWO YEARS FROM JANUARY 1, 2010 THROUGH DECEMBER 31, 2011, PROJECT NO. 201000002 - \$329,400.00

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 14th day of October, 2009, and in Business First on the 16th day of October, 2009, a notice inviting sealed bids or proposals in accordance with Section 1069 of the Public Authorities Law for the furnishing and delivering of liquid chlorine in one ton containers to the Erie County Water Authority for the treatment for two years from January 1, 2010 through December 31, 2011; and

WHEREAS, A sealed bid or proposal was opened in the office of the Authority on the 27th day of October, 2009, at 11:00 a.m., local time, and was as follows:

BIDDER	AMOUNT
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11/19/09

JCI Jones Chemicals, Inc.* \$329,400.00

* Only bid received; and

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

WHEREAS, Robert Brown, Director of Equal Employment Opportunity, has advised that the low bidder, JCI Jones Chemicals, 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. Niederpruem, Sr. Production Engineer have reviewed the specification and bid and determined that JCI Jones Chemicals, 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; and

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

NOW, THEREFORE, BE IT RESOLVED:

That it is hereby determined that JCI Jones Chemicals, 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 furnishing and delivering of liquid chlorine in one ton containers to the Erie County Water Authority for the treatment for two years from January 1, 2010 through December 31, 2011 in the total amount of \$329,400.00; 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 5 - AWARD OF CONTRACT TO MILLER ENTERPRISES, INC. FOR VAN DE WATER TREATMENT PLANT RENOVATION-CEILING REPLACEMENT, ERIE COUNTY, NEW YORK, PROJECT NO. 200900155 - \$29,850.00

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 14th day of October, 2009, and in Business First on the 16th day of October, 2009, a notice inviting sealed bids or proposals in accordance with Section 1069 of the Public Authorities Law for Van de Water Treatment Plant Renovation-Ceiling Replacement, Erie County, New York; and

WHEREAS, Sealed bids or proposals were opened in the office of the Authority on the 27th day of October, 2009, at 11:15 a.m., local time, and were as follows:

BIDDERS	AMOUNT
Smith Brothers Construction Co., Inc.	\$27,114.00
Miller Enterprises, Inc.	29,850.00
C.R.M. Contracting, Inc.	89,760.00; and

WHEREAS, Robert A. Niederpruem, Sr. Production Engineer advised that the apparent low bidder, Smith Brothers Construction Co., Inc., failed to submit the original proposal in accordance with Authority bid requirements and the proposal was submitted in pencil and therefore recommends that this bid be rejected as non-responsive; and

WHEREAS, As a result of the above information, Robert A. Niederpruem, Sr. Production Engineer recommends that bid number 1 be deemed non-responsive and that the contract be awarded to the second lowest bidder, Miller Enterprises, Inc.; and

WHEREAS, Wesley C. Dust, Executive Engineer and Robert A. Mendez, Executive Director concur with said recommendation; and

WHEREAS, The bid bond submitted by Miller Enterprises, Inc. has been approved by Anthony Alessi, Claims Representative/Risk Manager; and

WHEREAS, Inasmuch as said contract is under the limit of \$100,000 and complies with the Authority's Affirmative Action Policy, Robert Brown, Director of Equal Employment Opportunity, recommends that Miller Enterprises, Inc. proceed with their contract; and

WHEREAS, Wesley C. Dust, P.E., Executive Engineer and Robert A. Niederpruem, Sr. Production Engineer have reviewed the specifications and bids and determined that Miller Enterprises, Inc. is the next lowest responsive bidder qualified to perform the project and have recommended that a contract be awarded to that firm for the abovementioned project; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the Authority deem bid number 1 non-responsive and award said project to the second lowest bidder in accordance with the terms and conditions stated in Article 22 of the Instructions to Bidders Section of the specification and contract documents; and be it further

RESOLVED: That it is hereby determined that Miller Enterprises, Inc. is the lowest responsive 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 Van de Water Treatment Plant Renovation-Ceiling Replacement, Erie County, New York in the total amount of \$29,850.00; 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

Paul Riester advised the Board that the watermain contract is a very complicated contract that is being approved for two years.

The dollar amounts are based on the estimates of buying the minimum amount that the Authority has had. The master purchase orders have been through. Those numbers are not necessarily the numbers that we will actually be requiring (demand of contract).

ITEM 6 - AWARD OF CONTRACTS FOR WATERMAIN MATERIALS PURCHASE CONTRACT FOR THE PERIOD OF JANUARY 1, 2010 THROUGH DECEMBER 31, 2011, PROJECT NO. 201000001

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 30th day of September, 2009, and in Business First on the 2nd day of October, 2009, a notice inviting sealed bids or proposals in accordance with Section 1069 of the Public Authorities Law for watermain materials purchase contract for the period of January 1, 2010 through December 31, 2011; and

WHEREAS, Paul H. Riester, Director of Administration advised that this particular contract is awarded by line item; and

WHEREAS, Sealed bids or proposals were opened in the office of the Authority on the 20th day of October, 2009, at 11:00 a.m., local time; and

WHEREAS, Said bids were analyzed by Authority staff and the items listed on the attached Schedules "A" through "F" are recommended for award to the respective bidders in the total amounts set forth below:

BIDDERS	AMOUNT
M.J. Pipe & Supply, Inc.	\$ 1,096.89 - See Schedule "A"
Everett J. Prescott, Inc.	6,259.84 - See Schedule "B"
TI-Sales, Inc.	67,368.04 - See Schedule "C"
Vellano Brothers, Inc.	231,809.24 - See Schedule "D"
Lock City Supply, Inc.	419,597.18 - See Schedule "E"
K&S Contractors Supply, Inc.	529,541.12 - See Schedule "F"; and

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

WHEREAS, Robert Brown, Director of Equal Employment Opportunity, has advised that Vellano Brothers, Inc., Lock City Supply, Inc. and K&S Contractors Supply, Inc. have complied with the Authority's Affirmative Action Requirements and recommends that they be allowed to proceed with their respective contracts based on that fact; and

WHEREAS, Inasmuch as M.J. Pipe & Supply, Inc., Everett J. Prescott, Inc. and TI-Sales, Inc. are under the limit of \$100,000 and comply with the Authority's Affirmative Action Policy, Robert Brown, Director of Equal Employment Opportunity, recommends that M.J. Pipe & Supply, Inc., Everett J. Prescott, Inc. and TI-Sales, Inc. proceed with their respective contract;

and

WHEREAS, It has been determined that the above contractors are the lowest responsible bidders on their respective items and Paul H. Riester, Director of Administration and Wesley C. Dust, P.E., Executive Engineer have recommended that contracts be awarded to the above contractors in the amounts set forth in Schedules "A" through "F" for the watermain materials purchase contract for the period of January 1, 2010 through December 31, 2011; and

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

NOW, THEREFORE, BE IT RESOLVED:

That the Authority accept the bids of M.J. Pipe & Supply, Inc. in the amount of \$1,096.89, Everett J. Prescott, Inc. in the amount of \$6,259.84, TI-Sales, Inc. in the amount of \$67,368.04, Vellano Brothers, Inc. in the amount of \$231,809.24, Lock City Supply, Inc. in the amount of \$419,597.18 and K&S Contractors Supply, Inc. in the amount of \$529,541.12 and that the Chairman be and he hereby is authorized and directed to execute contracts with each of the above contractors for the watermain materials purchase contract for the period of January 1, 2010 through December 31, 2011 in the amounts set forth above; 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 these contracts, 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 7 - 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 valve at 119 Main Street, Village of Depew with a new resilient seat valve on 9/14/09. Work done by ECWA forces under Work Authorization No. 107.200 5893.

Old valve originally installed in 1894 was scrapped and retired under Retirement Authorization No. R90040.

Replace existing valve at 3080 Seneca Street, Town of West Seneca with a new resilient seat valve on 9/11/09. Work done by ECWA forces under Work Authorization No. 107.200 5894.

Old valve originally installed in 1902 was scrapped and retired under Retirement Authorization No. R90041.

Replace existing hydrant at 51 South Fisher Road, Town of West Seneca with a new cflow hydrant on 9/1/09. Work done by ECWA forces under Work Authorization No. 107.200 5891.

Old hydrant originally installed in 1989 was scrapped and retired under Retirement Authorization No. R90039; 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

11/19/09

Noes: None

**ITEM 8 - AUTHORIZATION TO GRANT LEAK ALLOWANCE REQUESTS -
\$1,400.12**

Motion by Mr. Warthling seconded by Mrs. Vacco

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

- | | |
|--|---|
| <p>1) Sivarubini Nagarajah
54 Echowood Drive
East Amherst, NY 14051
\$757.62</p> | <p>2) Scott G. Gurnett, Sr.
54 Alpine Place
Cheektowaga, NY 14225
\$642.50; and</p> |
|--|---|

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

**ITEM 9 - AUTHORIZATION TO AMEND THE ERIE COUNTY WATER
AUTHORITY'S SKILLED WATER UTILITY WORKER TRAINING
POLICY**

11/19/09

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, Heretofore and on the 25th day of April, 2002, by Resolution Item No. 20, the Erie County Water Authority (“Authority”) adopted a Skilled Water Utility Worker Training Policy (“Policy”); and

WHEREAS, Heretofore and on the 17th day of May, 2004, by Resolution Item No. 3, the Authority amended this Policy; and

WHEREAS, Heretofore and on the 26th day of September, 2007, by Resolution Item No. 16, the Authority once again amended this Policy; and

WHEREAS, Matthew J. Baudo, Secretary to the Authority advises that it is in the best interest of the Authority to update, and therefore, amend this Policy to read as per Schedule “A” attached; and

WHEREAS, Daniel J. NeMoyer, Director of Human Resources, Edward J. Kuwik, Sr. Distribution Engineer and Matthew J. Baudo, Secretary to the Authority recommend amending the Authority’s Skilled Water Utility Worker Training Policy as per attached Schedule “A”;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority amend the Authority’s Skilled Water Utility Worker Training Policy as per attached Schedule “A”.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 10 - AUTHORIZATION TO AMEND THE ERIE COUNTY WATER
AUTHORITY'S ANNUAL CAPITAL BUDGET FOR FISCAL YEAR 2009**

Motion by Mr. Warthling seconded by Mrs. Vacco

WHEREAS, In a resolution dated November 24, 2008, the Erie County Water Authority (the "Authority") adopted its Annual O&M and Capital Budgets for the fiscal year 2009; 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 contracts WSA-5 and CH-3, involving waterline replacement work on Young Street in the City of Tonawanda, were completed in 2007 and 2008, respectively; and

WHEREAS, These contracts involved costs for paving work that was not performed at the request of the City of Tonawanda due to future road reconstruction, but it was agreed upon that the Authority would provide this cost; and

WHEREAS, The paving work has since been completed, but no funds were accrued for this at the time of these projects; and

WHEREAS, The funding of these paving costs will require reactivation of capital budget item number 100406 Contract WSA-5 and budget item number 100596 Contract CH-3 with 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>
2520	100625	Contract NC-32B		<u>\$ 73,400</u>
2590	100406	Contract WSA-5	\$ 28,000	
2590	100596	Contract CH-3	<u>45,400</u>	
		Totals	\$ 73,400	\$ 73,400

WHEREAS, Robert A. Mendez, Executive Director, Robert J. Lichtenthal Jr., Deputy Director, Matthew J. Baudo, Secretary to the Authority, Wesley Dust, Executive Engineer, and Steven V. D'Amico, Budget/Financial Analyst, recommend approval of said amendment;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority's Annual Capital Budget for the fiscal year 2009 be amended by making the necessary adjustments listed above.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

ITEM 11 - 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 13-21 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.

ITEM 12 - 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 22 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 - SERVICE CONNECTION WORK ORDER LIST:

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve Service Connection Work Order Nos. 2009-44, 2009-45 and 2009-46, to Nichols Long & Moore Construction Corp. for Service Area No. 1 under Contract No. 09-07-01 and to Russo Development, Inc. for Service Area No. 2 under Contract No. 09-08-01 and large services under Contract No. 09-06-01 to Kandey Company, Inc.

VIII. - ADJOURNMENT

Meeting adjourned until the next regular meeting to be held on Monday, November 30, 2009 at 1:00 p.m.

Matthew J. Baudo
Secretary to the Authority

PF