

**MINUTES** of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 350 Ellicott Square Building, Buffalo, New York, on the 27th day of May, 2010.

**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/Personnel Director**  
**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, Director of Human Resources**  
**Karen A. Prendergast, 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 Tuesday, May 11, 2010.

**III. - APPROVAL OF MINUTES**

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve the Minutes of the Meeting held on Tuesday May 11, 2010.

**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 page 1 not to exceed the amount of \$176,000.00 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 ORDER RELEASES:**

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve for payment of Master Purchase Order Nos. as listed on the attached pages 1-14 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 3-15)**

**ITEM 3 - FINAL ACCEPTANCE OF PROJECT WITH MILLER ENTERPRISES, INC. FOR VAN DE WATER TREATMENT PLANT RENOVATION-CEILING REPLACEMENT, ERIE COUNTY, NEW YORK, PROJECT NO. 200900155, CONTRACT NO. 09-22-12 - \$1,651.23**

Motion by Mr. Warthling seconded by Mrs. Vacco

**WHEREAS**, Heretofore and on the 5th day of March, the Erie County Water Authority ("Authority") entered into a contract with Miller Enterprises, Inc. for Van De Water Treatment Plant, identified as Contract No. 09-22-12; and

**WHEREAS**, Miller Enterprises, Inc. has submitted a final invoice in the amount of \$1,651.23; 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 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 1998A - \$49,350.40**

Motion by Mr. Warthling seconded by Mrs. Vacco

**WHEREAS**, Susan Rinaldo, Cash Manager advised under date of May 12, 2010 that there was available on June 1, 2010 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 1998A:

Principal Account \$33,750.00

Interest Account \$15,600.40

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$7,800.20 to mature in time for the June 15, 2010 Interest Payment at the highest yield to maturity to 1998A Bondholders and invest to invest from the Interest Account, in the amount of \$7,800.20 to mature in time for the December 15, 2010 Interest Payment at the highest yield to maturity to 1998A Bondholders and invest from the Principal Account in the amount of \$33,750.00 to mature in time for the December 15, 2010 Principal Payment at the highest yield to maturity to 1998A 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 Karen A. Prendergast, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Interest Account in the amount of \$7,800.20 to mature in time for the June 15, 2010 Interest Payment at the highest yield to maturity to 1998A Bondholders and invest to invest from the Interest Account, in the amount of \$7,800.20 to mature in time for the December 15, 2010 Interest Payment at the highest yield to maturity to 1998A Bondholders and invest from the Principal Account in the amount of \$33,750.00 to mature in time for the December 15, 2010 Principal Payment at the highest yield to maturity to 1998A 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 5 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE  
MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE  
FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS,  
SERIES 1998B - \$110,669.38**

Motion by Mr. Warthling seconded by Mrs. Vacco

**WHEREAS,** Susan Rinaldo, Cash Manager advised under date of May 12, 2010 that there was available on June 1, 2010 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 1998B:

Interest Account    \$41,502.71

Principal Account   \$69,166.67

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$41,502.71 to mature in time for the October 15, 2010 and invest from the Principal Account in the amount of \$69,166.67 to mature in time for the October 15, 2010 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 Karen A. Prendergast, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Interest Account in the amount of \$41,502.71 to mature in time for the October 15, 2010 and invest from the Principal Account in the amount of \$69,166.67 to mature in time for the October 15, 2010 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 6 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 2003F - \$91,376.12**

Motion by Mr. Warthling seconded by Mrs. Vacco

**WHEREAS**, Susan Rinaldo, Cash Manager advised under date of May 12, 2010 that there was available on June 1, 2010 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 2003F:

Interest Account	\$38,459.45
Principal Account	\$52,916.67

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$38,459.45 to mature in time for the July 15, 2010 Interest Payment at the highest yield to maturity to 2003F Bondholders and to invest from the Principal Account in the amount of \$52,916.67 to mature in time for the July 15, 2010 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 Karen A. Prendergast, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Interest Account in the amount of \$38,459.45 to mature in time for the July 15, 2010 Interest Payment at the highest yield to maturity to 2003F Bondholders and to invest from the Principal Account in the amount of \$52,916.67 to mature in time for the July 15, 2010 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 7 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE  
MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE  
FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS,  
SERIES 2007 - \$187,749.06**

Motion by Mr. Warthling seconded by Mrs. Vacco

**WHEREAS**, Susan Rinaldo, Cash Manager advised under date of May 12, 2010 that there was available on May 25, 2010 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 2007:

Interest Account	\$132,749.06
Principal Account	\$ 55,000.00

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$132,749.06 to mature in time for the June 1, 2010 Interest Payment at the highest yield to maturity to 2007 Bondholders and invest from the Principal Account in the amount of \$55,000.00 to mature in time for the December 1, 2010 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 Karen A. Prendergast, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Interest Account in the amount of \$132,749.06 to mature in time for the June 1, 2010 Interest Payment at the highest yield to maturity to 2007 Bondholders and invest from the Principal Account in the amount of \$55,000.00 to mature in time for the December 1, 2010 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 8 - RATIFICATION OF THE INVESTMENT OF FUNDS FROM THE MANUFACTURERS & TRADERS TRUST COMPANY, DEBT SERVICE FUND WATER WORKS SYSTEM REVENUE REFUNDING BONDS, SERIES 2008 - \$490,816.71**

Motion by Mr. Warthling seconded by Mrs. Vacco

**WHEREAS**, Susan Rinaldo, Cash Manager advised under date of May 12, 2010 that there was available on May 25, 2010 the following amounts in the Debt Service Fund Water Works System Revenue Refunding Bonds, Series 2008:

Interest Account	\$168,316.71
Principal Account	\$322,500.00

and has recommended that the Manufacturers & Traders Trust Company, as Fiscal Agent, be authorized to invest from the Interest Account, in the amount of \$168,316.71 to mature in time for the June 1, 2010 Interest Payment at the highest yield to maturity to 2008 Bondholders and invest from the Principal Account in the amount of \$322,500.00 to mature in time for the December 1, 2010 Principal 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 Karen A. Prendergast, Comptroller, in authorizing the Manufacturers & Traders Trust Company to invest from the Interest Account in the amount of \$168,316.71 to mature in time for the June 1, 2010 Interest Payment at the highest yield to maturity to 2008 Bondholders and invest from the Principal Account in the amount of \$322,500.00 to mature in time for the December 1, 2010 Principal 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: Three; Commrs. Swiatek, Vacco and Warthling  
Noes: None

**ITEM 9 - APPROVAL OF CHANGE ORDER NO. 2 OF JCI JONES CHEMICALS, INC. FOR THE FURNISHING AND DELIVERING OF CAUSTIC SODA (50% SOLUTION) TO THE ERIE COUNTY WATER AUTHORITY FOR USE IN THE TREATMENT OF WATER, PROJECT NO. 200800371, CONTRACT NO. 08-23-11 - \$285,000**

Motion by Mr. Warthling seconded by Mrs. Vacco

**WHEREAS**, Heretofore and on the 16th day of October, 2008, the Erie County Water Authority ("Authority") entered into a contract with JCI Jones Chemicals, Inc. 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, identified as Contract No. 08-23-11; and

**WHEREAS**, Said contractor has submitted Change Order No. 2 in the sum of \$285,000 to provide caustic soda to the Authority; and

**WHEREAS**, The reason for said change is because the contract was bid as liquid weight and estimated quantities were not increased due to change from dry weight to liquid weight; and

**WHEREAS**, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director recommend approval of said Change Order No. 2;

**WHEREAS**, Wesley C. Dust, P.E., Executive Engineer and Robert A. Mendez, Executive Director recommend approval of said Change Order No. 2;

**NOW, THEREFORE, BE IT RESOLVED:**

That Change Order No. 2 of JCI Jones Chemicals, Inc. in the amount of \$285,000 to provide for the abovementioned change be approved; and be it further

**RESOLVED:** That the Chairman be and he hereby is authorized to execute said Change Order No. 2 on behalf of the Authority.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 10 - AUTHORIZATION TO EXTEND THE CONTRACT WITH BIDCO MARINE GROUP, INC. FOR THE FURNISHING AND DELIVERING OF BUOY INSTALLATION AND UNDERWATER SERVICES INCLUDING BUT NOT LIMITED TO ANNUAL INSPECTION AND VIDEO OF INTAKES, SCREENS AND CLEARWELLS, PROJECT NO. 200700136, CONTRACT NO. 07-25-05**

Motion by Mr. Warthling seconded by Mrs. Vacco

**WHEREAS**, Heretofore and on the 17<sup>th</sup> day of May, 2007 the Erie County Water Authority ("Authority") entered into a contract with Bidco Marine Group, Inc. for the furnishing and delivering of buoy installation and underwater services including, but not limited to annual inspection and video of intakes, screens and clearwells, identified as Contract No. 07-25-05; and

**WHEREAS**, Said contract will expire on May 31, 2010; and

**WHEREAS**, Paragraph 20 (Extension of Price Protection) states that any contract entered into pursuant to this bid to supply the ECWA requirements of goods and/or services for a definite period of time as stated in the specifications may be extended for not more than two successive periods of equal length at the same bid price upon the mutual agreement of the successful bidder and the ECWA; and

**WHEREAS**, Bidco Marine Group, Inc. submitted a letter dated May 10, 2010 requesting to extend the Agreement for a one year period; and

**WHEREAS**, Robert A. Niederpruem, Sr. Production Engineer recommends extending the Agreement for a one year period; and

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

**NOW, THEREFORE, BE IT RESOLVED:**

That the Authority extends the Agreement with Bidco Marine Group, Inc. for the furnishing and delivering of buoy installation and underwater services including, but not limited to annual inspection and video of intakes, screens and clearwells, identified as Contract No. 07-25- for a one year period.

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 11 - AUTHORIZATION TO SOLICIT REQUEST FOR PROPOSALS FOR BILL PRINTING, PRESENTATION, AND PAYMENT ALTERNATIVES, PROJECT NO. 201000138**

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 (AAuthority@) 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 (ARFP@) to qualified mail preparation firms for the preparation and presentment of water billings, collection notices and read by mail postcards to customers of the Authority and receipt of payments by alternative methods including electronic payments from customers of the Authority; 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 the preparation and presentment of water billings, collection notices and read by mail postcards to customers of the Authority and receipt of payments by

alternative methods including electronic payments from customers of the Authority 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**, Robert J. Lichtenthal, Jr., Deputy Director, 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 for the preparation and presentment of water billings, collection notices and read by mail postcards to customers of the Authority and receipt of payments by alternative methods including electronic payments from customers of the Authority.

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

**ITEM 12 - REFUND FOR NEW SERVICE INSTALLATIONS - \$11,962.31**

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**, Karen A. Prendergast, Comptroller, under the date of May 27, 2010, has recommended that the following refunds be made as set forth on 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 attached Schedule "A".

Ayes: Three; Commrs. Swiatek, Vacco and Warthling

Noes: None

**ITEM 13 - 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 pages 15-24 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 - 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 page 25 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 15 - SERVICE CONNECTION WORK ORDER LIST:**

Motion by Mr. Warthling seconded by Mrs. Vacco and carried to approve Service Connection Work Order Nos. 2010-19 and 2010-20, 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 Thursday, June 10, 2010.

Matthew J. Baudo  
Secretary to the Authority/Personnel Director

SLZ

5/27/10