

**MINUTES** of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 295 Main Street, Room 350, Buffalo, New York, on the 20<sup>th</sup> day of September 2018.

**PRESENT:** **Jerome D. Schad, Chairman**  
**Mark S. Carney, Vice Chairman**  
**E. Thomas Jones, Treasurer**  
**Terrence D. McCracken, Secretary to the Authority**  
**Margaret A. Murphy, Attorney**  
**Robert J. Lichtenthal, Jr. Deputy Director**  
**Russell J. Stoll, Executive Engineer**  
**John J. Mogavero, Chemist/Chief WTPO**  
**Joseph T. Burns, Deputy Administrative Director**  
**Karen A. Prendergast, Comptroller**  
**Daniel J. NeMoyer, Director of Human Resources**  
**Paul Whittam, Director of Water Quality**

**ATTENDEES:** **Brian Gould**

**CALL TO ORDER AT 9:38 A.M.**

**PLEDGE TO THE FLAG**

**I. - ROLL CALL**

**II. - READING OF MINUTES**

Motion by Mr. Carney seconded by Mr. Jones and carried to waive the reading of the Minutes of the Meeting held on Thursday, August 30, 2018.

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**III. - APPROVAL OF MINUTES**

Motion by Mr. Carney seconded by Mr. Jones and carried to approve the Minutes of the Meeting held on Thursday, August 30, 2018.

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**IV. – REPORTS**

**SECRETARY**

No Report

**LEGAL**

No Report

**FISCAL**

1. August 2018 Investment Report

Mr. Lichtenthal distributed the August 2018 Investment report. Mr. Lichtenthal noted that there continues to be minor upticks in interest's rates.

2. Monthly Financial Report – August 2018

Karen Prendergast distributed the August 2018 Monthly Financial report. This report includes operating revenue, investment income, operating expense and net income. Chairman Schad inquired how much money is in Phase 2 SCADA. Karen Prendergast informed him that \$200,000 was budgeted for this year and half million in CIS and ERP modernization programs which are delayed. SCADA Phase 1 is still progressing so Phase 2 cannot begin. However, Comptroller Prendergast noted that she does have a general idea of what the budget should be for next year. Russell Stoll added that the budget for SCADA will depend on how it is handled such as using the Authority's own forces. Chairman Schad requested that Mr. Stoll, for budget time, define the goal on the work so there can be some numbers associated with it.

**OPERATIONS**

1. Contract NC-36

Russell Stoll informed the Board that the Authority is currently undertaking a watermain replacement in the Town of Cheektowaga along Eggert Road which is in construction. There are approximately 40 homes along Eggert Road that are currently being serviced by the City of

Buffalo through their rear yards. He told the Board that the Authority was approached by the City of Buffalo's Water Department asking if the Authority would be interested in taking over these homes. After much discussion, the Board decided that they do not wish to take over these homes.

## 2. National Grid Substation Replacement

Russell Stoll reported that there is a need to repair/replace the electrical substation, owned by National Grid, located on the Service Center property. It is inside the security fence with an existing easement adjacent to the truck vehicle entrance. He explained that the substation can remain where it is or be moved to a couple of different areas. However, if it is moved it would require larger easements, and the property would be given up for access to National Grid. Either way it should be replaced. All replacement costs are the responsibility of National Grid on the current location with possible ancillary expenses if it was to be moved. Chairman Schad mentioned that moving the substation in order to renovate the Service Center had been talked about in the past. Vice Chairman Carney suggested having a firm give an opinion on what it would take to rehab the building. Chairman Schad noted that some information does exist relative to renovating the Service Center. He asked that the Commissioners be given this information. Chairman Schad directed Legal to meet with Russell Stoll and Robert Lichtenthal and make a recommendation as to whether or not the substation should be moved and will discuss in a couple of meetings.

At this time Commissioner Jones brought up the recent leaks and how the public doesn't understand the difference between direct managed areas and lease managed areas, who is responsible for the pipes/repair, delivery of water etc. as they always look to the Authority. He stated that he has had discussions with Mr. Lichtenthal regarding any reports that may exist in terms of frequency of leaks and statistics as to where these leaks are occurring and who may be responsible for the repair or planning of repairs. He then requested a report on the last couple of instances that have occurred so that if the Commissioners are put in the position to respond, the information is readily available. Vice Chairman Carney suggested that when breaks occur and before any announcement to the press is made, the size of the leak is confirmed – such as the person in the hole relaying the information. Chairman Schad requested that at the next meeting a report is given on how the practice of how the leaks are normally handled. Mr. NeMoyer added that in the Authority's Policies and Procedures manual it states that a designated individual(s) can speak with the media. Brian Gould noted that he met with Commissioner Schad and Mr. McCracken, and that E3 will be doing a communications audit. Chairman Schad would like Mr. Gould to follow up with Commissioners Carney and Jones. Vice Chairman Carney feels it is important to designate someone that is going to make that final connection to the press and that the Authority does not have a responsibility to report to the Legislature.

## **HUMAN RESOURCES**

Commissioner Jones discussed the fact that several contracts, purchase orders, amendments, etc. come before the Board, and that the legal and engineering departments have been working diligently making sure the Authority is following state purchasing and contracting law. He added that he believes people in certain positions are being asked to do tasks that aren't really in their job responsibilities. Therefore, he would like the Director of Human Resources and the Secretary to review the positions of Contract Monitor and Purchasing Director which have specific duties to review certain contracts and ensure that they are following state purchasing and contracting law. Secretary McCracken also added that Internal Auditor might be a position worth looking into as well. Chairman Schad noted that the position of Contract Monitor has been discussed previously in terms of compliance monitoring for the entire Authority. He feels it's a timely topic that should be looked at and make sure that when the budget is in place that this is covered, and further discussions can be held in terms of who and what other changes might be wanted.

### **AUDIT COMMITTEE**

#### 1. Summary of 8/30/18 Audit Committee Meeting

Commissioner Schad gave a summary of the August 30, 2018 Audit Committee meeting.

### **GOVERNANCE COMMITTEE**

#### 1. Summary of 8/30/18 Governance Committee Meeting

Commissioner Schad gave a summary of the August 30, 2018 Governance Committee meeting.

### **VIII. FINANCE COMMITTEE**

No Report

### **IX. ETHICS BOARD**

No Report

**V. - COMMUNICATIONS AND BILLS****ITEM 1 - CREATION AND/OR AMENDMENT OF MASTER PURCHASE ORDERS**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 2 - MASTER PURCHASE ORDER RELEASES, PURCHASE ORDERS AND PURCHASE ORDER AMENDMENTS**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 3 – LETTER FROM EDWARD SCHNEIDER III**

Motion by Mr. Carney seconded by Mr. Schad to accept and refer to Legal, Finance and Secretary

**DISCUSSION**

Commissioner Jones inquired if there is any institutional knowledge on what the prior response has been, if any at all. He noted that maybe Mr. Schneider should be referred to his state legislator to institute. Commissioner Carney stated that he is unsure how the Authority would be able to qualify people as a hardship. Ms. Murphy said that she will draft a letter informing Mr. Schneider his letter has been received and reviewed by the Board, and it is currently under advisement. Commissioner Jones also suggested letting Mr. Schneider know if there is a legal issue and/or financial issue of why this can't be done. Chairman Schad requested that Legal, Finance and the Secretary discuss the form of the letter, so the message is consistent and brief.

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 4 – LETTER FROM CHARLES K. SAUBERAN**

Motion by Mr. Carney seconded by Mr. Schad to accept and refer to Secretary and Legal

**DISCUSSION**

Margaret Murphy informed the Board that Jackie Mattina spoke with Russell Stoll and is now preparing a letter and will have it for the next meeting. Commissioner Carney feels that the Authority should not respond to this letter. Mr. Stoll added that the Authority usually does not spray although it is hard to predict when a watermain is being repaired under an emergency condition what will be needed for that repair.

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**VI. - UNFINISHED BUSINESS**

**T-12      TERMINATION OF PROFESSIONAL SERVICES CONTRACT WITH  
HARTER SECREST & EMERY LLP (ITEM NO. 4 8/2/18)**

**VII. - NEW BUSINESS**

**ITEM 5 -    AUTHORIZATION TO ENTER INTO A COOPERATIVE AGREEMENT  
WITH THE TOWN OF LANCASTER IN CONNECTION WITH THE  
WATERMAIN PROJECT ON PAVEMENT ROAD IN THE TOWN OF  
LANCASTER, NEW YORK, PROJECT NO. 201800043**

Motion by Mr. Schad seconded by Mr. Carney

**DISCUSSION**

Vice Chairman Carney questioned how the bidding process worked. Margaret Murphy explained that the Authority has the right to reject the cost but does not have the right to have any input into the bidding process or how the bid is done. She added that the Authority owns a small part of the pipe which is going to be replaced. However, the project is going to be undertaken completely by the Town of Lancaster. The Authority will only pay for their own part of the pipe. If a repair needs to be made to the Authority's portion of the pipe, the Town will then reimburse the Authority for the repair.

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 6 - AWARD OF CONTRACT TO JCI JONES CHEMICALS, INC. FOR THE FURNISHING AND DELIVERING OF CAUSTIC SODA (50% SOLUTION OF SODIUM HYDROXIDE) MEMBRANE GRADE TO THE ERIE COUNTY WATER AUTHORITY FOR USE IN THE TREATMENT OF WATER FOR TWO YEARS FROM NOVEMBER 1, 2018 THROUGH OCTOBER 31, 2020, PROJECT NO. 201800140 - \$975,000.00**

Motion by Mr. Carney seconded by Mr. Schad

**DISCUSSION**

Chairman Schad asked John Mogavero if there is any chance that in the future there will be more than one bidder. Mr. Mogavero replied that there have been other bidders in the past, however Jones Chemicals always wins the bid.

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 7 - AUTHORIZATION TO ADVERTISE FOR BIDS FOR THE FURNISHING AND DELIVERING OF VARIOUS WOOD PRODUCTS TO THE ERIE COUNTY WATER AUTHORITY FOR ONE YEAR FROM NOVEMBER 1, 2018 TO OCTOBER 31, 2019, PROJECT NO. 201800199**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 8 - AUTHORIZATION TO ADVERTISE FOR BIDS FOR THE FURNISHING AND DELIVERING OF BUTTERFLY VALVES, FLANGE ADAPTERS, AND DUCTILE IRON PIPE FOR ERIE COUNTY WATER AUTHORITY BROADWAY PUMP STATION, PROJECT NO. 201800182**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 9 - APPROVAL OF CHANGE ORDER NO. 4 OF E&R GENERAL CONSTRUCTION, INC. FOR EXCAVATED MATERIAL REMOVAL AND DISPOSAL, APRIL 1, 2016 THROUGH MARCH 31, 2018, PROJECT NO. 201600011, CONTRACT NO. 16-06-03 - \$98,729.82**

Motion by Mr. Carney seconded by Mr. Schad

**DISCUSSION**

Commissioner Jones asked if this is the emergency declaration nunc pro tunc. Chairman Schad replied that it is, and we are working on clarifying our practices so that we won't be doing nunc pro tunc in future situations. Ms. Murphy explained that an emergency situation arose, and the Authority had to use one of its current contractors because Authority and emergency contractor crews were too busy on other repairs. Therefore, an emergency declaration was needed.

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 10 - APPROVAL OF CHANGE ORDER NO. 9 OF KANDEY COMPANY, INC. FOR EMERGENCY WATERMAIN REPAIR CONTRACT, AUGUST 1, 2015 THROUGH JULY 31, 2017, PROJECT NO. 201500031, CONTRACT NO. 15-11-07 - \$28,889.03**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None



**ITEM 11 - APPROVAL OF CHANGE ORDER NO. 3 OF AMSTAR OF WESTERN NEW YORK, INC. FOR CONTRACT NO. W-23, STORAGE TANK REFURBISHING, PROJECT NO. 201500177, CONTRACT NO. 16-19-08 - \$39,169.25**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 12 - APPROVAL OF AMENDMENT NO. 1 OF WM. SCHUTT & ASSOCIATES ENGINEERING & LAND SURVEYING, P.C. TO PROVIDE CONSULTING ENGINEERING SERVICES FOR THE DESIGN AND CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS IN THE TOWNS OF AMHERST AND CHEEKTOWAGA, NEW YORK, IDENTIFIED AS CONTRACT NO. WSA-012 (CONTRACT B), PROJECT NO. 201700088 - \$80,300.00**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 13 - APPROVAL OF AMENDMENT NO. 5 OF CHA CONSULTING, INC. FOR CONSULTING ENGINEERING SERVICES FOR THE DESIGN AND CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS IN THE TOWNS OF WEST SENECA, CHEEKTOWAGA AND HAMBURG, VILLAGE OF BLASDELL AND CITY OF LACKAWANNA, NEW YORK, IDENTIFIED AS CONTRACT NO. CH-009 (CONTRACT D), PROJECT NO. 201700091 - \$55,000.00**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

Vice Chairman Carney asked if items 12 and 13 are due to miscalculations. It was explained that the RFPs included an estimated number of hours for resident inspection for comparing what the cost would be. However, as it is impossible to anticipate how long a construction project will take, the number didn't represent the true cost. Ms. Murphy explained that going forward the RFPs will require the bidder include the number of hours they believe the project will take. The Authority will use the number of hours from the winning bid and the number not to exceed will be the number of the highest number of hours submitted.

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 14 - APPROVAL OF AMENDMENT NO. 1 OF ERDMAN ANTHONY & ASSOCIATES, INC. TO PROVIDE CONSULTING ENGINEERING SERVICES FOR THE DESIGN AND CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS IN THE CITY OF TONAWANDA AND TOWN OF AMHERST, NEW YORK, IDENTIFIED AS CONTRACT NO. EA-011 (CONTRACT A), PROJECT NO. 201700087 - \$62,500.00**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 15 - REFUND FOR NEW SERVICE INSTALLATIONS - \$21,801.37**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 16 - AUTHORIZATION TO GRANT LEAK ALLOWANCE REQUEST - \$1,772.96**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 17 - TIMOTHY ELLING – LEAVE OF ABSENCE**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

Commissioner Jones asked if Human Resources needs to approve the request for leave of absences. Mr. NeMoyer replied that since this request exceeds 30 days it must be approved by the Board. Chairman Schad noted that in his experiences, the Authority has the practice of granting the leave in the first instance and several times has granted an extension. The Board is usually give information from Human Resources relative to the extension. Commissioner Jones feels that some guidance is needed from Human Recourses relative to some type of policy allowing employees that are pursuing other employment while their current position at the Authority is being held. Chairman Schad asked Human Resources for some direction on a criteria that would be workable and then take a look at it at a future meeting.

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 18 - LYNN KELLNER – LEAVE OF ABSENCE**

Motion by Mr. Carney seconded by Mr. Schad

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 19 - AUTHORIZATION TO FILE A STANDARD WORK DAY AND**

**REPORTING RESOLUTION FOR ERIE COUNTY WATER AUTHORITY  
COMMISSIONERS JEROME D. SCHAD, MARK S. CARNEY, AND  
OTHER ERIE COUNTY WATER AUTHORITY EMPLOYEES**

Motion by Mr. Jones seconded by Mr. Schad

**DISCUSSION**

Chairman Schad asked if the math calculation from his 2014 filing had been checked.  
Karen Prendergast replied that it has and is in order.

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 20 - ADOPTION OF A NEW FREEDOM OF INFORMATION POLICY**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 21 - AUTHORIZATION TO APPOINT THE SECRETARY OF THE ERIE  
COUNTY WATER AUTHORITY THE DESIGNEE TO FILE THE CLIENT  
SEMI-ANNUAL REPORT WITH THE NEW YORK STATE JOINT  
COMMISSION ON PUBLIC ETHICS**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 22 - SERVICE CONNECTION WORK ORDER LIST**

Motion by Mr. Carney seconded by Mr. Jones

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**VIII. - ADJOURNMENT**

Motion by Mr. Schad seconded by Mr. Jones carried that the meeting adjourn.

**DISCUSSION**

None

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

At this time Chairman Schad congratulated Paul Whittam, Director of Water Quality on his retirement and thanked him for his time and service.



Terrence D. McCracken  
Secretary to the Authority

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