To: Commissioners Schad, Carney and Jones
From: Robert J. Lichtenthal, Jr., Deputy Director
Subject: Procurement Error-Saia Communications

The currently used Authority Purchasing Guidelines and Procedures requires all purchases to be approved by the Board of Commissioners following the proper steps of requisition.

On August 8, 2018 the Motorola microwave link from the Van De Water Treatment Plant to the Van De Water Raw Water Plant failed. Installation and repairs of Motorola equipment are usually performed by Saia Communications under a New York State contract. For this contract to be operative, SAIA Communications coordinates with Motorola for State Contract work. ECWA does not go to Motorola direct. This is a Motorola dictated procedure. Motorola must first approve the work to be done by Saia.

In this case, multiple procurement errors occurred. First, a purchase order was never presented to the Board for approval prior to the work being performed. Secondly, the procedure to access the NYS contract pricing was not followed.

When the equipment failed, the system was "down" and required repair immediately. And, since what equipment actually failed was not readily apparent, the vendor needed to troubleshoot the problem first. Under the circumstances the appropriate action to take within the current procedures would have been to declare an emergency, make the procurement arrangements and then notify the Board of Commissioners. This was not done and is the first error.

The second error occurred when the vendor (Saia Communications) did not properly coordinate ECWA's service request with Motorola per the NYS contract. The use of the NYS contract (and/or County contract and/or a joint purchasing alliance) eliminates the requirement to solicit a minimum of three quotes per Authority procedures.

Where this issue stands today is that the Authority has received an invoice from Saia Communications in the amount of $900.00 for their timely response to our critical need. Saia found the problem to be a faulty surge protector which was replaced. Additionally, if this procurement had been made under the NYS contract terms of Motorola, the labor rate would have been $188.00/hr. versus the $125.00/hr. Saia actually charged.
Bill To:  
ERIE COUNTY WATER AUTHORITY (ECWA)  
ACCOUNTS PAYABLE/ERIE COUNTY WATER AUTHORITY  
295 MAIN STREET  
BUFFALO, NY 14203  
Contact: SCOTT AIPLE  
Contact #: 716-685-8225  
Email: SAIPE@ECWA.ORG  

Ship To:  
ERIE COUNTY WATER AUTHORITY (ECWA)  
ACCOUNTS PAYABLE/ERIE COUNTY WATER AUTHORITY  
295 MAIN STREET  
BUFFALO, NY 14203  
Contact: SCOTT AIPLE  
Contact #: 716-685-8225  
Email: SAIPE@ECWA.ORG

<table>
<thead>
<tr>
<th>Customer #: EC2786</th>
<th>Tech: Kelly Wilcox</th>
<th>PO# :</th>
<th>Terms: NET 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qty</td>
<td>Item</td>
<td>Description</td>
<td>Unit Price</td>
</tr>
<tr>
<td>1</td>
<td>504647</td>
<td>PTP 850 LPU/Ground Kit</td>
<td>400.00</td>
</tr>
</tbody>
</table>
| 2   | TOWER | TOWER WORK  
RADIO AS DEAD REPLACED TRANSCIEFTER AND  
JUMPER TO THE RADIO TESTED ALL OK. 118  
LINK LOSS | 250.00 | 500.00 |

FCC Maintenance Record - Retain 1 Year

<table>
<thead>
<tr>
<th>Vin #:</th>
<th>Transmitter Freq.:</th>
<th>Power Out:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plate #:</td>
<td>Found:</td>
<td>Reflected Power:</td>
</tr>
<tr>
<td>Vehicle No:</td>
<td>Adj To:</td>
<td>Battery Capacity mAh:</td>
</tr>
<tr>
<td>License No.:</td>
<td>Modulation:</td>
<td></td>
</tr>
<tr>
<td>Vehicle Make:</td>
<td>Receiver Freq.:</td>
<td>Techs Name:</td>
</tr>
<tr>
<td>Vehicle Model:</td>
<td>Sensitivity:</td>
<td>Ship Via: Customer Location</td>
</tr>
<tr>
<td>Vehicle Year:</td>
<td>Tone/DPL/TPL:</td>
<td>Service Ticket No:</td>
</tr>
<tr>
<td>Vehicle Mileage:</td>
<td>Total Power:</td>
<td>Contact Name: SCOTT AIPLE</td>
</tr>
</tbody>
</table>

Last Paid

THANK YOU FOR YOUR BUSINESS

Subtotal: $900.00
Tax: $0.00
Total Paid: $900.00
Total Amount: $900.00
Bill-To:
ERIE COUNTY WATER AUTHORITY
295 MAIN ST RM 350
BUFFALO, NY 14203
United States

Attention:
Name: SCOTT AIPEL
Email: saiple@ecwa.org

Sales Contact:
Name: Jennifer Paluch
Email: jenn.paluch@siacomm.com
Phone: 7168922900

Contract Number: NEW YORK STATE CONTRACT
Freight terms: FOB Destination
Payment terms: Net 30 Due

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Nomenclature</th>
<th>Description</th>
<th>List price</th>
<th>Your price</th>
<th>Extended Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>DSC000065S007B</td>
<td>LPJ AND GROUNDING KIT (1 KIT PER ODR)</td>
<td>$400.00</td>
<td>$340.00</td>
<td>$340.00</td>
</tr>
<tr>
<td>2</td>
<td>752</td>
<td>SVC03SVC0104D</td>
<td>INFRASTRUCTURE INSTALL</td>
<td>$1.00</td>
<td>$1.00</td>
<td>$752.00</td>
</tr>
</tbody>
</table>

(Note) 4 man hours @ $188.00/hour

Total Quote in USD $1,092.00

PRICING IS BASED ON NYS CONTRACT PT67405 - THIS ITEM IS NOT LISTED ON THE CONTRACT AS THE CONTRACT HAS NOT BEEN UPDATED TO ADD NEW PART NUMBERS. THIS IS BEING OFFERED AT THE EQUIVALENT DISCOUNT OF SIMILAR ITEMS THAT DO APPEAR.

PO Issued to Motorola Solutions Inc. must:
> Be a valid Purchase Order (PO)/Contract/Notice to Proceed on Company Letterhead. Note: Purchase Requisitions cannot be accepted
> Have a PO Number/Contract Number & Date
> Identify "Motorola Solutions Inc." as the Vendor
> Have Payment Terms or Contract Number
> Be issued in the Legal Entity's Name
> Include a Bill-To Address with a Contact Name and Phone Number
> Include a Ship-To Address with a Contact Name and Phone Number
> Include an Ultimate Address (only if different than the Ship-To)
> Be Greater than or Equal to the Value of the Order
> Be in a Non-Editable Format
> Identify Tax Exemption Status (where applicable)
> Include a Signature (as Required)