

MINUTES OF THE REGULAR MEETING

OF THE

BUFFALO SEWER AUTHORITY

January 13, 2021

BUFFALO SEWER AUTHORITY

January 13, 2021

REGULAR MEETING **9:00 A.M.** **VIA TELECONFERENCE**
+ 1 929-229-5044 United States, New York City
Phone Conference ID: 680 526 0#

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Attachment A Report on Fiscal Year 2020-21 Rates and Charges for Sewer Services

Attachment B Comprehensive Annual Financial Report

Attachment C Annual Investment Report

CALL OF THE ROLL

Present:	<u>Herbert L. Bellamy, Jr.</u>	<u>Chairman</u>
	<u>Christopher Roosevelt</u>	<u>Vice Chairman</u>
	<u>Eleanor Petrucci</u>	<u>Assistant Vice Chairman</u>
	<u>Oluwole A. McFoy, P.E.</u>	<u>General Manager</u>
	<u>Ronald Brown</u>	<u>Executive Secretary</u>
	<u>Thomas Smith</u>	<u>Secretary to the General Manager</u>
	<u>Gelea James</u>	<u>Director of Employee Relations</u>
	<u>Allison Lack, Esq.</u>	<u>General Counsel (BSA)</u>
	<u>LaToya Cunningham</u>	<u>Special Assistant</u>
	<u>Roberta Gaick, P.E.</u>	<u>Treatment Plant Administrator</u>
	<u>Alex Emmerson</u>	<u>Acting Treatment Plant Supt.</u>
	<u>Paul Harris</u>	<u>Supt. Mechanical Maintenance</u>
	<u>Barbara Miller-Williams</u>	<u>Comptroller – City of Buffalo</u>
	<u>Delano Dowell</u>	<u>Special Assistant to the Comptroller</u>
	<u>Laura Surdej</u>	<u>Erie County Dept. of Sewerage</u>
Absent:	<u>none</u>	

The meeting was called to order at 9:06 AM. A quorum was present.

ITEM NO. 1

Motion to Adopt the Minutes of the Meeting of December 16, 2020

MOTION TO	<u>ADOPT</u>
MADE BY	<u>MS. PETRUCCI</u>
2 ND BY	<u>MR. ROOSEVELT</u>
AYES	<u>3</u> NOES <u>0</u>

Board Meeting of January 13, 2021

ITEM NO. 2

INFORMATIVE: TEMPORARY INVESTMENTS (CERTIFICATES OF DEPOSIT AND TREASURY BILLS)
MARKET VALUE

As of December 31, 2020

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
CONSTRUCTION/CAPITAL IMPROVEMENT FUND						
31-Jul-12	Money Market		\$302,299.15	Key	0.01%	Public NOW
01-Nov-19	Money Market		\$10,259,664.04	Bank on Buffalo	0.15%	
28-Sept-20	29-Mar-21	183	\$8,006,063.34	Key Banc Capital	0.38%	\$15,386.18
30-Sep-20	30-Mar-21	182	\$5,835,835.04	Key Banc Capital	0.31%	\$9,099.17
03-Nov-20	03-May-21	181	\$10,112,738.90	Key Banc Capital	0.41%	\$20,861.26
09-Nov-20	13-Jan-21	65	\$4,599,867.11	Key Banc Capital	0.11%	\$913.61
20-Nov-20	20-May-21	181	\$6,394,773.31	Key Banc Capital	0.35%	\$11,262.22
01-Dec-20	18-Feb-21	79	\$2,099,656.99	Key Banc Capital	0.12%	\$553.00
			<u>\$47,610,897.88</u>			
LIABILITY AND CASUALTY RESERVE FUND						
31-Jul-12	Money Market		\$100,956.12	Key	0.01%	Public NOW
11-Dec-19	Money Market		\$916,264.17	Bank on Buffalo	0.15%	
			<u>\$1,017,220.39</u>			
OPERATING FUND						
31-Jul-12	Super NOW		\$4,082,348.42	Key	0.01%	Public NOW
TRUST & AGENCY FUND						
31-Jul-12	Super NOW		\$7,082.22	Key	0.01%	Public NOW
SURPLUS FUND						
			\$234.34	Wilmington US Treasury		
14-Dec-20	14-Jun-21	182	\$10,004,367.41	Key Banc Capital	0.21%	\$10,632.59
			\$1,052.09	Accrued Income		
			<u>\$10,005,653.84</u>			
NET REVENUE FUND						
			\$0.00	Wilmington US Treasury		
30-Sep-20	30-Mar-21	182	\$5,999,634.31	Key Banc Capital	0.31%	\$9,365.69
22-Oct-20	20-Jan-21	90	\$1,099,697.50	Key Banc Capital	0.11%	\$302.50
09-Nov-20	27-Jan-21	79	\$2,629,192.01	Key Banc Capital	0.14%	\$807.99
03-Nov-20	03-May-21	181	\$4,996,678.63	Key Banc Capital	0.41%	\$10,321.37
30-Nov-20	26-Apr-21	147	\$2,798,285.00	Key Banc Capital	0.15%	\$1,715.00
08-Dec-20	26-May-21	169	\$1,998,497.78	Key Banc Capital	0.16%	\$1,502.22
30-Dec-20	29-Feb-21	58	\$3,599,420.00	Key Banc Capital	0.10%	\$580.00
			\$9,564.00	Accrued Income		
			<u>\$23,130,969.23</u>			

DEBT RESERVE FUND

				Series J	
02-Jul-14	13-Nov-33	7076	\$515,879.00	UST State/Local Govt	2.70%
			\$1,808.43	Accrued Income	
			<u>\$517,687.43</u>		
				Series K	
02-Jul-14	15-Feb-33	5803	\$361,415.00	UST State/Local Govt	2.70%
			\$3,685.84	Accrued Income	
			<u>\$365,100.84</u>		
				Series L	
12-Nov-15	01-Oct-35	7263	\$689,547.00	UST State/Local Govt	2.44%
			\$4,252.46	Accrued Income	
			<u>\$693,799.46</u>		
				Series M	
27-Jun-14	01-May-44	10901	\$595,613.00	UST State/Local Govt	2.70%
			\$2,709.87	Accrued Income	
			<u>\$598,322.87</u>		
				Series N	
15-Nov-12	15-Apr-32	7091	\$2,167,157.00	UST State/Local Govt	2.42%
			\$11,238.26	Accrued Income	
			<u>\$2,178,395.26</u>		
			\$0.01	DSF PRIN & INT	
				Wilmington Fund	

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Board Meeting of January 13, 2021

ITEM NO. 3

INFORMATIVE: REALLOCATION OF FUNDS

The following budgetary transfers have been made to cover unforeseen shortages. These transfers do not change the total amount of the Buffalo Sewer Authority's operating budget.

Wastewater Treatment Plant

12/4/2020	00230106 GRIT Repairs	\$8,000.00	00270106 GAS Repairs to Equipment	-\$8,000.00
12/14/2020	00370105 Centrifuge Equipment Maintenance	\$9,000.00	00330105 FINA Equipment Maintenance	-\$9,000.00
12/21/2020	00370105 Centrifuge Equipment Maintenance	\$50,000.00	00220105 Screen Equipment Maintenance	-\$50,000.00

Sewer Maintenance

12/14/2020	00670105 SWRC Equipment Maintenance	\$750.00	00660105 SWRR Equipment Maintenance	-\$750.00
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Industrial Waste

12/14/2020	00550106 PLAN MISC	\$1,200.00	00550105 IWS LAB Supplies	-\$1,200.00
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General Financial Charges

12/22/2020	00800183 FIN Contingency	\$650,000.00	00520106 Main Maintenance Contract	-\$650,000.00
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RECEIVE & FILE

Board Meeting of January 13, 2021

ITEM NO. 4

INFORMATIVE: REPORT ON THE CONDITION OF THE LIABILITY AND CASUALTY RESERVE FUND

The Resolution that created the Liability and Casualty Reserve Fund provides that:

“The General Manager shall regularly and not less than semi-annually render to the Board a detailed report of the operation and condition of the Liability and Casualty Reserve Fund.”

Fund Balance as of June 30, 2020	\$1,019,399.48
Interest Earnings	\$,1710.00
Claims Paid	\$33,841.82
Transfer from Operating Fund	\$30,000.00
Fund Balance as of December 31, 2020	<u>\$1,017,267.66</u>

The Resolution that created the Liability and Casualty Reserve Fund provides that:

“When the amount of the Liability and Casualty Reserve Fund reaches the sum of \$1,000,000.00, no further additions shall be made thereto until the Fund has been reduced below \$1,000,000.00”.

Because the balance of the Liability and Casualty Reserve Fund was below \$1,000,000.00, a transfer in the amount of \$30,000.00 was made from the Operating Fund on November 19, 2020.

During the period of July 1, 2020 – December 31, 2020 the B.S.A. settled five (5) claims, resulting in a cash payment from the Buffalo Sewer Authority for \$33,841.82. No claims were denied in this time period.

Total Active Claims Pending as of December 31, 2020

Bodily Injury	13
Property Damage	13
Auto B.I. & P.D	1
Other Liability	<u>0</u>
Total	27

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Board Meeting of January 13, 2021

ITEM NO. 5

INFORMATIVE: REPORT ON FISCAL YEAR 2020-21 RATES AND CHARGES FOR SEWER SERVICES

Periodically a report on the rates and charges for sewer service is prepared for the Buffalo Sewer Authority. This report presents findings regarding the revenue requirements of the sewer system and the adequacy of the budgeted sewer rates and charges.

The Report on Fiscal Year 2020-21 Rates and Charges for Sewer Services (Attachment A) has been made available to your Honorable Body.

This report has been reviewed by the Audit Committee for the Buffalo Sewer Authority Board and is presented to the Board for their information to be acknowledged, received and filed.

RECEIVE AND FILE

Board Meeting of January 13, 2021

ITEM NO. 6

APPROVAL OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT AND THE ANNUAL INVESTMENT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2020

WHEREAS: New York State Public Authorities Law requires the Comprehensive Annual Financial Report and the Annual Investment Report of the Buffalo Sewer Authority to be approved by the Board; and

WHEREAS: The Comprehensive Annual Financial Report (Attachment B) and the Annual Investment Report (Attachment C) of the Buffalo Sewer Authority have been made available to your Honorable Body.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approves and adopts the Comprehensive Annual Financial Report and the Annual Investment Report for the fiscal year ended June 30, 2020.

MOTION TO APPROVE

MADE BY MR. ROOSEVELT

2ND BY MS. PETRUCCI

AYES 3 NOES 0

Board Meeting of January 13, 2021

ITEM NO. 7

SUPPLEMENTAL SEWER SYSTEM REVENUE BOND RESOLUTION SEWER SYSTEM REVENUE BONDS, SERIES 2021 (EFC)

**EXTRACT OF MINUTES
Meeting of the Buffalo Sewer Authority
of the City of Buffalo, County of Erie, New York
January 13, 2021**

A regular meeting of the Buffalo Sewer Authority of the City of Buffalo, in the County of Erie, New York, was held via teleconference on January 13, 2021, at 9:00 o'clock A.M. (Prevailing Time)

There were present: 15

Members: 3

There were absent: 0

Also present:

Member Mr. Roosevelt offered the following resolution and offered its adoption:

2ND BY MS. PETRUCCI
AYES 3 NOES 0

Board Meeting of January 13, 2021

BUFFALO SEWER AUTHORITY

**Supplemental Sewer System Revenue Bond Resolution
Authorizing \$7,936,830
Sewer System Revenue Bonds, Series 2021 (EFC)**

Adopted: January 13, 2021

BUFFALO SEWER AUTHORITY**Supplemental Sewer System Revenue Bond Resolution
Authorizing \$7,936,830
Sewer System Revenue Bonds, Series 2021 (EFC)**

BE IT RESOLVED by the Board of the Buffalo Sewer Authority (the "Authority") as follows:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 101. Short Title. This resolution may hereafter be cited by the Authority and is herein referred to as the 2021 EFC Supplemental Resolution.

Section 102. Definitions.

(A) All terms which are defined in Section 102 of the resolution adopted by the Authority on June 29, 1977 and entitled "Sewer System Revenue Bond Resolution" (the "Resolution"), as heretofore amended, shall have the same meanings, respectively, in this 2021 EFC Supplemental Resolution as such terms are given in said Section of the Resolution.

(B) In this 2021 EFC Supplemental Resolution:

"2021 EFC Supplemental Resolution" shall mean this Supplemental Sewer System Revenue Bond Resolution Authorizing Sewer System Revenue Bonds, Series 2021 (EFC).

"Corporation" shall mean the New York State Environmental Facilities Corporation, a body corporate and politic constituting a public benefit corporation, established and existing under and by virtue of the laws of the State of New York.

"Project Finance Agreement" shall mean the project finance agreement to be entered into between the Authority and the Corporation relating to the Series 2021 (EFC) Bonds, in substantially the form presented to this meeting, as the same may be amended and supplemented from time to time.

"Series 2021 (EFC) Bonds" means the Sewer System Revenue Bonds, Series 2021 (EFC), authorized by, and the terms, conditions and other details of issuance of which are to be determined as set forth in, this 2021 EFC Supplemental Resolution.

Section 103. Authority for This 2021 EFC Supplemental Resolution. This 2021 EFC Supplemental Resolution is adopted pursuant to the provisions of the Act and the Resolution.

Section 104. Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Series 2021 (EFC) Bonds by the Corporation, the provisions of this 2021 EFC

Supplemental Resolution shall be a part of the Project Finance Agreement and shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the Corporation.

ARTICLE II

AUTHORIZATION OF THE SERIES 2021 (EFC) BONDS AND
DETERMINATION OF CERTAIN TERMS OF THE SERIES 2021 (EFC) BONDS

Section 201. 2021 EFC Supplemental Resolution. This 2021 EFC Supplemental Resolution is supplemental to, and is adopted in accordance with, Article II and Article VIII of the Resolution.

Section 202. Principal Amount, Designation and Series. Pursuant to the provisions of the Resolution, a Series of Bonds (the "Series 2021 (EFC) Bonds") entitled to the equal benefit, protection and security thereof, is hereby authorized, and shall be issued in an aggregate principal amount of \$7,936,830, as set forth in the Project Finance Agreement. The Series 2021 (EFC) Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "Sewer System Revenue Bonds, Series 2021 (EFC)".

Section 203. Purposes. The Series 2021 (EFC) Bonds are issued to provide moneys for the making of deposits in the amounts, if any, required by the Project Finance Agreement or by the Resolution or this 2021 EFC Supplemental Resolution into the Construction Fund and any other Funds and Accounts established pursuant to Article V of the Resolution, this 2021 EFC Supplemental Resolution or the Project Finance Agreement. The proceeds of the Series 2021 (EFC) Bonds shall provide permanent long-term financing for the Smith Street CSO No. 26 Project (CWSRF Project Nos. C9-6602-22-00 and C9-6602-22-01), and all roadways, connections, structures, equipment, apparatus and other property necessary or desirable for efficient construction and operation of such sewerage facilities, subject to any modifications and revisions approved by the Authority as necessary or desirable for the purposes of the Authority or the Sewer System under the Act; and will also fund required debt service reserve funds and costs of issuance in connection with such financing to the extent set forth in the Project Finance Agreement.

Section 204. Date, Maturities and Interest Rates. The Series 2021 (EFC) Bonds shall be dated and shall mature and accrue interest in accordance with the Project Finance Agreement. The Series 2021 (EFC) Bonds will be payable as to principal and interest at the principal office of the Paying Agent to the registered owner thereof at its address set forth on the books of the Authority maintained by the Trustee for registration of the Series 2021 (EFC) Bonds. For so long as the Corporation is the registered owner of the Series 2021 (EFC) Bonds, the Corporation may, by written instruction to the Paying Agent, direct the Paying Agent to pay any principal of or interest on the Series 2021 (EFC) Bonds to any bank acting as custodian of the Corporation. The principal of and interest on the Series 2021 (EFC) Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

Section 205. Form, Denominations, Numbers and Letters. The Series 2021 (EFC) Bonds maturing in any particular year shall be issued in the form of fully registered bonds, in the denominations set forth in the Project Finance Agreement. The Series 2021 (EFC) Bonds shall be lettered R, and numbered from one consecutively upward. Alternatively, at the request of the Corporation, the Series 2021 (EFC) Bonds may be issued as one or more installment bonds providing for payments of principal and interest identical to those which would be required if a separate bond or bonds were issued for each stated maturity, or as one or more term bonds with mandatory sinking fund installments, or as a combination of serial bonds, installment bonds and term bonds.

Section 206. Sinking Fund Installments. Sinking Fund Installments are hereby established for the Series 2021 (EFC) Bonds to the extent, if any, required by the Project Finance Agreement.

Section 207. Redemption. The Series 2021 (EFC) Bonds shall be subject to mandatory and optional redemption to the extent, if any, provided in the Project Finance Agreement.

Section 208. Registration and Transfer of the Series 2021 (EFC) Bonds. The Series 2021 (EFC) Bonds shall be initially issued in the form of separate single authenticated fully registered bonds in the amount of each separate stated maturity of the Series 2021 (EFC) Bonds registered in the name of the Corporation. Alternatively, at the request of the Corporation, the Series 2021 (EFC) Bonds may be issued as one or more installment bonds providing for payments of principal and interest identical to those which would be required if a separate bond or bonds were issued for each stated maturity, or as one or more term bonds with mandatory sinking fund installments, or as a combination of serial bonds, installment bonds and term bonds, all fully registered in the name of the Corporation.

ARTICLE III

SALE AND DISPOSITION OF PROCEEDS AND OTHER AMOUNTS

Section 301. Determination as to Private Sale. The Authority being of the opinion that it is in the best interests of the Authority to finance the purposes for which the Series 2021 (EFC) Bonds are to be issued through the Clean Water State Revolving Fund administered by the Corporation, due to the favorable financing terms available thereunder, and upon the favorable recommendation of the Authority's independent financial advisor, the Authority hereby determines pursuant to Section 1187 of the Act (subject to the approval of the New York State Comptroller pursuant to said Section 1187) that the private sale of the Series 2021 (EFC) Bonds is in the best interests of the Authority.

Section 302. Sale of the Series 2021 (EFC) Bonds.

(A) The Project Finance Agreement relating to the Series 2021 (EFC) Bonds by and between the Authority and the Corporation, substantially in the form presented at this meeting and hereby made a part of this 2021 EFC Supplemental Resolution as though set forth in full herein, is hereby approved; provided that any changes, insertions and omissions thereto, including a change in the principal amount of the Series 2021 (EFC) Bonds, may be made and approved by the Chairman, the Vice-Chairman or the General Manager of the Authority. The Chairman, the Vice-Chairman or the General Manager of the Authority are hereby authorized to execute and deliver the Project Finance Agreement with such changes, insertions and omissions as may be approved by such Chairman, Vice-Chairman or General Manager, and such execution shall be conclusive evidence of any approval required by this subsection 302(A). The Series 2021 (EFC) Bonds are hereby authorized to be sold to the Corporation on the terms and conditions as set forth in the Project Finance Agreement and the Notice of Terms to be delivered thereunder and approved by the Chairman, Vice-Chairman or General Manager. The authority to make any and all determinations as to the terms, conditions and details of issuance of the Series 2021 (EFC) Bonds is hereby delegated to the Chairman, Vice-Chairman, or General Manager.

(B) The Chairman, Vice-Chairman, General Manager, Comptroller, Chief Fiscal Officer, Secretary, Assistant Secretary, if any, Executive Secretary and General Counsel (the "Authorized Representatives") of the Authority are hereby severally authorized to execute and deliver any and all papers, instruments, opinions, certificates, affidavits, and other documents and to do and cause to be done all acts and things necessary, convenient or proper for carrying out the Resolution, this 2021 EFC Supplemental Resolution, the Project Finance Agreement and the issuance, sale and delivery of the Series 2021 (EFC) Bonds.

Section 303. Disposition of Proceeds of the Series 2021 (EFC) Bonds. The proceeds of sale of the Series 2021 (EFC) Bonds shall be applied in accordance with applicable provisions of the Resolution and the Project Finance Agreement. To the extent any proceeds are required to be deposited into the Construction Fund, such proceeds will be disbursed as provided in the Resolution and in the Project Finance Agreement, including Section 3.5 thereof. Disbursements of proceeds of the Series 2021 (EFC) Bonds held in the Construction Fund will be disbursed by the Trustee only upon submission by the Authority of a requisition to the Trustee for such proceeds for Project Costs (as defined in the Project Finance Agreement) substantially in the form attached as Appendix One to Exhibit K of the Project Finance Agreement. Further, the Trustee shall not make any disbursement unless the requisition