

MINUTES OF THE REGULAR MEETING
OF THE
BUFFALO SEWER AUTHORITY
December 11, 2002

BUFFALO SEWER AUTHORITY

December 11, 2002

REGULAR MEETING

9:00 A.M.

1038 CITY HALL

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CALL OF THE ROLL

49471

Present: Herbert L. Bellamy, Jr.
Rev. Msgr. John R. Gabalski
John D. Kennedy, Sr.
Anthony A. Hazzan
Margaret Burke
Pamela DiPalma
Salvatore LoTempio
Frank DiMascio, P.E.
Joseph Baudo
Anthony Barone
Frank Belliotti
Nicole Elliott

Chairman
Vice Chairman
Secretary
General Manager
Executive Secretary
Director of Employee Relations
Treatment Plant Superintendent
Principal Sanitary Engineer
Engineering Dept.
Director of Sewer Maintenance
City Auditor
Erie Co. Environment & Planning

Absent: James Naples
Rodney Richardson

Asst. Vice Chairman
Asst. Secretary

The meeting was called to order at 9:15 A.M. A quorum was present.

ITEM NO. 1

Motion to Adopt the Minutes of the Meeting of November 13, 2002

MOTION TO ADOPT
MADE BY MR. KENNEDY
2ND BY MSGR. GABALSKI
AYES 3 NOES 0

Board Meeting of December 11, 2002

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

November 30, 2002

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
CAPITAL IMPROVEMENT FUND						
15-Apr-02	MONEY MARKET		\$ 516,165.21	CHASE	2.00%	Erie Co.High Yield
CONSTRUCTION FUND						
08-Apr-02	MONEY MARKET		\$ 3,711,476.90	CHASE	2.00%	Erie Co.High Yield
SERIES 2001 BOND ANTICIPATION NOTES						
08-Apr-02	MONEY MARKET		\$ 637,894.77	CHASE	2.00%	Erie Co.High Yield
LIABILITY AND CASUALTY RESERVE FUND						
22-Apr-02	MONEY MARKET		\$ 1,285,449.65	CHASE	2.00%	Erie Co.High Yield
OPERATING FUND						
08-Apr-02	MONEY MARKET		\$ 3,405,099.24	CHASE	2.00%	Erie Co.High Yield
SURPLUS FUND						
28-Jun-02	31-Dec-02	186	\$2,362,665.00	CHASE	1.80%	\$21,972.78
NET REVENUE FUND						
25-Jun-02	31-Dec-02	189	\$2,900,000.00	M&T	1.76%	\$26,796.00
28-Jun-02	31-Dec-02	186	\$1,881,275.00	CHASE	1.80%	\$17,495.86
25-Jul-02	31-Dec-02	159	\$5,965,000.00	CHASE	1.80%	\$47,421.75
26-Aug-02	31-Dec-02	127	\$3,100,000.00	M&T	1.60%	\$17,497.78
26-Sep-02	31-Dec-02	96	\$2,000,000.00	CHASE	1.65%	\$8,800.00
25-Oct-02	31-Dec-02	67	\$1,100,000.00	M&T	1.65%	\$3,377.92
25-Nov-02	31-Dec-02	36	\$1,500,000.00	CHASE	1.25%	\$1,875.00
			\$18,446,275.00			
DEBT RESERVE FUND						
SERIES F						
01-Jul-02	31-Dec-02	183	\$1,221,434.14	U.S.TREAS.NOTES	5.125%	
			(1,201,000.00 units)			
14-Jul-93	13-Jul-03		\$7,622,950.00	CITIBANK	5.54%	
			\$8,844,384.14			

RECEIVE & FILE

ITEM NO. 3

THE EIGHTH SUPPLEMENTAL SEWER SYSTEM REVENUE BOND RESOLUTION
SEWER SYSTEM REVENUE BONDS, SERIES H**EXTRACT OF MINUTES**
Meeting of the Buffalo Sewer Authority
of the City of Buffalo, County of Erie, New York
December 11, 2002

A regular meeting of the Buffalo Sewer Authority of the City of Buffalo, in the County of Erie, New York, was held at City Hall, Buffalo, New York, on December 11, 2002, at 9:00 o'clock A.M. (Prevailing Time)

There were present:

Members: 3

There were absent: 2

Also present:

Member Gabalski offered the following resolution and offered its adoption:

2ND BY MR. KENNEDY
AYES 3 NOES 0

Board Meeting of December 11, 2002

BUFFALO SEWER AUTHORITY

**Eighth Supplemental Sewer System Revenue Bond Resolution
Authorizing Up To \$32,000,000
Sewer System Revenue Bonds, Series H**

Adopted: December 11, 2002

BUFFALO SEWER AUTHORITY

Eighth Supplemental Sewer System Revenue Bond Resolution
Authorizing Up To \$32,000,000
Sewer System Revenue Bonds, Series H

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 Eighth 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 Eighth Supplemental Resolution as such terms are given in said Section of the Resolution.

(B) In this Eighth Supplemental Resolution:

“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.

“Eighth Supplemental Resolution” shall mean this Eighth Supplement Sewer System Revenue Bond Resolution.

“Project Finance Agreement” or “PFA” shall mean the project finance agreement to be entered into between the Authority and the Corporation relating to the Series H Bonds, in substantially the form presented to this meeting, as the same may be amended and supplemented from time to time.

“Series H Bonds” means the Sewer System Revenue Bonds, Series H, authorized by, and the terms, conditions and other details of issuance of which are to be determined as set forth in, this Eighth Supplemental Resolution.

Section 103. Authority for This Eighth Supplemental Resolution. This Eighth 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 H Bonds by the Corporation, the provisions of this Eighth 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 H BONDS AND
DETERMINATION OF CERTAIN TERMS OF THE SERIES H BONDS

Section 201. Eighth Supplemental Resolution. This Eighth 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 H Bonds") entitled to the equal benefit, protection and security thereof, is hereby authorized, and shall be issued in an aggregate principal amount not to exceed \$32,000,000, as set forth in the Project Finance Agreement. The Series H Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series, by the title "Sewer System Revenue Bonds, Series H".

Section 203. Purposes. The Series H 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 Eighth Supplemental Resolution into the Construction Fund and any other Funds and Accounts established pursuant to Article V of the Resolution, this Eighth Supplemental Resolution or the Project Finance Agreement.

Section 204. Date, Maturities and Interest Rates. The Series H Bonds shall be dated and shall mature and accrue interest in accordance with the Project Finance Agreement. The Series H 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 H Bonds. For so long as the Corporation is the registered owner of the Series H 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 H Bonds to any bank acting as custodian of the Corporation. The principal of and interest on the Series H 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 H Bonds maturing in any particular year shall be issued in the form of fully registered bonds, in the denomination of \$5,000 or any multiple thereof not exceeding the aggregate principal amount of Series H Bonds maturing in such year. The Series H Bonds shall be lettered HR, and numbered from one consecutively upward. Alternatively, at the request of the Corporation, the Series H Bonds may be issued as a single installment bond 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.

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

Section 207. Redemption. The Series H 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 H Bonds. The Series H Bonds shall be initially issued in the form of a separate single authenticated fully registered bond in the amount of each separate stated maturity of the Series H Bonds registered in the name of the New York State Environmental Facilities Corporation. Alternatively, at the request of the Corporation, the Series H Bonds may be issued as a single installment bond 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.

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 H 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 H Bonds is in the best interests of the Authority.

Section 302. Sale of the Series H Bonds.

(A) The Project Finance Agreement relating to the Series H Bonds by and between the Authority and the Corporation, substantially in the form presented at this meeting and hereby made a part of this Eighth 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 H 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 PFA 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 H Bonds are hereby authorized to be sold to the Corporation on the terms and conditions as set forth in the PFA 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 H Bonds are 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 Eighth Supplemental Resolution, the PFA and the issuance, sale and delivery of the Series H Bonds.

Section 303. Disposition of Proceeds of the Series H Bonds. The proceeds of sale of the Series H 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 H 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 PFA) substantially in the form attached as Appendix One to Exhibit K of the PFA. Further, the Trustee shall not make any disbursement unless the requisition for such disbursement shall have been approved by the Corporation; provided, however, that if the Corporation shall not expressly approve or deny such requisition within ten (10) Business Days (as defined in the PFA) of its receipt, then the Corporation shall be deemed to have approved such requisition at 9:00 a.m. on the eleventh Business Day next succeeding actual receipt of the request by the Corporation.

Section 304. Tax Covenants. (A) The Authority shall not permit at any time or times any of the proceeds of the Series H Bonds or any other funds of the Authority to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Series H Bond to be an “arbitrage bond” as defined in Section 148 of the Internal Revenue Code of 1986, as amended (herein in this Section called the “Code”).

(B) The Authority shall not permit at any time or times any proceeds of the Series H Bonds or any other funds of the Authority to be used, directly or indirectly, in a manner which would result in the exclusion of any Series H Bond from the treatment afforded by Section 103(a) of the Code, as from time to time amended, or result in the classification of any Series H Bond as a “private activity bond” within the meaning of Section 141 of the Code.

(C) The Authority will comply with the provisions and procedures of the Arbitrage and Use of Proceeds Certificate to be delivered concurrently with the delivery of the Series H Bonds, and it will do and perform all acts and things necessary or desirable to assure that interest paid on the Series H Bonds is excludable from gross income under Section 103 of the Code.

ARTICLE IV
FORM AND EXECUTION

Section 401. Form of the Series H Bonds. Subject to the provisions of the Resolution, the Series H Bonds shall be executed in substantially the following form:

REGISTERED

REGISTERED

No. HR-

\$ _____

BUFFALO SEWER AUTHORITY
SEWER SYSTEM REVENUE BOND, SERIES H

MATURITY
DATE

INTEREST
RATE

DATE OF
ORIGINAL ISSUE

REGISTERED OWNER:

PRINCIPAL SUM:

DOLLARS AND NO CENTS

BUFFALO SEWER AUTHORITY (the "Recipient"), a body corporate and politic constituting a public benefit Corporation organized and existing under the laws of the State of New York, acknowledges itself indebted to, and for value received, hereby promises to pay solely from the revenues pledged under and pursuant to the Resolution hereinafter mentioned to the Registered Owner stated hereon, or registered assigns, the Principal Sum stated hereon on the Maturity Date hereof, unless redeemed prior thereto as hereinafter provided, upon the presentation and surrender hereof (i) for so long as this Bond is held by or for the benefit of New York State Environmental Facilities Corporation (the "Corporation") or of holders of its bonds, at either of the principal corporate trust office in Buffalo, New York or at the paying agency office in New York, New York, of Manufacturers and Traders Trust Company, as Paying Agent (the "Paying Agent"), or (ii) at any time thereafter, at the corporate trust office in Buffalo, New York, of Manufacturers and Traders Trust Company, as Trustee (the "Trustee"), or at the principal corporate trust office of any successor thereto, and to pay to the Registered Owner hereof by check or draft mailed to the Registered Owner at his address as it shall appear on the 15th day of the month preceding the interest payment date on the bond registry kept by the Trustee, interest on such Principal Sum from the Bond Date to the date of maturity or earlier redemption of

this Bond at the Interest Rate per annum, payable semi-annually on the 15th day of April and the 15th day of October of each year, commencing April 15, 2004. Principal of, redemption premium, if any, and interest on this Bond are payable in any coin or currency of the United States of America which on the respective dates of payment hereof, shall be legal tender for the payment of public and private debts.

This Bond is one of a duly authorized series of bonds (the "Bonds") of the Buffalo Sewer Authority (the "Recipient") designated "Sewer System Revenue Bonds, Series H" in the aggregate principal amount of \$_____ which are issued to provide moneys for the making of deposits in the amounts, if any, required by the Resolution (as defined below) and to finance improvements to the municipal sewer system of the City of Buffalo. The Bonds are issued pursuant to the provisions of the Buffalo Sewer Authority Act, Title 8 of Article 5 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as amended (the "Act"), a Sewer System Revenue Bond Resolution (as amended, the "General Resolution") duly adopted by the Recipient on June 29, 1977, and an Eighth Supplemental Resolution (the "Eighth Supplemental Resolution") duly adopted by the Authority on December 11, 2002 (the General Resolution and the Eighth Supplemental Resolution being collectively referred to herein as the "Resolution"). A copy of the Resolution is on file at the office of the Recipient in the City of Buffalo, New York and at the corporate trust office in Buffalo, New York, of the Trustee. Reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the registered owners of the bonds with respect thereto and the terms and conditions upon which the bonds are issued and additional bonds may be issued in additional series for the purpose of providing sufficient funds for the capital costs of the Authority's sewer system or for the purpose of refunding Outstanding Bonds.

This Bond and the issue of which it forms a part are special obligations of the Recipient payable solely from revenues and other moneys pledged for such payment pursuant to the Act and the Resolution. This Bond and the issue of which it forms a part shall not in any respect be a general obligation of the Recipient to which the full faith and credit of the Recipient is pledged and shall not in any manner or to any extent constitute or be a charge upon any moneys or property of the Recipient not specifically pledged thereto by the Resolution. The Recipient has no taxing power. This Bond is not a debt of the State of New York or the City of Buffalo within the meaning of any statutory or constitutional provisions, nor of any political subdivision of the State of New York, other than the Recipient, or the United States of America. Neither the State of New York, any political subdivision of the State of New York, other than the Recipient, nor the United States of America shall be liable on this Bond. This Bond will not constitute a pledge of the faith and credit of the State of New York, the City of Buffalo, or of any political subdivision of the State of New York, other than the Recipient, nor shall this Bond be payable out of funds or properties other than those of the Recipient set forth in the Resolution. The issuance of this Bond will not obligate the State of New York or any of its political subdivisions or the United States of America to levy or pledge the receipts from any form of taxation for the payment of this Bond.

Neither the officers of the Recipient nor any person executing this Bond shall be liable personally or be subject to any personal liability or accountability by reason of the issuance hereof.

This Bond is transferable or exchangeable, as provided in the Resolution, only upon the books of the Recipient kept for that purpose at the corporate trust office in Buffalo, New York of the Trustee by the Registered Owner hereof in person, or by his duly authorized attorney, upon surrender of this Bond (together with a written instrument of transfer satisfactory to the Trustee duly executed by the Registered Owner or his duly authorized attorney), and thereupon a new registered Bond or Bonds, without coupons, in the same aggregate principal amount and of the same maturity, shall be issued to the transferee or the Registered Owner in exchange therefor in the manner, subject to the conditions and upon payment of the charges, if any, provided in the Resolution. The Recipient and the Trustee (or other fiduciary) may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever.

The Bonds are issuable in the form of registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof, not exceeding the aggregate principal amount of Bonds stated to mature in the year of stated maturity of the Bond for which the denomination of the Bond is to be specified.

On or after _____, 20__ at the option of the Recipient, the Bonds maturing after _____, 20__, shall be subject to redemption prior to maturity, in whole at any time or in part in principal amounts of \$5,000 or integral multiples thereof on any interest payment date, from any moneys available therefor, in such order of maturities as shall be determined by the Recipient, at a redemption price, in either case, equal to the principal amount of such Bonds to be redeemed, together with (i) the Applicable Redemption Premium and (ii) the accrued and unpaid interest on the principal amount to be redeemed to the date fixed for redemption. As used herein "Applicable Redemption Premium" with respect to any maturity of the Bonds to be redeemed means four percent (4%) of the principal amount of the Bonds to be redeemed or such lesser redemption premium as is specified in the Notice of Terms (as defined in the Project Finance Agreement dated as of _____, 2003 between the Corporation and the Recipient) for such maturity and redemption date.

Notwithstanding the foregoing, no Bond or portion of a Bond that is not in an amount which is an integral multiple of \$5,000 shall be subject to such redemption at the option of the Recipient without the express written consent of the Corporation.

Any such redemption, either as a whole or in part, shall be made upon at least sixty (60) days and no more than seventy-five (75) days prior written notice to (i) the Corporation and to the trustee for the Corporation's State Clean Water and Drinking Water Revolving Funds Revenue Bonds, Series ____ (the "Corporation Bonds"), during any period when the bonds are held by or for the benefit of the Corporation or of holders of the Corporation Bonds, or (ii) any successor holder of this Bond at any time thereafter. The failure to give any such notice, or any defect therein, will not affect the validity of any proceeding for the redemption of any bond with respect to which no such failure to give notice, or defect therein, has occurred.

The moneys necessary for any redemption of Bonds shall be paid to or deposited with (i) the Paying Agent during any period when the Bonds are held for the benefit of the holders of the Corporation Bonds, and (ii) the Trustee during any period when the Bonds are otherwise held, in either case on or prior to the redemption date. All Bonds called for redemption will cease to bear interest on the specified redemption date, provided funds sufficient for the redemption of such Bonds are on deposit with the Trustee or Paying Agent, as appropriate. If such moneys are not available on the redemption date, the Bonds or portions thereof will continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

The General Resolution permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Recipient and the rights of the holders of the bonds at any time by the Recipient with the consent of the holders of not less than two-thirds in aggregate principal amount of the bonds at the time outstanding thereunder. Any such consent shall be conclusive and binding upon each such holder and upon all future holders of each bond and of any such bond issued upon the transfer or exchange thereof, whether or not notation of such consent is made thereon. The General Resolution also contains certain provisions permitting the Trustee to waive certain past defaults and their consequences. The holder of this Bond shall have no right to enforce the provisions of the Resolution, to institute action to enforce the provisions and covenants thereof or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Resolution.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and statutes of the State of New York and the Resolution to have happened, to exist and to have been performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed in regular and due time, form and manner as required by said Constitution, statutes and Resolution; that the series of Bonds of which this Bond is a part does not exceed any constitutional, statutory or charter limitation of indebtedness; and that provision has been made for the payment of the principal of and interest, if any, on this Bond as provided in the Resolution.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, THE BUFFALO SEWER AUTHORITY has caused this Bond to be executed in its name by its Chairman, Vice-Chairman or General Manager by his manual signature or a facsimile of his signature, to bear a facsimile of its corporate seal attested by the Secretary or Executive Secretary of the Recipient by his manual signature or a facsimile of his signature, and this Bond to be dated as of the date set forth above.

BUFFALO SEWER AUTHORITY

(SEAL)

By: _____
Chairman

Secretary

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER TAX IDENTIFYING NUMBER OF ASSIGNEE:

the within-mentioned Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney-in-fact, to transfer the same on the books of registry in the office of the within-mentioned Registrar with full power of substitution in the premises.

Dated: _____

Registered Owner

NOTE: The signature on this assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

Section 402. Certificate of Authentication. The Certificate of Authentication to be printed on each of the Series H Bonds shall be in the following form:

[CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Series H Bonds described in the within-mentioned Resolution.

MANUFACTURERS AND TRADERS
TRUST COMPANY, as Trustee

By: _____
Authorized Officer

Section 403. No Recourse on Series H Bonds. All covenants, stipulations, promises, agreements and obligations of the Authority contained in this Eighth Supplemental Resolution shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any officer or employee of the Authority in his individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Series H Bonds or for any claim based thereon or on this Eighth Supplemental Resolution, either jointly or severally against any officer or employee of the Authority or any person executing said Bonds.

ARTICLE V

FINDINGS AND DETERMINATIONS AND OTHER MATTERS

Section 501. Findings and Determinations. The Authority hereby finds and determines that the PFA is fair and reasonable and in the best interests of the Authority and that, on the basis of such finding and determination, the Series H Bonds shall be sold to the Corporation. The Authority further finds and determines that all conditions precedent to and concurrent with the acceptance of the PFA by the Authority have been met. The Authority hereby authorizes the Chairman, Vice-Chairman or General Manager of the Authority to execute and deliver, or cause to be delivered, the PFA for and on behalf of the Authority, on such and terms and conditions as the person executing the same shall determine to be customary and prudent taking into account the best interests of the Authority, including any supplements or amendments thereto, provided that the purchase price shall not be less than one hundred percent (100%) of the principal amount of the Series H Bonds sold thereunder. The execution of the PFA and delivery thereof to the Corporation thereof shall constitute conclusive evidence of such determination.

A copy of the PFA as executed and delivered shall be maintained in the records of the Authority.

Section 502. Appointment of Paying Agent. Manufacturers and Traders Trust Company, Buffalo, New York, is hereby appointed Paying Agent for the Series H Bonds pursuant to Section 1102 of the Resolution.

Section 503. Additional Findings and Determinations. The Authority hereby finds, determines and declares: (a) that the Series H Bonds are issued under and secured by this Eighth Supplemental Resolution; (b) that the terms of sale of the Series H Bonds do not contemplate an underwriting of the Series H Bonds; (c) that it is in the best interest of the Authority to sell, and the interest of the Authority will be best served by a sale of, the Series H Bonds to the Corporation as provided in the PFA; and (d) that all provisions and conditions of the Resolution and of other applicable law have been complied with in the issuance under the Resolution of the Series H Bonds.

Section 504. Laws Governing; Severability. This Eighth Supplemental Resolution shall be construed and enforced in accordance with the Constitution and laws of the State of New York.

If any provision of this Eighth Supplemental Resolution shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provisions or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections in this Eighth Supplemental Resolution shall not affect the remaining portions of this Eighth Supplemental Resolution or any part thereof or of the Series H Bonds issued hereunder.

Section 505. Section Headings; Table of Contents. The headings or titles of the several sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning or construction, interpretation or effect of this Eighth Supplemental Resolution.

Section 506. Effective Date of This Eighth Supplemental Resolution. This Eighth Supplemental Resolution shall become effective immediately.

CERTIFICATE

I, _____, Secretary of the Buffalo Sewer Authority in the County of Erie, State of New York, HEREBY CERTIFY that the foregoing annexed extract from the Minutes of a meeting of the Board of Directors of said Authority, duly called and held on December 11, 2002, and at which a quorum was present and acting throughout and the resolution contained therein is a true and complete copy of the resolution thereupon adopted and recorded in the Minutes of said Authority and that the foregoing extract has been compared by me with the original minutes as officially recorded in my office in the Minute Book of said Authority and is a true, complete and correct copy thereof and of the whole of said original minutes so far as the same relate to the subject matters referred to in said extract, and that said resolution has not been amended or repealed but is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Authority this ____ day of December, 2002

(SEAL)

Secretary

ITEM NO. 4

CONSTRUCTION FUND AMENDMENT

WHEREAS: The Buffalo Sewer Authority desires to fund the Five Year Capital Plan in order to continue its program of improving the sewer system; and

WHEREAS: There is funding available from the 2001-2002 Fund Balance designated for Capital Projects; and

WHEREAS: The General Manager recommends approval of this transfer.

NOW THEREFORE

BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approves the transfer of funds from the Fund Balance Designated for Capital Projects to the Construction Fund Budget Amendment for 2002-2003 for the funding of the listed projects as designated by the Amendment.

MOTION TO APPROVE

MADE BY MSGR. GABALSKI

2ND BY MR. KENNEDY

AYES 3 NOES 0

Board Meeting of December 11, 2002

**BUFFALO SEWER AUTHORITY
CONSTRUCTION FUND BUDGET AMENDMENT #1
2002-2003 FISCAL YEAR**

This Amendment to the Construction Fund utilizes funds from prior years to provide improvements to the infrastructure of the Buffalo Sewer Authority as designated by the Five Year Capital Plan.

The funds will be added to the various appropriation accounts as listed below:

REVENUES & RESOURCES

FUND BALANCE DESIGNATED FOR CAPITAL PROJECTS	<u>\$6,294,175</u>
TOTAL REVENUE & RESOURCES	<u>\$6,294,175</u>

APPROPRIATIONS

TREATMENT PLANT:	
CENTRIFUGE INSTALLATION	\$1,000,000
DIGESTER CLEANING	2,300,000
INCINERATOR REHAB	300,000
FINE BUBBLE DIFFUSER CLEANING	300,000
SCADA UPGRADES (2 INCINERATORS)	250,000
DIGESTER GAS AFTERBURNER	670,000
 COLLECTION SYSTEM:	
ERIE CANAL HARBOR PROJECT/HAMBURG DRAIN	\$600,000
SEWER RELINING	200,000
SEWER CLEANING	200,000
RECONSTRUCTION-UNDESIGNATED SEWER PROJECTS	100,000
SEWER RENOVATIONS	<u>374,175</u>
TOTAL APPROPRIATIONS	<u>\$6,294,175</u>

ITEM NO. 5

AUTHORIZATION FOR SERVICE AGREEMENT BETWEEN THE BUFFALO SEWER AUTHORITY AND STEELFIELDS LTD.

WHEREAS: LTV Steel Company, Inc., and the Hanna Furnace Corporation jointly and/or individually own approximately 220 acres of property located in the City of Buffalo and formerly utilized for the manufacturing of metallurgic coke and steel (“Property”); and

WHEREAS: The Property is the subject of an Order of Consent between the City of Buffalo, the City of Buffalo Urban Renewal Agency, Hanna Furnace Corporation, and LTV Steel Company, Inc., which requires the extensive remediation of the Property, including the removal, treatment and/or containment of the waste at the Property which is currently leaching contaminants into the groundwater; and

WHEREAS: Steelfields LTD. (“Steelfields”) has agreed to perform the remediation of the Property in accordance with a DEC-approved work plan which includes the construction and operation of an on-site containment area and provides for pretreatment of surface water and groundwater; and

WHEREAS: The Buffalo Sewer Authority agrees to accept water from the purposed containment area.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to enter into an agreement with Steelfields to accept and treat up to 108,000 gallons per day, or 21,024,000 gallons per year, of water from the Property at no charge to Steelfields. Water discharged to the sewer system from the Property during the five-year remediation period in excess of 108,000 gallons per day, or in excess of 21,024,000 gallons per year, shall be subject to ordinary sewer charges.

MOTION TO APPROVE

MADE BY MR. KENNEDY

2ND BY MSGR. GABALSKI

AYES 3 NOES 0

Board Meeting of December 11, 2002

SERVICE AGREEMENT

This Service Agreement (hereinafter referred to as “Agreement”) made and entered into on December ~~11~~, 2002, by and between the **Buffalo Sewer Authority** (hereinafter referred to as the “Authority”) and **Steelfields Ltd.**, a New York -corporation (hereinafter referred to as “Steelfields”).

Whereas LTV Steel Company, Inc. and the Hanna Furnace Corporation jointly and/or individually own approximately 220 acres of property located in the City of Buffalo and formerly utilized for the manufacturing of metallurgic coke and steel (“Property”); and

Whereas the City of Buffalo believes that portions of the Property is currently contaminated with substantial quantities of uncontained hazardous substances or hazardous waste; and

Whereas the City of Buffalo commenced a nuisance abatement action against LTV Steel Company, Inc., the successor in the interest to Republic Steel Corporation (“LTV”), and the Hanna Furnace Corporation (“Hanna”) to remediate the environmental conditions at the Property; and,

Whereas LTV has filed a petition under Chapter 11 of the Bankruptcy Code and is in the process of selling all of its assets and liquidating the corporation; and

Whereas Hanna’s parent company, National Steel Corporation, has filed a petition under Chapter 11 of the Bankruptcy Code and is expected to dissolve Hanna as a part of its bankruptcy reorganization; and

Whereas there is a so-called “terminal basin” currently in use at the Property which collects groundwater from approximately 18 acres of the Property, and discharges the groundwater, untreated, to the City of Buffalo sewer system for treatment; and

Whereas the discontinuance of the use of the terminal basin would result in the absence of controls on the flow of contaminated groundwater from the Property and have an adverse effect on the environment in the immediate vicinity of the Property; and

Whereas the dissolutions of LTV and Hanna and the potential abandonment of the Property would result in the absence of a responsible party to manage groundwater and/or surface water before it migrates off-site; and

Whereas the Property is the subject of an Order of Consent between the City of Buffalo, the City of Buffalo Urban Renewal Agency (“BURA”), Hanna and LTV, which requires the extensive remediation of the Property, including the removal, treatment and/or containment of the waste at the Property which is currently leaching contaminants into the groundwater; and

Whereas Steelfields has agreed to perform the remediation of the Property in accordance with a DEC-approved work plan which includes the construction and operation of an on-site containment area; and

Whereas the containment system required by the DEC-approved work plan is approximately 14 acres in size and would provide for pretreatment of surface water and groundwater from the containment system; and site map attached.

Whereas implementation of the proposed remediation workplace for the Property would ultimately reduce the total mass of contaminants discharged to the groundwater or the City of Buffalo sewer system; and

Whereas Steelfields has committed to implement the remediation work plan for the Property which will render it suitable for commercial or industrial redevelopment provided that, among other things, the Buffalo Sewer Authority will agree to accept and treat all water from the proposed containment cell area without charge to Steelfields during and throughout the entire period of site remediation and the operation of the containment area; and

Whereas Steelfields has made a concurrent commitment to establish and administer a Value Protection and Neighborhood Improvement Plan (“VPP”) and to fund the VPP with \$1million to benefit the current and future homeowners property within the approximate boundaries of Abby Street, Germania Street and the South side of Bell Avenue by a) guaranteeing the purchase price of new purchasers to the area, b) providing annual capital improvement grants to residents who maintain ownership of their properties though the period of remediation of the Property, or c) reimbursing a portion of loss in homeownership equity for residents who sell their homes during the period of remediation; and

Whereas, the Buffalo Sewer Authority has determined that it is in the best interests of the City of Buffalo to accept and treat water from the purposed containment cell area to facilitate the remediation of the Property by Steelfields;

Now, it is hereby agreed and resolved that the Buffalo Sewer Authority shall accept and treat water collected from both the terminal basin at the Property and the containment cell to be constructed by Steelfields at the Property, without charge to Steelfields for the discharged water subject to the following conditions:

1. The discharge must meet all conditions of the Buffalo Discharge Elimination System (BPDES) Permit. Below are the conditions that will be in the BPDES Permit.
 - i.) The proposed pretreatment facility must be able to treat the wastewater so it meets the BSA's allowable discharge limits;
 - ii.) At no time will discharge be allowed that compromises the capacity of the sewer line or other users of the sewer system as shall be reasonably determined by the General Manager and or Principal Engineer based upon current hydraulic capacity;
 - iii.) A discharge meter will be required after the pretreatment system and before the connection to the sanitary sewer. An outside contractor will calibrate this meter on a yearly basis. This proof of calibration must be submitted to the BSA.
 - iv.) Steelfields shall be responsible for normal out of pocket costs of the Buffalo Sewer authority for verifying the quantity and quality of discharged water for an amount not to exceed \$1,500 per year. Said costs shall be established by invoices received by the Buffalo Sewer Authority and forwarded to Steelfields for reimbursement.
2. The New York State Department of Environmental Conservation (NYSDEC) requires that the BSA submit all new discharge permits for their approval. Discharge cannot commence until the NYSDEC approves the permit.
3. All proposed connections to the sewer system must be submitted to Mr. Frank DiMascio, P.E., Principal Sanitary Engineer for the BSA, for review and approval.

It is further agreed and the parties acknowledge that Steelfields will benefit the City of Buffalo and BSA's service area by its remediation of the Property pursuant to the RD/RA Work Plan. In consideration of Steelfields investment in the Property, otherwise deemed an "orphan site," the BSA shall charge and Steelfields shall pay for discharge of water into the BSA sewer system to the extent such discharge exceeds 108,000 gallon per day or in excess of 21,024,000 gallons per year.

It is further agreed that the Buffalo Sewer Authority's agreement to accept and treat such water shall be expressly conditioned upon Steelfield's compliance with the terms of the Voluntary Clean-up Agreement and Workplan with the New York State Department of Environmental Conservation ("NYSDEC") regarding the Property, and Steelfields compliance with the Agreement dated October 15th 2002 between Steelfields, the City of Buffalo, and BURA concerning the acquisition of 364 Baraga Street, and the implementation and funding of a Hickory Woods Neighborhood Value Protection Plan.

It is further agreed and the parties acknowledge that the only water discharged under the terms of this Agreement shall be that now being collected from the terminal basin, and/or the containment cell to be constructed pursuant to the DEC-approved work plan, and/or surface and ground waters collected from the Property during the remediation in accordance with the RD/RA Work Plan totaling up to 108,000 gallons per day and up to 21,024,000 gallons per year. Water discharged to the sewer system from the containment cell or from the Property during the five-year remediation period in excess of 108,000 gallons per day or in excess of 21,024,000 gallons per year shall be subject to ordinary sewer charges paid by the operator of the containment cell. All subsequent owners or tenants of the Property shall be responsible for ordinary sewer charges. However, the water associated with the containment cell shall continue to be discharged pursuant to the terms and consideration provided in this Agreement (up to the maximum daily and annual flow limits above), regardless of any change in the ownership of that portion of the site. Nothing herein shall be construed to allow any future owner or operator of the property containing the containment cell to add to the quantity of waters discharging free of charge by any new use of the property.

It is further agreed that Steelfields shall reimburse the Buffalo Sewer Authority for user fees or sewer charges to the extent that Steelfields receives grants from the State of New York to reimburse or offset sewer charges, but in no event shall the annual user fees or sewer charges exceed the amount of \$60,000.

Date: December 11, 2002

The Buffalo Sewer Authority

Anthony A. Hazzan

/s/

by: Anthony Hazzan, General Manager

Steelfields LTD

-Gary E. Smith /s/

by: Gary E. Smith, Manager

ITEM NO. 6

CLAIM AGAINST LIABILITY AND CASUALTY RESERVE FUND

WHEREAS: On September 6, 1994, a vehicle driven by Wendy Jones was rear-ended by a Buffalo Sewer Authority vehicle near the intersection of Elmwood Avenue and Bryant Street. Subsequently, a Claim was filed by Wendy Jones against the Buffalo Sewer Authority; and

WHEREAS: As a result of the accident, Ms. Jones suffers from myofascial pain syndrome, which causes pain to radiate from her back through her legs and arms, limiting her ability to work and engage in physical activities; and

WHEREAS: The case was subsequently sued and tried before a jury in October 2002. On October 4, 2002, a jury returned a verdict and awarded Ms. Jones \$40,000.00. The Buffalo Sewer Authority is also responsible for interest, costs, and disbursements totaling \$9,053.75.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the of the Buffalo Sewer Authority hereby authorizes the General Manager to make payment in the amount of \$49,053.75 to Ms. Wendy Jones for the verdict in *Jones v. Vullo & BSA* and that this amount be paid out of the Liability and Casualty Fund.

MOTION TO APPROVE

MADE BY MR. KENNEDY

2ND BY MSGR. GABALSKI

AYES 3 NOES 0

Board Meeting of December 11, 2002

ITEM NO. 7

ADJUSTMENT OF SEWER RENT

WHEREAS: In accordance with the Resolution adopted on December 15, 1982, requests for sewer rent cancellations, adjustments or refunds in excess of \$400.00 must be submitted to the Board for its consideration and action; and

WHEREAS: Ronald A. Eaton, President of the Breakwaters Townhomes Association of Buffalo, Inc., for the premises located at 217 Lakefront Boulevard, Buffalo, NY, requests an adjustment of sewer rent based on water use for the May 2002 billing period, in the amount of \$3,809.91; and

WHEREAS: Upon receiving a water bill in May 2002 that was approximately 400 percent higher than their average, Breakwaters Townhomes contacted Klemat Plumbing and Heating Inc., to inspect these premises. Upon their inspection, it was determined that the main waterline had ruptured, resulting in the excessively high water bill; and

WHEREAS: A review of this account by Buffalo Sewer Authority staff recommends the requested adjustment of sewer rent arrears and penalty.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes and directs the General Manager to reduce the sewer rent based on water use in the amount of \$3,809.91 for the premises located at 217 Lakefront Boulevard for the May 2002 billing period.

MOTION TO APPROVE

MADE BY MSGR. GABALSKI

2ND BY MR. KENNDY

AYES 3 NOES 0

Board Meeting of December 11, 2002

ITEM NO. 8

AUTHORIZATION FOR PURCHASE OF TWO (2) VEHICLES UNDER STATE CONTRACT

WHEREAS: Board approval is required on purchases made over \$10,000.00; and

WHEREAS: The Board was polled on November 13, 2002, and verbally authorized the purchase of two (2) 2003 Ford Explorers for use by the General Manager and Treatment Plant Superintendent. These vehicles are being purchased from Motors Fleet under State Contract No. PC59800; and

WHEREAS: It is now necessary to formally ratify that authorization.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby formally authorizes the General Manager to purchase two (2) 2003 Ford Explorers under State Contract No. PC59800 at a total cost of \$42,736.00. This purchase will be charged to account nos. 00110107-474200 and 00200107-474200.

MOTION TO APPROVE

MADE BY MSGR. GABALSKI

2ND BY MR. KENNEDY

AYES 3 NOES 0

Board Meeting of December 11, 2002

ITEM NO. 9

ADDITION OF DESIGNATED SOLE SOURCE VENDORS

WHEREAS: A Sole Source procurement, in accordance with New York State Procurement Guidelines, is one in which an item is only available from one source due to patents, exclusive franchises, etc., and there is no possibility of competition for the item; and

WHEREAS: On July 24 and September 11, 2002, the Board of the Buffalo Sewer Authority designated various vendors as Sole Sources. Buffalo Sewer Authority has a need to classify some additional vendors as Sole Source and has supporting documentation for these designations; and

WHEREAS: The Treatment Plant Superintendent and staff have reviewed all documentation and recommend addition of the attached list of vendors as Sole Sources for the specifically listed commodities, technology, and/or services only.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority declares the attached list of vendors as Sole Sources for the specifically listed commodities, technology, and/or services only, for the fiscal year ending June 30, 2003.

MOTION TO APPROVE
MADE BY MSGR. GABALSKI
2ND BY MR. KENNEDY
AYES 3 NOES 0

Board Meeting of December 11, 2002

VENDOR	PRODUCT/SERVICE
Flowserve Pump Co. (OEM)	All parts, supplies, and service for all Flowserve (formerly Ingersoll-Dresser Pump Co.) brand pumps
Gorman-Rupp Co. (OEM)	All parts, supplies, and service for all Gorman-Rupp brand pumps
Pulsafeeder, Inc. (OEM)	All parts, supplies, and service for all Pulsafeeder brand pumps
Yale Materials Handling Corporation (OEM)	All parts, supplies, and service for all Yale brand equipment
Zanders, Inc. (OEM)	All parts, supplies, and service for the Zander ZEH Compressed Air Dryer

ITEM NO. 10

ADDITION OF DESIGNATED SINGLE SOURCE VENDORS

WHEREAS: A Single Source procurement, in accordance with New York State Procurement Guidelines, is one in which two or more vendors can supply the commodity, technology, and/or perform the services required by an agency, but the agency selects one vendor over the others for reasons such as expertise or previous experience with similar contracts; and

WHEREAS: On July 24 and September 11, 2002, the Board of the Buffalo Sewer Authority designated various vendors as Single Sources. Buffalo Sewer Authority has a need to classify some additional vendors as Single Sources and has supporting documentation for these designations; and

WHEREAS: The Treatment Plant Superintendent and staff have reviewed all documentation and recommend the addition of the attached list of vendors as Single Sources for the specifically listed commodities, technology, and/or services only.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority declares the attached list of additional vendors as Single Sources for the specifically listed commodities, technology, and/or services only, for the fiscal year ending June 30, 2003.

MOTION TO APPROVE
MADE BY MSGR. GABALSKI
2ND BY MR. KENNEDY
AYES 3 NOES 0

Board Meeting of December 11, 2002

VENDOR	PRODUCT/SERVICE
E. D. Ferrell	All parts, supplies, and service for Yale Material Handling Co. associated product lines
Kinequip, Inc.	All parts, supplies, and service for Zander, Inc. associated product lines
Siewert Equipment	All parts, supplies, and service for Flowserve Pump Co., Pulsafeeder, Inc., and Gorman-Rupp Co. associated product lines

ITEM NO. 11

TRAVEL AUTHORIZATION - NEW YORK CITY

WHEREAS: The Buffalo Sewer Authority must be up to date on current environmental regulations in order to maintain compliance; and

WHEREAS: The 75th Annual Meeting of the New York Water Environment Association (NYWEA) is being held in New York City on February 8-12, 2003, covering an overview of environmental requirements; and

WHEREAS: Roberta L. Gaiek, P.E., Treatment Plant Administrator, and Jane Ork, Associate Chemist, have submitted a paper that has been accepted for presentation at this conference; and

WHEREAS: The Treatment Plant Superintendent recommends that the Treatment Plant Administrator and Associate Chemist be authorized to attend this conference. The Treatment Plant Superintendent further recommends that the Industrial Waste Administrator be authorized to attend this conference to remain current with regulations affecting pretreatment programs.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the Treatment Plant Administrator, Associate Chemist, and Industrial Waste Administrator to travel to New York City from February 8-12, 2003, to attend this conference at a total cost not to exceed \$6,000.00. Funds are available in account nos. 00200104-458010, 00200104-458012, 00550104-458010 and 00550104-458012.

MOTION TO APPROVE

MADE BY MR. KENNEDY

2ND BY MSGR. GABALSKI

AYES 3 NOES 0

Board Meeting of December 11, 2002

ITEM NO. 12

TRAVEL AUTHORIZATION - ALBANY, NEW YORK

WHEREAS: The Buffalo Sewer Authority Laboratory is required to be current on approved laboratory standards; and

WHEREAS: The New York Association of Approved Environmental Laboratories (NYAAEL) is holding a special meeting in Albany, New York, on December 10, 2002, covering an overview of the State Pollution Discharge Elimination System (SPDES) program and a DMR (Discharge Monitoring Report) workshop; and

WHEREAS: The Treatment Plant Superintendent recommends that Gary Aures, Associate Chemist, be authorized to attend this special meeting and workshop.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes Gary Aures, Associate Chemist, to travel to Albany, New York, from December 9-10, 2002, to attend this special meeting and workshop at a total cost not to exceed \$300.00. Funds are available in account no. 00510104-458010.

MOTION TO _____ APPROVE _____

MADE BY _____ MR. KENNEDY _____

2ND BY _____ MSGR. GABALSKI _____

AYES _____ 3 _____ NOES _____ 0 _____

Board Meeting of December 11, 2002

ITEM NO. 13

CONTRACT NO. 84200006

FINAL ADJUSTMENT

CONTRACTOR: Mar-Wal Construction Co., Inc. 440 Gould Avenue Depew, New York 14043	CONTRACT COST	\$ 83,070.00
	FINAL ADJUSTMENT	(<u>\$ 10,160.00</u>)
	FINAL CONTRACT COST	\$ 72,910.00

WORK: Storm Sewer Construction in Belmont Street, East of Roesch Avenue, and in Skillen Street between Roesch Avenue and Vulcan Street

DESCRIPTION OF FINAL ADJUSTMENT

Bids were received on a basis of estimated quantities at unit and lump sum prices, and the contract was awarded on the basis to be paid for the work constructed.

In conformity with the stipulations in the contract documents, actual quantities for the items have been measured in the field, and on the basis of these measurements, the total adjusted price is DECREASED by \$10,160.00, making the final contract price \$72,910.00.

WHEREAS: The Principal Sanitary Engineer reviewed the final adjustment and recommends its approval; and

WHEREAS: The Contractor completed the work on November 15, 2002, and the final inspection was held by the Buffalo Sewer Authority on November 15, 2002.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approves the final adjustment for the Storm Sewer Construction in Belmont Street, East of Roesch Avenue, and in Skillen Street between Roesch Avenue and Vulcan Street, as written in the above Agenda Item, making the final contract cost \$72,910.00.

MOTION TO	<u>APPROVE</u>
MADE BY	<u>MSGR. GABALSKI</u>
2 ND BY	<u>MR. KENNEDY</u>
AYES	<u>3</u> NOES <u>0</u>

Board Meeting of December 11, 2002

ITEM NO. 14

CONTRACT NO. 84200006

CERTIFICATE OF ACCEPTANCE AND OCCUPANCY

WORK: Storm Sewer Construction in Belmont Street, East of Roesch Avenue, and in Skillen Street between Roesch Avenue and Vulcan Street.

BID: \$83,070.00

CONTRACTOR: Mar-Wal Construction Co., Inc.
440 Gould Avenue
Depew, New York 14224

WHEREAS: The Principal Sanitary Engineer of the Buffalo Sewer Authority has certified that the Contractor completed the work in accordance with the plans and specifications on November 15, 2002.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby finds and determines that:

- a. The work to be performed under the terms of the Contract has been completed and is accepted;
- b. The date of entrance and occupancy be fixed as of November 15, 2002;
- c. The maintenance period commence on November 15, 2002;
- d. Final payment be made to the Contractor in the amount of \$5,355.50, decreased \$10,160.00 by final adjustment, making the final cost of the contract \$72,910.00.

MOTION TO APPROVE

MADE BY MSGR. GABALSKI

2ND BY MR. KENNEDY

AYES 3 NOES 0

Board Meeting of December 11, 2002

REPORT ON BIDS RECEIVED - HERTEL AVENUE STORM SEWER INSTALLATION FROM STARIN AVENUE TO MAIN STREET

WHEREAS: Formal bids were advertised and solicited for the Hertel Avenue Storm Sewer Installation from Starin Avenue to Main Street. The following bids were received and opened by the Buffalo Sewer Authority on October 7, 2002:

Janik Paving and Construction, Inc.	\$1,700,242.00
Donald J. Braasch Construction Co., Inc.	\$1,740,755.00
Hartford Paving Corp.	\$1,780,638.00
Paul J. Gallo Contracting, Inc.	\$1,862,695.00
Destro Brothers	\$1,931,650.00
Visone Construction	\$1,949,277.00
Kandey Company, Inc.	\$1,960,600.00
Accadia Site Construction	\$1,975,825.00
S. St. George Enterprises	\$2,043,765.00
Sicar Construction	\$2,060,055.00
Milherst Construction, Inc.	\$2,283,898.00
Pinto Construction	\$2,373,413.77
; and	

WHEREAS: These proposals were received, and the contract will be awarded on the basis of a combined unit and lump sum bid; and

WHEREAS: The low bid by Janik Paving and Construction, Inc., does not reflect the true amount of the contract, but rather is subject to some variance. These variances are due to the actual amount of the quantities used as they appear in the estimate column multiplied by the unit price as bid; and

WHEREAS: The Principal Sanitary Engineer, his staff, and staff from Erdman Anthony Engineering reviewed the bid and the contractor's qualifications and recommend accepting the low bid and awarding the contract to Janik Paving and Construction, Inc.; and

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to enter into and execute a contract with Janik Paving and Construction, Inc., for the Hertel Avenue Storm Sewer Installation from Starin Avenue to Main Street, at a cost not to exceed \$1,700,242.00. Expenses for this contract will be charged to account no.02000195-490720.

MOTION TO	<u>APPROVE</u>
MADE BY	<u>MR. KENNEDY</u>
2 ND BY	<u>MSGR. GABALSKI</u>
AYES	<u>3</u> NOES <u>0</u>

ITEM NO. 16

AMEND ITEM NO. 16, AUTHORIZATION TO ENTER INTO AN ENGINEERING SERVICES AGREEMENT WITH ERDMAN ANTHONY AND ASSOCIATES, INC., FOR THE HERTEL AVENUE STORM SEWER PROJECT, SEPTEMBER 11, 2002

WHEREAS: On September 11, 2002, the Buffalo Sewer Authority Board approved Item No. 16, Authorization to Enter into an Engineering Services Agreement with Erdman Anthony and Associates, Inc.; and

WHEREAS: The amount of the proposal received from Erdman Anthony and Associates, Inc., was incorrectly listed as \$188,500.00; and

WHEREAS: It is necessary to amend this Item in order to correct the amount of the proposal received from Erdman Anthony and Associates, Inc.; and

WHEREAS: The Resolution is to be amended as follows:

“That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to enter into and execute a contract with Erdman Anthony and Associates, Inc., to provide Engineering Services for the Hertel Avenue Storm Sewer Project at a cost not to exceed \$246,300.00.”

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby accepts this amendment to the September 11, 2002, Board Item No. 16, Authorization to enter into an Engineering Services Agreement with Erdman Anthony and Associates, Inc., for the Hertel Avenue Storm Sewer Project at a cost not to exceed \$246,300.00, and authorizes this Item to be corrected.

MOTION TO	_____	APPROVE	_____
MADE BY	_____	MSGR. GABALSKI	_____
2 ND BY	_____	MR. KENNEDY	_____
AYES	_____	3	NOES _____ 0

Board Meeting of December 11, 2002

ITEM NO. 17

TUITION REIMBURSEMENT

WHEREAS: In accordance with the Agreements between the Buffalo Sewer Authority and CSEA Local 815 and the Communications Workers of America, the following Buffalo Sewer Authority employee has applied for Tuition Reimbursement:

<u>EMPLOYEE</u>	<u>SCHOOL</u>	<u>COURSE</u>	<u>TUITION%</u>	<u>REIMBURSEMENT</u> <u>TOTAL</u>
Ronald Kwarciak	American Automobile Association	Defensive Driving Course	50%	\$13.50

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approves the above application for Tuition Reimbursement totaling \$13.50. This Reimbursement will be charged to Account No. 00800108-480214.

MOTION TO APPROVE

MADE BY MR. KENNEDY

2ND BY MSGR. GABALSKI

AYES 3 NOES 0

Board Meeting of December 11, 2002

ITEM NO. 18

ADJOURNMENT OF MEETING

MOTION TO _____ APPROVE _____

MADE BY _____ MR. KENNEDY _____

2ND BY _____ MSGR. GABALSKI _____

AYES _____ 3 _____ NOES _____ 0 _____

Board Meeting of December 11, 2002