

MINUTES OF THE REGULAR MEETING
OF THE
BUFFALO SEWER AUTHORITY
February 26, 2003

BUFFALO SEWER AUTHORITY

February 26, 2003

REGULAR MEETING

9:00 A.M.

1038 CITY HALL

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

February 18, 2003

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
CAPITAL IMPROVEMENT FUND						
15-Apr-02	MONEY MARKET		\$ 515,354.00	CHASE	1.70%	Erie Co.High Yield
CONSTRUCTION FUND						
08-Apr-02	MONEY MARKET		\$ 9,110,283.83	CHASE	1.70%	Erie Co.High Yield
SERIES 2001 BOND ANTICIPATION NOTES						
08-Apr-02	MONEY MARKET		\$ 636,879.11	CHASE	1.70%	Erie Co.High Yield
LIABILITY AND CASUALTY RESERVE FUND						
22-Apr-02	MONEY MARKET		\$ 1,239,150.55	CHASE	1.70%	Erie Co.High Yield
OPERATING FUND						
08-Apr-02	MONEY MARKET		\$ 1,800,000.00	CHASE	1.70%	Erie Co.High Yield
SURPLUS FUND						
13-Jan-03	30-Jun-03	168	\$2,845,386.00	CHASE	1.25%	\$16,598.09
NET REVENUE FUND						
27-Jan-03	25-Feb-03	29	\$500,000.00	CHASE	1.30%	\$523.61
31-Dec-02	30-Jun-03	181	\$10,112,500.00	CHASE	1.25%	\$63,554.25
			\$10,612,500.00			
DEBT RESERVE FUND						
SERIES F						
01-Jan-03	30-Jun-03	180	\$1,203,823.48	J.S.TREAS.NOTE	5.375%	
			(1,179,000.00 units)			
CITIBANK						
14-Jul-93	13-Jul-03		\$7,622,950.00	CITIBANK	5.54%	
			\$8,826,773.48			

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ITEM NO. 3

MBBA TAX LIEN SECURITIZATION

WHEREAS: The Board of the Buffalo Sewer Authority has determined that it would be in the best interest of the Buffalo Sewer Authority that the Buffalo Sewer Authority, pursuant to the provisions of the State of New York Municipal Bond Bank Agency Act, sell, assign and transfer all of the Buffalo Sewer Authority's right, title and interest in, to and under certain liens on real property in respect of delinquent taxes to a Delaware statutory trust or other special purpose entity (the "Issuer") organized by the State of New York Municipal Bond Bank Agency (the "Agency"), which Issuer will finance the purchase thereof by issuing debt securities secured by, among other things, such tax liens, in a private placement in debt securities and, in connection therewith, for the Buffalo Sewer Authority to acquire an interest in a Delaware limited liability company or other special purpose entity organized by the Agency, such interest representing a residual interest in the tax liens sold to the Issuer;

NOW THEREFORE
BE IT RESOLVED:

That (i) the sale, transfer, assignment and conveyance by the Buffalo Sewer Authority of all of its right, title and interest in, to and under the liens on real property in respect of delinquent taxes and any certificates evidencing any such liens, and any and all proceeds thereof, including, without limitation, any claims in respect of any such liens as to which the related property owners are involved in bankruptcy proceedings (collectively, the "Tax Liens") pursuant to the Purchase and Sale Agreement in substantially the form annexed hereto as Exhibit A (the "Purchase and Sale Agreement") to the Issuer named in the Purchase and Sale Agreement, (ii) the acquisition by the Buffalo Sewer Authority of an interest in the limited liability company established pursuant to the Amended and Restated Limited Liability Company Agreement in substantially the form annexed hereto as Exhibit B (the "Limited Liability Company Agreement"), and (iii) the consummation by the Buffalo Sewer Authority of each of the other transactions contemplated by the Purchase and Sale Agreement and the Limited Liability Company Agreement, are hereby approved;

BE IT FURTHER
RESOLVED:

That the Buffalo Sewer Authority is authorized to enter into and perform its obligations under the Purchase and Sale Agreement, the Limited Liability Company Agreement and a representation and indemnity agreement with the initial purchasers of the securities to be issued by the Issuer in connection with the transactions contemplated by the Purchase and Sale Agreement and the Limited Liability Company Agreement (the "Representation and Indemnity Agreement") (collectively, the "Agreements");

BE IT FURTHER
RESOLVED:

That the proposed forms of the Purchase and Sale Agreement and the Limited Liability Company Agreement are hereby authorized and approved, and that the Buffalo Sewer Authority General Manager and the City of Buffalo Comptroller (collectively, the “Authorized Officers”) be, and each of them hereby is, authorized, empowered and directed to execute and deliver such Agreements in the name and on behalf of the Buffalo Sewer Authority, with such changes thereto as any of the Authorized Officers may deem necessary or advisable, and to execute and deliver the Representation and Indemnity Agreement in the name and on behalf of the Buffalo Sewer Authority in such form as any of the Authorized Officers may deem necessary or advisable, such determination to be evidenced conclusively by their execution and delivery thereof;

BE IT FURTHER
RESOLVED:

That the execution of the Agreements by an Authorized Officer pursuant to these resolutions shall constitute conclusive evidence of the approval of, and of that Authorized Officer’s authority to execute, such Agreement;

BE IT FURTHER
RESOLVED:

That the Authorized Officers be, and each of them hereby is, authorized to take any other action and execute and deliver any other agreements, documents and instruments, as any of the Authorized Officers may deem necessary or advisable to carry out the purpose and intent of the foregoing resolutions, including, without limitation, to provide information concerning the Buffalo Sewer Authority and the Tax Liens for inclusion in a private placement memorandum (the “PPM”) relating to the issuance of securities (the “Bonds”) collateralized, in part, by the Tax Liens and to authorize the use of the PPM in the marketing and sale of the Bonds in the private placement thereof, and to mail or otherwise forward any notices or other communications deemed necessary or desirable by any Authorized Officer to the owners of the real properties subject to the Tax Liens or to any other persons in connection with the sale thereof; and

BE IT FINALLY
RESOLVED:

That any actions of the Authorized Officers in furtherance of the purposes of the foregoing resolutions, whether taken before or after the adoption or effectiveness of these resolutions are hereby approved, confirmed, ratified and adopted.

MOTION TO	<u>APPROVE</u>		
MADE BY	<u>MSGR. GABALSKI</u>		
2 ND BY	<u>MR. NAPLES</u>		
AYES	<u>4</u>	NOES	<u>0</u>

ITEM NO. 4

AUTHORIZATION TO ENTER INTO AGREEMENT FOR PROFESSIONAL SERVICES FOR AN APPRAISAL OF CAPITAL ASSETS

WHEREAS: The Buffalo Sewer Authority (BSA) must comply with the reporting requirements of the Governmental Accounting Standards Board Statement Number 34 (GASB 34). A portion of this reporting requires the BSA to develop a comprehensive database of its assets. An appraisal of machinery and equipment located at all BSA properties is necessary for fiscal year ending June 30, 2003; and

WHEREAS: The BSA solicited three vendors for "An Appraisal of Capital Assets". Two vendors responded:

American Appraisal Associates	\$72,600.00
Maximus, Inc.	\$47,025.00

;and

WHEREAS: The Executive Secretary and her staff have reviewed these proposals and recommend authorization to enter into an agreement with the low bid vendor, Maximus, Inc.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to enter into and execute an agreement with Maximus, Inc., for an appraisal of capital assets for equipment and machinery at a cost of \$47,025.00. Funds for this agreement shall be charged to account no. 00110106-432004.

MOTION TO	_____	APPROVE	_____
MADE BY	_____	MSGR. GABALSKI	_____
2 ND BY	_____	MR. NAPLES	_____
AYES	_____	4	NOES _____ 0

Board Meeting of February 26, 2003

ITEM NO. 6

ADDITION OF DESIGNATED SOLE SOURCE VENDOR FOR DIGESTER GAS COMPRESSORS

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, September 11, and December 11, 2002, the Board of the Buffalo Sewer Authority designated various vendors as sole sources; and

WHEREAS: Dresser-Rand Company is the original equipment manufacturer for the digester gas compressors at the Treatment Plant. Ingersoll-Rand is the parent company for Dresser Rand Company; and

WHEREAS: The Treatment Plant Superintendent and staff recommend the addition of Ingersoll-Rand as a sole source designation for the purchase of parts and service on the digester gas compressors at the Treatment Plant.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority designates Ingersoll-Rand as a sole source for the purchase of parts and service on the digester gas compressors at the Treatment Plant for the fiscal year ending June 30, 2003.

MOTION TO APPROVE

MADE BY MSGR. GABALSKI

2ND BY MR. NAPLES

AYES 4 NOES 0

Board Meeting of February 26, 2003

ITEM NO. 7

AUTHORIZATION FOR SERVICE ON NO. 9 AND NO. 10 DIGESTER GAS COMPRESSORS

WHEREAS: Board approval is required for services performed over \$20,000.00; and

WHEREAS: Dresser-Rand Company is the original equipment manufacturer for the digester gas compressors at the Treatment Plant. Ingersoll-Rand, the parent company for Dresser-Rand Company, submitted quotes in the amounts of \$31,908.51 and \$35,443.34 respectively, in the total amount of \$67,351.85 for the refurbishing of the No. 9 and No. 10 digester gas compressors. Factory-authorized parts, covered under a one-year warranty, will be utilized; and

WHEREAS: Additional costs may be incurred once this equipment has been disassembled and inspected; and

WHEREAS: The Treatment Plant Superintendent, Superintendent of Mechanical Maintenance, and staff recommend the refurbishing of the No. 9 and No. 10 digester gas compressors by Ingersoll-Rand Company in amount not to exceed \$70,000.00; and

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to approve the refurbishing of the No. 9 and No. 10 digester gas compressors by Ingersoll-Rand Company at a total cost not to exceed \$70,000.00. Funds are available in account no. 00520106-443301.

MOTION TO	_____	APPROVE	_____
MADE BY	_____	MR. RICHARDSON	_____
2 ND BY	_____	MSGR. GABALSKI	_____
AYES	_____	4	NOES _____ 0

Board Meeting of February 26, 2003

ITEM NO. 8

AMENDMENT TO SCHEDULE OF JOB CLASSIFICATION PLAN

WHEREAS: There is a need to modify the Job Classification Plan.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority approves the addition of the following position to the Job Classification Plan:

One (1) Associate Account Clerk 00110121 411001

MOTION TO APPROVE

MADE BY MR. RICHARDSON

2ND BY MSGR. GABALSKI

AYES 4 NOES 0

Board Meeting of February 26, 2003

ITEM NO. 9

CONFIRMATION OF APPOINTMENTS

**TREATMENT PLANT SUPERINTENDENT (PERMANENT)
CHANGE OF STATUS ONLY
SEWAGE TREATMENT PLANT
\$78,583 PER ANNUM
EFFECTIVE: FEBRUARY 3, 2003**

SALVATORE J. LOTEMPIO
821 EDGEWATER DR.
AMHERST, NY

**ASSISTANT SEWER MAINTENANCE SUPERINTENDENT
(PROVISIONAL)
SEWER MAINTENANCE DEPARTMENT
\$47,856 PER ANNUM
EFFECTIVE: FEBRUARY 3, 2003**

ANTHONY MICELI
40 KENWOOD
KENMORE, NY

**SEWER CONSTRUCTION INSPECTOR (PERMANENT)
ENGINEERING DEPARTMENT
\$44,502 PER ANNUM
EFFECTIVE: FEBRUARY 3, 2003**

ROBERT LOGALBO
147 ROSS AVE.
BUFFALO, NY

**SEWER CONSTRUCTION INSPECTOR
(CONTINGENT-PERMANENT)**
ENGINEERING DEPARTMENT
\$44,502 PER ANNUM
EFFECTIVE: FEBRUARY 3, 2003

RICHARD SKINNER
5148 MAYER RD.
HAMBURG, NY

SUPERVISOR OF GROUNDS I (PROVISIONAL)
SEWAGE TREATMENT PLANT
\$50,082 PER ANNUM
EFFECTIVE: FEBRUARY 3, 2003

ANGELO PROVENZANO
79 ORCHARD DRIVE
TONAWANDA, NY

PRINCIPAL CLERK (PERMANENT)
SEWAGE TREATMENT PLANT
\$43,294 PER ANNUM
EFFECTIVE: FEBRUARY 10, 2003

KATHLEEN BEENY
75 BRIGGS AVE.
BUFFALO, NY

MILLWRIGHT HELPER (PERMANENT)
SEWAGE TREATMENT PLANT
\$16.28 PER HOUR
EFFECTIVE: FEBRUARY 17, 2003

MICHAEL DOTY
24 WELLINGTON RD.
BUFFALO, NY

49544

MILLWRIGHT (PERMANENT)
SEWAGE TREATMENT PLANT
\$19.09 PER HOUR
EFFECTIVE: FEBRUARY 17, 2003

VINCENT D'INNOCENZO
50 STEVENSON ST.
BUFFALO, NY

SEWER MAINTENANCE SUPERVISOR I (PROVISIONAL)
SEWER MAINTENANCE DEPARTMENT
\$40,575 PER ANNUM
EFFECTIVE: FEBRUARY 17, 2003

RUSSELL BIONDOLILLO
149 ARGONNE
KENMORE, NY

SHIFT SUPERINTENDENT (SEWAGE TREATMENT)
(PERMANENT) CHANGE OF STATUS ONLY
SEWAGE TREATMENT PLANT
\$56,954 PER ANNUM
EFFECTIVE: FEBRUARY 17, 2003

ROBERT CORNELL
74 CHAUNCEY
BUFFALO, NY

WASTEWATER TREATMENT PLANT OPERATOR I
(PERMANENT)
SEWAGE TREATMENT PLANT
\$13.49 PER HOUR
EFFECTIVE: FEBRUARY 24, 2003

VICTOR ORLANDO
91 HARTWELL RD.
BUFFALO, NY

SENIOR CLERK (PERMANENT)
SEWAGE TREATMENT PLANT
\$30,441 PER ANNUM
EFFECTIVE: MARCH 3, 2003

TINA FRICANO
181 STRATFORD
BUFFALO, NY

SENIOR CLERK (PERMANENT)
SEWAGE TREATMENT PLANT
\$30,441 PER ANNUM
EFFECTIVE: MARCH 3, 2003

DEBRA FERRIL
16 RACE ST.
BUFFALO, NY

SENIOR CLERK (PERMANENT)
ADMINISTRATIVE OFFICES
\$30,441 PER ANNUM
EFFECTIVE: MARCH 3, 2003

JUDITH CAVARETTA
88 MARIEMONT
BUFFALO, NY

SENIOR CLERK (PERMANENT)
SEWAGE TREATMENT PLANT
\$35,534 PER ANNUM
EFFECTIVE: MARCH 3, 2003

BRENDA SCIORTINO
351 HAMPSHIRE
BUFFALO, NY

SENIOR CLERK (PERMANENT)
ENGINEERING DEPARTMENT
\$35,534 PER ANNUM
EFFECTIVE: MARCH 3, 2003

WENDY ESCHBORN
142 ROESCH
BUFFALO, NY

ACCOUNT CLERK-TYPIST (PROVISIONAL)
SEWAGE TREATMENT PLANT
\$30,208 PER ANNUM
EFFECTIVE: MARCH 3, 2003

MICHELLE MORGAN
22 SUSSEX CT.
BUFFALO, NY

49546

ASSOCIATE ACCOUNT CLERK (PERMANENT)
ADMINISTRATIVE OFFICES
\$37,694 PER ANNUM
EFFECTIVE: MARCH 3, 203

DANIEL VIAPIANO
51 SUNBRIAR DR.
WEST SENECA, NY

WHEREAS: The preceding appointments were made by the General Manager since the last Board Meeting; and

WHEREAS: The General Manager requests confirmation of each appointment.

NOW THEREFORE
BE IT RESOLVED: That the preceding appointments are hereby confirmed by the Board of the Buffalo Sewer Authority.

MOTION TO APPROVE
MADE BY MR.RICHARDSON
2ND BY MSGR. GABALSKI
AYES 4 NOES 0

Board Meeting of February 26, 2003

ITEM NO. 10

ADJOURNMENT OF MEETING

MOTION TO _____ APPROVE _____

MADE BY _____ MR. RICHARDSON _____

2ND BY _____ MSGR. GABALSKI _____

AYES _____ 5 _____ NOES _____ 0 _____

Board Meeting of February 26, 2003