

MINUTES OF THE REGULAR MEETING
OF THE
BUFFALO SEWER AUTHORITY
July 16, 2008

52423.....52442

BUFFALO SEWER AUTHORITY

July 16, 2008

REGULAR MEETING

9:00 A.M.

1038 CITY HALL

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ITEM NO. 2

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

July 7, 2008

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
CAPITAL IMPROVEMENT FUND						
15-Apr-02	Money Market		\$500,870.66	Chase	2.05%	High Yield
CONSTRUCTION FUND						
08-Apr-02	Money Market		\$2,715,361.41	Chase	2.05%	High Yield
30-Jun-08	30-Jul-08	30	\$9,000,000.00	HSBC	2.32%	\$17,400.00
30-Jun-08	29-Aug-08	60	\$11,825,000.00	HSBC	2.51%	\$49,467.92
30-June-08	29-Sep-08	91	\$15,000,000.00	HSBC	2.64%	\$100,100.00
			\$38,540,361.41			
LIABILITY AND CASUALTY RESERVE FUND						
22-Apr-02	Money Market		\$349,510.28	Chase	2.05%	High Yield
30-Jun-08	30-Jul-08	30	\$704,200.94	HSBC	2.32%	\$1,353.33
			\$1,053,711.22			
OPERATING FUND						
08-Apr-02	Money Market		\$2,766,982.99	Chase	2.05%	High Yield
TRUST & AGENCY FUND						
06-May-02	Money Market		\$35,451.68	Chase	2.05%	High Yield
SURPLUS FUND						
			\$419.59	MTB Funds		
30-Jun-08	29-Sep-08	91	\$5,405,009.11	M&T Securities	2.81%	\$38,237.07
			\$5,405,428.70			
NET REVENUE FUND						
			\$296.18	MTB Funds		
01-Jul-08	25-Jul-08	24	\$5,088,165.20	M&T Securities	2.60%	\$8,834.80
03-Jul-08	25-Aug-08	53	\$3,599,329.81	M&T Securities	2.57%	\$13,670.19
			\$8,687,791.19			

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
DEBT RESERVE FUND						
08-May-08	08-May-09	365	\$1,319,229.56	Series F FHLB	2.00%	
23-Sep-03	15-Aug-08	1788	\$7,350,000.00	Series I M&T Securities	3.25%	
13-Mar-03	15-Apr-32		\$2,825,593.00	Series H SLG	4.35%	
04-Mar-04	15-Nov-33		\$774,061.00	Series J SLG	3.82%	
22-Jul-04	15-Feb-33		\$498,654.00	Series K SLG	4.63%	
27-Jul-06	01-Oct-35		\$952,666.00	Series L SLG	4.52%	

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Board Meeting of July 16, 2008

ITEM NO. 3

INFORMATIVE: REPORT ON THE CONDITION OF THE CAPITAL IMPROVEMENT FUND

Balance July 1, 2007 (Temporary Investments & Cash)	\$501,997.82	
Interest on Investments	18,269.40	
Transfers from Operating Fund	0	
Transfers to Operating Fund	<u>(19,396.56)</u>	500,870.66
Less: Expenditures	0	
Encumbrances	<u>0</u>	<u>0</u>
Unallocated Funds as of June 30, 2008		<u>\$500,870.66</u>
Expenditures:	_____	
Total Expenditures		<u>0</u>
Encumbrances:	_____	
Total Encumbrances		<u>0</u>
ENCUMBRANCES AND EXPENDITURES FOR 7/1/07-6/30/08		<u>\$0</u>

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Board Meeting of July 16, 2008

ITEM NO. 4

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

The Resolution that created the Liability and Casual 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, 2007	\$1,062,864.01
Interest Earnings	41,708.35
Less: Claims Paid	(50,861.14)
Fund Balance as of June 30, 2008	<u>\$1,053,711.22</u>

During the period of July 1, 2007 – June 30, 2008, the B.S.A. settled 23 claims. Thirteen (13) claims were denied. Ten (10) claims resulted in cash payments from the B.S.A. totaling \$50,861.14.

Total Active Claims Pending

Bodily Injury	11
Property Damage	16
Auto B.I. & P.D.	5
Other Liability	<u>1</u>
	33

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Board Meeting of July 16, 2008

ITEM NO. 5

ADJUSTMENT OF SEWER RENT

WHEREAS: On July 1, 2008, the City of Buffalo Department of Assessment billed the Buffalo Municipal Housing Authority sewer rent based on total assessed valuation; and

WHEREAS: In accordance with a Consolidated Loan and Subsidy Contract among the Buffalo Municipal Housing Authority, the City of Buffalo, Buffalo Sewer Authority and the State of New York, sewer rent billing for the Marine Drive Property (100 Erie) is based on the assessed valuation of \$15,000,000.00. The sewer rent is calculated on only one-third of the exempt value; and

WHEREAS: The sewer rent bill was issued totaling \$26,581.38 for the above named property, and the contractual obligation is actually \$8,506.04

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approves the cancellation of sewer rent totaling \$18,075.34 for the Marine Drive property and that this cancellation be paid out of sewer rent account no. 00800108-480090.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2ND BY MR. KENNEDY, JR.

AYES 5 NOES 0

Board Meeting of July 16, 2008

Buffalo Municipal Housing Authority
Assessment Sewer Rent Adjustment
As Per Contract
2008-2009

Property	Dept. of Assessment	Per Contract Adjustment	
Marine Drive (100 Erie)	\$26,581.38	\$8,506.04	\$18,075.34

ITEM NO. 6

REPORT ON BIDS RECEIVED - NATURAL GAS SUPPLY

WHEREAS: Informal bids were solicited by United Energy, the Authority's energy consultant, to supply natural gas to the Treatment Plant and outlying stations for various terms beginning November 1, 2008. The following bids were received and opened at the Treatment Plant facility on June 25, 2008:

TERM 8 MONTHS				
Bidder	Location	Estimated Units	Base Contract Cost	Total Estimated Cost
National Fuel Resources	Treatment Plant	170,000	0.927/Dth	\$157,590
	Outlying Stations	4,000	1.610/Dth	6,440
Total Bid				\$164,030

Constellation New Energy Gas Division	Treatment Plant	170,000	1.09/Dth	185,300
	Outlying Stations	4,000	1.50/Dth	6,000
Total Bid				\$191,300

; and

TERM 20 MONTHS				
Bidder	Location	Estimated Units	Base Contract Cost	Total Estimated Cost
National Fuel Resources	Treatment Plant	400,000	0.906/Dth	\$362,400
	Outlying Stations	10,000	1.610/Dth	16,100
Total Bid				\$378,500

Constellation New Energy Gas Division	Treatment Plant	400,000	1.08/Dth	\$432,000
	Outlying Stations	10,000	1.45/Dth	14,500
Total Bid				\$446,500

; and

WHEREAS: Upon review of the bids received United Energy recommends, based upon the extreme volatility in the global energy market, that the Buffalo Sewer Authority enter into an agreement with National Fuel Resources for an eight-month period, November 1, 2008 though June 30, 2009; and

WHEREAS: The General Manager, Treatment Plant Superintendent, and Treatment Plant Administrator concur with United Energy and recommend awarding an eight-month contract to National Fuel Resources for natural gas supply for the Treatment Plant and outlying stations.

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 for an eight-month period, November 1, 2008 through June 30, 2009, with National Fuel Resources at a cost of \$0.927/Dth for the Treatment Plant and at a cost of 1.610/Dth for the outlying stations. The purchase of this commodity will be charged to various Treatment Plant accounts.

MOTION TO APPROVE

MADE BY MR. KENNEDY, JR.

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of July 16, 2008

ITEM NO. 7

REPORT ON BIDS RECEIVED - CENTRIFUGE NO. 2 INSTALLATION

WHEREAS: Formal bids were advertised and solicited for a contract for installation of Centrifuge No. 2. The following bids were received and opened by the Buffalo Sewer Authority on July 11, 2008:

Quackenbush Company, Inc.	\$ 1,640,000.00
Hohl Industrial Services, Inc.	\$ 2,677,204.00

; and

WHEREAS: The bids were received and the contract will be awarded on the basis of a lump sum bid with allowance. The bids may not reflect the true amount of the contract, but rather may be subject to some variance; and

WHEREAS: The Treatment Plant Administrator and staff reviewed the bids and recommend awarding the contract to Quackenbush Company Inc., at a cost not to exceed \$1,640,000.00.

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 Quackenbush Company, Inc., for installation of Centrifuge No. 2 at a cost not to exceed \$1,640,000.00. Expenses for this contract will be charged to account 02000260-490720.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2ND BY MR. KENNEDY, JR.

AYES 4 NOES 0

Board Meeting of July 16, 2008

ITEM NO. 8

AMENDMENT TO SOLE SOURCE LISTING FOR SELECTED INSTRUMENTATION, MAINTENANCE, LABORATORY, AND OFFICE EQUIPMENT FOR FISCAL YEAR 2008-2009

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 June 18, 2008, the Board of the Buffalo Sewer Authority approved and designated a list of original equipment manufacturers as sole sources for fiscal year 2008-2009; and

WHEREAS: An amendment is requested to the sole source listing to add the following original equipment manufacturer for process equipment:

Eimco Water Technologies, LLC	Various Eimco Water Technologies, LLC, registered trademark parts for Eimco skimmer and drive components for all 4 primary sedimentation tanks
-------------------------------	--

; and

WHEREAS: The Treatment Plant and Purchasing Department staff have reviewed all supporting documentation and recommend this amendment to the sole source listing for 2008-2009.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves the addition of Eimco Water Technologies, LLC, to the sole source listing for fiscal year 2008-2009.

MOTION TO APPROVE

MADE BY MR. ROOSEVELT

2ND BY MR. KENNEDY, JR.

AYES 4 NOES 0

Board Meeting of July 16, 2008

ITEM NO. 9

AUTHORIZATION FOR ORIGINAL EQUIPMENT MANUFACTURER PURCHASES OVER \$10,000.00

WHEREAS: At this meeting, the Board of the Buffalo Sewer Authority has amended the 2008-2009 sole source listing to include Eimco Water Technologies, LLC, the original equipment manufacturer, for the purchase of various registered trademark commodities; and

WHEREAS: The Superintendent of Mechanical Maintenance anticipates expenditures not to exceed \$50,000.00 from Eimco Water Technologies, LLC, for fiscal year 2008-2009; and

WHEREAS: The Treatment Plant Superintendent, Superintendent of Mechanical Maintenance, and staff recommend approval for estimated purchases not to exceed \$50,000.00 from Eimco Water Technologies, LLC; and

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

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to purchase original equipment commodities, as needed, from Eimco Water Technologies, LLC, or their designated local representative, at a total cost not to exceed \$50,000.00 for fiscal year 2008-2009 and to charge these purchases to the appropriate departmental accounts.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2ND BY MR. KENNEDY, JR.

AYES 4 NOES 0

Board Meeting of July 16, 2008

ITEM NO. 10

REPORT ON BIDS RECEIVED - GAS BURNER SYSTEM INSPECTION, PREVENTATIVE MAINTENANCE, AND REPAIR SERVICES

WHEREAS: Formal bids were advertised and solicited for an annual contract for inspection, preventative maintenance, corrective, and emergency repair services of gas burners located in various Buffalo Sewer Authority buildings throughout the Treatment Plant and outlying pumping stations. The following bids were received and opened by the Purchasing Department on July 2, 2008:

Mollenberg-Betz	\$153,830.00
Applied Technical Services	\$199,439.00
Automatic Combustion Equipment, Inc.	No bid
Quackenbush Co., Inc.	No bid

; and

WHEREAS: The Treatment Plant Superintendent, Superintendent of Mechanical Maintenance, Principal Chief Stationary Engineer, and staff reviewed the bids received and recommend awarding a contract to the low bidder, Mollenberg-Betz, at a total cost not to exceed \$153,830.00, with an option to renew for three (3) one-year periods through June 30, 2012.

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 Mollenberg-Betz for an annual contract for inspection, preventative maintenance, corrective, and emergency repair services of gas burners at a total cost not to exceed \$153,830.00 for the period of this award through June 30, 2009. Funding for this contract will be charged to various Treatment Plant accounts.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2ND BY MR. KENNEDY, JR.

AYES 4 NOES 0

Board Meeting of July 16, 2008

ITEM NO. 11

AUTHORIZATION TO PURCHASE READY MIX CONCRETE UTILIZING CITY CONTRACT PRICING FOR FISCAL YEAR 2008-2009

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

WHEREAS: The Sewer Maintenance Department purchases the following commodity available through City Contract:

Product	Vendor	City Contract	Estimated Amount	Account No.
Ready Mix Concrete	LaFarge North America, Inc., was awarded this contract for fiscal year 07-08 and is extending this contract until new contract for 08-09 is awarded.	Formal #7278 ** New contract number and vendor will be determined by upcoming bid results.	\$ 40,000.00	00660105-466269

; and

WHEREAS: The Treatment Plant Superintendent, Director of Sewer Maintenance, and staff recommend the utilization of City Contract pricing for these purchases.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to utilize City Contract pricing to purchase the above commodities for fiscal year 2008-2009 at a cost not to exceed the amount listed and further authorizes any subsequent extensions or new awards of this contract. Purchases for this commodity will be charged to account no. 00660105-466269.

MOTION TO APPROVE

MADE BY MR. KENNEDY, JR.

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

ITEM NO. 12

REPORT ON BIDS RECEIVED - CSO No. 035 SEWER SEPARATION

WHEREAS: Formal bids were advertised and solicited for CSO No. 035 sewer separation. The following bids were received and opened by the Buffalo Sewer Authority on July 8, 2008:

Man O' Trees, Inc.	\$ 3,993,000.00
Kandey Company, Inc.	\$ 5,344,000.00
Pinto Construction Services, Inc.	\$ 5,987,299.14
Sicar Management & Construction, Inc.	\$ 12,235,616.00

; and

WHEREAS: The bids were received and the contract will be awarded on the basis of a combined unit and lump sum bid. The bids do not reflect the true amount of the contract, but rather are 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 and staff reviewed the bid and recommend awarding the contract to Man O' Trees, Inc., at a cost not to exceed \$3,993,000.00.

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 Man O' Trees, Inc., at a cost not to exceed \$3,993,000.00. Expenses for this contract will be charged to account no 02000295-490740.

MOTION TO APPROVE

MADE BY MR. KENNEDY, JR.

2ND BY MS. WILSON-DIVINCENZO

AYES 4 NOES 0

Board Meeting of July 16, 2008

ITEM NO. 13

CONFIRMATION OF APPOINTMENTS

SPECIAL ASSISTANT (BSA) (EXEMPT)
SEWAGE TREATMENT PLANT
\$50,570 PER ANNUM
EFFECTIVE: JUNE 23, 2008

COLLIN DAVIS III
122 MADISON ST.
BUFFALO, NY

LABORER I (SEASONAL)
SEWAGE TREATMENT PLANT
\$90.00 PER DAY
EFFECTIVE: JUNE 30, 2008

LANCE PARKER
32 AVERY
BUFFALO, NY

LABORER I (SEASONAL)
SEWAGE TREATMENT PLANT
\$90.00 PER DAY
EFFECTIVE: JULY 7, 2008

MAX JADOCH
33 PORTLAND
BUFFALO, 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. ROOSEVELT

2ND BY MR. KENNEDY, JR.

AYES 4 NOES 0

Board Meeting of July 16, 2008

ITEM NO. 14

TUITION ASSISTANCE

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 Assistance:

<u>EMPLOYEE</u>	<u>SCHOOL</u>	<u>COURSE</u>	<u>SEMESTER</u>	<u>TUITION</u>
Charles Riley	Canisius College	<i>Intermediate Financial Reporting</i>	Fall 2008	\$1,953.00
Charles Riley	Canisius College	<i>Basic Taxation</i>	Fall 2008	\$1,953.00

WHEREAS: No funds will be expended at this time.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approves the above application for Tuition Assistance.

MOTION TO APPROVE
 MADE BY MR. KENNEDY, JR.
 2ND BY MS. WILSON-DIVINCENZO
 AYES 4 NOES 0

Board Meeting of July 16, 2008

ITEM NO. 15

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 TOTAL</u>
Charles Riley	Canisius College	<i>Human Resource Management</i>	90%	\$1,924.88

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves the above application for Tuition Reimbursement totaling \$1,924.88. This Reimbursement will be charged to account no. 00800108-480214.

MOTION TO APPROVE
 MADE BY MS. WILSON-DIVINCENZO
 2ND BY MR. ROOSEVELT
 AYES 4 NOES 0

Board Meeting of July 16, 2008

ITEM NO. 16

ADJOURNMENT OF MEETING

MOTION TO APPROVE

MADE BY MR. ROOSEVELT

2ND BY MS. WILSON-DIVINCENZO

AYES 4 NOES 0

Board Meeting of July 16, 2008