

**MINUTES OF THE REGULAR MEETING
OF THE
BUFFALO SEWER AUTHORITY
March 6, 2013**

54192.....54208

BUFFALO SEWER AUTHORITY

March 6, 2013

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)

February 22, 2013

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
CAPITAL IMPROVEMENT FUND						
15-Apr-02	Money Market		\$1.00	Chase	0.20%	High Yield
31-Jul-12	Money Market		\$500,000.00	First Niagara	0.15%	Municipal Premium
			<u>\$500,001.00</u>			
CONSTRUCTION FUND						
08-Apr-02	Money Market		\$1.00	Chase	0.20%	High Yield
31-July-12	Money Market		\$37,375,239.15	First Niagara	0.20%	Municipal Premium
			<u>\$37,375,240.15</u>			
LIABILITY AND CASUALTY RESERVE FUND						
22-Apr-02	Money Market		\$1.01	Chase	0.20%	High Yield
31-July-12	Money Market		\$1,000,266.68	First Niagara	0.20%	Municipal Premium
			<u>\$1,000,267.69</u>			
OPERATING FUND						
08-Apr-02	Money Market		\$1.06	Chase	0.20%	High Yield
31-July-12	Money Market		\$2,679,957.91	First Niagara	0.20%	Municipal Premium
			<u>\$2,679,958.97</u>			
TRUST & AGENCY FUND						
06-May-02	Money Market		\$1.00	Chase	0.20%	High Yield
31-Jul-12	Money Market		\$33,083.66	First Niagara	0.02%	Municipal Premium
			<u>\$33,084.66</u>			
SURPLUS FUND						
			\$164.76	Wilmington US Treasury		
28-Dec-12	27-Mar-13	89	\$5,999,368.06	M&T Securities	0.11%	\$1,631.94
			<u>\$5,999,532.82</u>			
NET REVENUE FUND						
			\$255.55	Wilmington US Treasury		
28-Nov-12	04-Mar-13	96	\$2,999,799.60	M&T Securities	0.15%	\$1,200.40
28-Dec-12	27-Mar-13	89	\$2,999,184.17	M&T Securities	0.11%	\$815.83
29-Jan-13	29-Apr-13	90	\$8,199,744.45	M&T Securities	0.11%	\$2,255.55
			<u>\$14,198,983.77</u>			

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
DEBT RESERVE FUND						
Series F						
09-May-12	09-May-13	365	\$245,000.00	FDIC Brokered CD	0.35%	
01-Jun-12	31-May-13	364	\$245,000.00	FDIC Brokered CD	0.45%	
01-Jun-12	05-Jun-13	369	\$245,000.00	FDIC Brokered CD	0.30%	
13-Jun-12	12-Jun-13	364	\$245,000.00	FDIC Brokered CD	0.45%	
14-Jun-12	14-Jun-13	365	\$245,000.00	FDIC Brokered CD	0.40%	
15-Jun-12	14-Jun-13	364	\$132,000.00	FDIC Brokered CD	0.35%	
			\$1,357,000.00			
Series I						
01-Aug-08	06-Sep-13	1862	\$8,240,877.50	FHLB	4.00%	
Series H						
13-Mar-03	15-Apr-32	10,626	\$2,825,593.00	SLG	4.35%	
Series J						
04-Mar-04	15-Nov-33	10,848	\$774,061.00	SLG	3.82%	
Series K						
22-Jul-04	15-Feb-33	10,435	\$498,654.00	SLG	4.63%	
Series L						
27-Jul-06	01-Oct-35	10,658	\$952,666.00	SLG	4.52%	

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Board Meeting of March 6, 2013

ITEM NO. 3

INFORMATIVE: REALLOCATION OF FUNDS

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

Wastewater Treatment Plant

2/7/2013	00520105 Maintenance Supplies	-\$268.00	00470105 Water Supplies	\$268.00
2/7/2013	00380106 Incinerator Services	-\$50,000.00	00200106 Plant Services	\$50,000.00
2/14/2013	00420105 Amherst Supplies	-\$1,000.00	00520105 Maintenance Supplies	\$1,000.00
2/19/2013	00400105 South Supplies	-\$135.00	00520105 Maintenance Supplies	\$135.00
2/19/2013	00400105 South Supplies	-\$50.00	00520105 Maintenance Supplies	\$50.00
2/19/2013	00520106 Maintenance Services	-\$1,500.00	00230106 Grit Services	\$1,500.00

General Financial Charges

2/11/2013	00800183 Financial Contingency	-\$41,020.00	00380106 Incinerator Services	\$41,020.00
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Board Meeting of March 6, 2013

ITEM NO. 4

**PRELIMINARY OUTLINE OF OPERATING BUDGET FOR THE FISCAL YEAR
COMMENCING JULY 1, 2013**

A proposed Operating Budget, with full details, for the fiscal year beginning July 1, 2013, will be presented for formal consideration by your Honorable Body at the next scheduled meeting on April 3, 2013. This proposed budget will be in an amount not to exceed \$54,100,000 which is a \$350,000 increase over the current budget of \$53,750,000.

At this time, an outline of the proposed budget is submitted for your tentative approval. Once approved, we will proceed in the preparation of a formal budget document complete with comparison charts and exhibits. Attached to this outline are the following exhibits:

A comparison of Appropriation by Division for the years 2010-11 to 2013-14 Proposed;

A revenue estimate and comparison for the years 2010-11 to 2013-14 Proposed;

Capital Budget Projects for 2013-2014.

Sewer rents based on assessed valuation will not be increased to fund this proposed budget. The final rate for sewer rent will be dependent upon the final City assessed valuation. Sewer rents based upon water usage will not be increased. The estimate of sewer rents based on water use and the final budget appropriation estimates will be detailed at the scheduled meeting of April 3, 2013.

WHEREAS: The preliminary budget presented herein reflects a balanced plan to fund the necessary operations of the Buffalo Sewer Authority for the fiscal year beginning July 1, 2013.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to proceed in preparing a detailed budget not to exceed \$54,100,000 to be submitted to this Body at the meeting of April 3, 2013.

MOTION TO	<u>APPROVE</u>
MADE BY	<u>MR. ROOSEVELT</u>
2 ND BY	<u>MR. KENNEDY</u>
AYES	<u>4</u> NOES <u>0</u>

Board Meeting of March 6, 2013

**BUFFALO SEWER AUTHORITY
REVENUE ESTIMATE
2013-2014 PRELIMINARY BUDGET**

<u>Revenue</u>	<u>2010-2011 Actual</u>	<u>2011-2012 Actual</u>	<u>2012-2013 Budget</u>	<u>2013-2014 Budget</u>
Assessment Sewer Rents	12,053,431	12,070,207	\$12,082,600	\$12,082,600
Water Use Sewer Rents	27,212,053	27,880,651	27,580,500	27,435,000
Outside City-Sewer Connection	10,322,482	11,110,756	10,500,000	11,000,000
Industrial Waste	2,050,716	1,769,262	1,772,500	1,796,800
Interest Income	811,936	891,504	870,900	830,600
Miscellaneous	1,130,869	1,776,088	943,500	955,000
Total Revenues	<u>\$53,581,487</u>	<u>\$55,498,468</u>	<u>\$53,750,000</u>	<u>\$54,100,000</u>

**BUFFALO SEWER AUTHORITY
APPROPRIATIONS BY DIVISION
2013-2014 PRELIMINARY BUDGET**

<u>Division</u>	<u>2010-2011 Actual</u>	<u>2011-2012 Actual</u>	<u>2012-2013 Budget</u>	<u>2013-2014 Budget</u>
General Offices	1,161,674	1,300,917	\$1,401,516	\$1,359,860
Wastewater Treatment Facility	18,027,494	17,683,807	24,256,373	24,051,227
Industrial Waste	543,074	542,419	549,720	609,752
Engineering	683,679	596,909	838,960	965,439
Sewer Maintenance	3,133,386	2,805,100	4,428,546	4,276,625
Miscellaneous Financial Chgs	4,123,581	4,062,822	5,228,690	5,468,690
Fringe Benefits	6,478,895	7,091,923	9,451,774	9,426,859
Debt Service & Reserve	11,625,650	8,535,947	7,594,421	7,941,548
Total Appropriations	<u>\$45,777,433</u>	<u>\$42,619,844</u>	<u>\$53,750,000</u>	<u>\$54,100,000</u>

**BUFFALO SEWER AUTHORITY
CAPITAL PROJECTS
2013 - 2014 PRELIMINARY BUDGET**

<u>PROJECT TITLE:</u>	<u>ESTIMATED COST</u>
<u>TREATMENT PLANT:</u>	
FINAL CLARIFIER BUILDINGS REHAB	100,000
POWER DISTRIBUTION SYSTEM SURVEY AND IMPLEMENTATION	2,500,000
MISCELLANEOUS PIPE REPLACEMENT	200,000
ANNUAL DIGESTER CLEANING	200,000
THOCKENER REHABILITATION, PUMPS, CONTROL AND TOP COLLECTORS	500,000
NEW SCREENS IN TWO NORTH MLSS TROUGHS	1,500,000
DIGESTER AND MIXING IMPROVEMENT	1,200,000
HVAC REMOVE/REPAIR PRIMARY HHWS-HHWR LINES FOR MEGA-STRUCTURE	250,000
PLANT WATER SYSTEM IMPROVEMENTS	200,000
REMOVE/REPLACE AHU #1 ON ROOF OF SEWER MAINTENANCE GARAGE AND REPLACE L-1 AND L-2	400,000
INTERIOR LIGHTING	1,600,000
BLOWER INSPECTION AND REPLACEMENT	50,000
PUMP STATION REHAB-ALL STATIONS	1,000,000
COMBINED HEAT AND POWER (THERMAL HYDROLYSIS)	2,000,000
ELECTRICAL SUB –METERING AND DISTRIBUTION MODIFICATIONS	650,000
ENGINEERING TERM CONTRACTS	450,000
TERM PLANT ENGINEERING CONTRACTS (IN-PLANT SERVICE)	550,000
INSTALL SECOND FLOOR IN STOCKROOM	250,000
FERROUS CHLORIDE TANK REPLACEMENT	70,000
MIX TANK CLEANING	600,000
ALTERNATE LOCATION FOR POLYMER STORAGE	75,000
WASTE HAULER PRE-TREATMENT STATION AND AUTOMATED SWIPE-IN	45,000
RADIO TELEMETRY	80,000

INCINERATOR RECONSTRUCTION WITH SCRUBBER AND FAN PURCHASE	800,000
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COLLECTION SYSTEM:

SEWER CLEANING/TV INSPECTION	1,100,000
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UNANTICIPATED SEWER REPLACEMENTS	500,000
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SWAN TRUNK SYSTEM MODIFICATIONS	1,000,000
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ERIE BASIN CSO PROJECTS	1,000,000
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CSO 005 FLOW REDIRECTION	300,000
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BUFFALO RIVER BASIN PROJECTS	1,000,000
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SCAJAQUADA CREEK BASIN RTC	4,000,000
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SCAJAQUADA CREEK BASIN CSO PROJECTS	1,000,000
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BLACK ROCK CANAL BASIN PROJECTS	1,000,000
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NIAGARA RIVER BASIN PROJECTS	500,000
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GREEN INFRASTRUCTURE CITYWIDE PROJECTS	2,000,000
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<u>GRAND TOTAL</u>	<u>\$28,670,000</u>
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ITEM NO. 5

CONTRACT NO. 85100028

CERTIFICATE OF ACCEPTANCE AND OCCUPANCY

WORK: Installation of Air Handler Unit #15

BID: \$146,669.00

CONTRACTOR: John W. Danforth Company
300 Colvin Woods Parkway
Buffalo, NY 14150

WHEREAS: The Administrator of Capital Improvements & Development and staff of the Buffalo Sewer Authority have certified that the Contractor completed the work in accordance with the plans and specifications on March 27, 2012 .

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 complete and is accepted;
- b. The date of entrance and occupancy be fixed as of March 27, 2012;
- c. The maintenance period commence on March 27, 2012;
- d. Final payment be made to the Contractor in the amount of \$7,656.55, making the final cost of the contract \$153,130.95.

MOTION TO APPROVEMADE BY MS. WILSON-DIVINCENZO2ND BY MR. ROOSEVELTAYES 4 NOES 0

Board Meeting of March 6, 2013

ITEM NO. 7

AUTHORIZATION FOR PURCHASE OF HAUCK COMBUSTION EQUIPMENT PARTS FOR INCINERATORS

WHEREAS: On November 7, 2012, the Board of the Buffalo Sewer Authority designated Hauck Manufacturing Company, the original equipment manufacturer, and/or their authorized local representative, as a sole source for parts, supplies, and service for Hauck combustion equipment (incinerator burners and afterburners, valves, blowers, control panels) at the Treatment Plant; and

WHEREAS: The Principal Chief Stationary Engineer has determined a need for restock parts for the Hauck combustion equipment. Upon request, Hauck Manufacturing Company submitted a quote in the amount of \$9,017.00, plus freight estimated not to exceed \$400.00, for the needed parts; and

WHEREAS: The Treatment Plant Superintendent, Principal Chief Stationary Engineer, and staff recommend approval of this purchase; and

WHEREAS: Monies payable to date to Hauck Manufacturing Company in fiscal year 2012-2013 are \$17,274.00. This purchase will bring the total monies payable for purchases to \$26,691.00; and

WHEREAS: Board approval is required on purchases over \$20,000.00.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to purchase the needed Hauck restock parts at a cost of \$9,017.00, plus freight estimated not to exceed \$400.00, making the total monies payable for purchases in fiscal year 2012-2013 \$26,691.00. This purchase will be charged to account no. 00380105-466107.

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

Board Meeting of March 6, 2013

ITEM NO. 8

AUTHORIZATION FOR SERVICE FROM CORROSION PRODUCTS AND EQUIPMENT

WHEREAS: In the fall of 2012, Corrosion Products & Equipment, Inc., was the low bidder for the overhaul of two Worthington RAS Pumps Nos. 1A and 2B; and

WHEREAS: In February 2013, the Superintendent of Mechanical Maintenance called CPE in for warranty service on RAS Pump No. 2B; and

WHEREAS: CPE submitted a quote in the amount of \$2,536.00 for replacement parts and machining needed which were not part of the original scope of work and, therefore, not under warranty; and

WHEREAS: The Treatment Plant Superintendent, Superintendent of Mechanical Maintenance and staff reviewed the quote received and recommend approval; and

WHEREAS: This service will bring the total monies payable to Corrosion Products & Equipment, Inc., for services in fiscal year 2012-2013 to \$46,655.00; and

WHEREAS: Board approval is required on services over \$35,000.00.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to utilize the services of Corrosion Products & Equipment, Inc., for the repair of RAS Pump No. 2B at a total cost of \$2,536.00, bringing the total monies payable for fiscal year 2012-2013 for services from Corrosion Products & Equipment, Inc., to \$46,655.00. This service will be charged to account no. 00290106-443301.

MOTION TO	_____	APPROVE	_____
MADE BY	_____	MR. KENNEDY	_____
2 ND BY	_____	MR. ROOSEVELT	_____
AYES	_____	4	NOES _____ 0

Board Meeting of March 6, 2013

ITEM NO. 9

AUTHORIZATION TO PURCHASE PIPE PATCH KITS FOR SEWER REPAIR FOR FISCAL YEAR 2012-2013

WHEREAS: On November 7, 2012, the Board of the Buffalo Sewer Authority designated Source One Environmental, LLC, the original equipment manufacturer, and/or their local representative as a sole source for equipment repairs and supplies for various pipe patch part and kits needed for sewer repairs; and

WHEREAS: The Assistant Superintendent of Sewer Maintenance has determined a need for additional winter and summer pipe patch kits for sewer repairs. A quote was requested and received from FN At Ballston Spa, LLC, the authorized local representative, in the amount of \$7,860.00 for the needed kits and parts; and

WHEREAS: Monies payable to date to FN At Ballston Spa, LLC, in fiscal year 2012-2013 are \$15,930.00. This purchase will bring the total monies payable for purchases to \$23,790.00; and

WHEREAS: The Assistant Superintendent of Sewer Maintenance, Director of Sewer Maintenance and staff reviewed the quote received and recommend the purchase of these pipe patch kits and parts and further recommend authorization for total monies payable to FN At Ballston Spa, LLC for fiscal year 2012-2013 not to exceed \$33,790.00; and

WHEREAS: Board approval is required on purchases over \$20,000.00.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to purchase the needed pipe patch kits and parts for the repair of various sewers from FN At Ballston Spa, LLC, at a total cost of \$7,860.00. Account no. 00660105-466269 will be charged for this purchase. The Board further authorizes total monies payable to FN At Ballston Spa, LLC for fiscal year 2012-2013 not to exceed \$33,790.00.

MOTION TO	<u>APPROVE</u>
MADE BY	<u>MR. KENNEDY</u>
2 ND BY	<u>MS. WILSON-DIVINCENZO</u>
AYES	<u>4</u> NOES <u>0</u>

Board Meeting of March 6, 2013

ITEM NO. 11

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 deletion of the following positions from the Job Classification Plan:

One (1) Account Clerk-Typist	00110121 411001
One (1) Principal Chief Stationary Engineer	00380131 411001
One (1) Senior Sanitary Engineering Supervisor	00600161 411001

MOTION TO APPROVE

MADE BY MR. KENNEDY

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of March 6, 2013

ITEM NO. 13

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

Board Meeting of March 6, 2013