

**MINUTES OF THE REGULAR MEETING  
OF THE  
BUFFALO SEWER AUTHORITY  
May 28, 2014**

**54732.....54768**



# BUFFALO SEWER AUTHORITY

May 28, 2014

**REGULAR MEETING**

**9:00 A.M.**

**1038 CITY HALL**

---

<u>ITEM NO.</u>	<u>CONTENTS</u>	<u>PAGE NO.</u>
	Roll Call	
1	Motion to Adopt the Minutes of May 7, 2014	54732
2	Temporary Investments (Certificates of Deposit and Treasury Bills)	54733-34
3	Reallocation of Funds	54735-36
4	Buffalo Sewer Authority Written Procedures – Tax-Exempt Obligations	54737-42
5	Authorization for Change Order to Blanket Order No. 21400030 for Legal Services	54743
6	Contract Approval – Legal Services	54744
7	Contract Approval – Legal Services	54745
8	Contract Approval – Legal Services	54746
9	Travel Authorization – New Orleans, Louisiana	54747
10	Change Order No. 1 – Contract No. 81300004	54748-49
11	Change Order No. 1 – Contract No. 81300011	54750-51
12	Change Order No. 2 – Contract No. 81300022	54752-53
13	Change Order No. 3 – Contract No. 81300027	54754-55
14	Authorization for Service from Mollenberg-Betz	54756
15	Authorization for Purchase of WSG Parts	54757



16	Authorization for Purchase of Pista Grit Parts	54758
17	Authorization for Purchase of Westfalia Parts	54759
18	Authorization for Purchase of Blackmer Pump Parts	54760
19	Report on Bids Received – Purchase of Various New & Unused Gray Cast Iron Castings	54761
20	Report on Bids Received – Purchase of Various New & Unused Steel Products	54762-63
21	Authorization to Amend Board Resolution No. 19 of the Board Meeting of April 2, 2014	54764
22	Report on Bids Received – Combined Sewer Overflow Long Term Control Plan SPP165A Kensington Avenue Sewer Upgrade Project	54765
23	Confirmation of Appointments	54766-67
24	Adjournment of Meeting	54768





## ITEM NO. 2

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

May 16, 2014

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
<b>CONSTRUCTION/CAPITAL IMPROVEMENT FUND</b>						
31-July-12	Money Market		\$46,489,917.90	First Niagara	0.15%	Municipal Premium
<b>LIABILITY AND CASUALTY RESERVE FUND</b>						
31-July-12	Money Market		\$998,080.86	First Niagara	0.10%	Municipal Premium
<b>OPERATING FUND</b>						
31-July-12	Super NOW		\$3,128,532.63	First Niagara	0.10%	Municipal Premium
<b>TRUST &amp; AGENCY FUND</b>						
31-Jul-12	Money Market		\$33,414.08	First Niagara	0.02%	Municipal Premium
<b>SURPLUS FUND</b>						
30-Apr-14	30-May-14	30	\$7,999,532.82	M&T	0.05%	\$328..75
<b>NET REVENUE FUND</b>						
30-Apr-14	30-May-14	30	\$3,000,000.00	M&T	0.05%	\$123.29
09-May-14	09-Jun-14	31	\$4,000,000.00	M&T	0.05%	\$169.86
			<u>\$7,000,000.00</u>			



ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
<b>DEBT RESERVE FUND</b>						
<b>Series F</b>						
			\$245,619.36	Wilmington Fund		
<b>Series I</b>						
			\$9,935,034.04	Wilmington Fund		
<b>Series J</b>						
04-Mar-04	15-Nov-33	10848	\$774,061.00	SLG	3.82%	
<b>Series K</b>						
22-Jul-04	15-Feb-33	10435	\$498,654.00	SLG	4.63%	
<b>Series L</b>						
27-Jul-06	01-Oct-35	10658	\$952,666.00	SLG	4.52%	
<b>Series N</b>						
15-Nov-12	15-Apr-32	7091	\$2,167,157.00	SLG	2.42%	

**RECEIVE & FILE**

Board Meeting of May 28, 2014

## ITEM NO. 3

## INFORMATIVE: REALLOCATION OF FUNDS

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

**Wastewater Treatment Plant**

4/28/2014	00280105 SWWP Supplies	-\$1,040.00	00290105 Aeration Supplies	\$1,040.00
5/1/2014	00280105 SWWP Supplies	-\$21,755.00	00290105 Aeration Supplies	\$21,755.00
5/1/2014	00280105 SWWP Supplies	-\$560.00	00380105 Incinerator Supplies	\$560.00
5/6/2014	00360105 Dewatering Supplies	-\$165.00	00520105 Maintenance Supplies	\$165.00
5/9/2014	00360105 Dewatering Supplies	-\$330.00	00520105 Maintenance Supplies	\$330.00
5/9/2014	00280105 SWWP Supplies	-\$18,597.00	00210105 RWWP Supplies	\$18,597.00
5/9/2014	00280105 SWWP Supplies	-\$3,600.00	00410105 Hamburg Supplies	\$3,600.00
5/9/2014	00360105 Dewatering Supplies	-\$1,720.00	00410105 Hamburg Supplies	\$1,720.00
5/9/2014	00280105 SWWP Supplies	-\$100.00	00210105 RWWP Supplies	\$100.00
5/12/2014	00360105 Dewatering Supplies	-\$2,720.00	00210105 RWWP Supplies	\$2,720.00
5/13/2014	00360105 Dewatering Supplies	-\$300.00	00210105 RWWP Supplies	\$300.00
5/13/2014	00370105 Centrifuge Supplies	-\$21,000.00	00290105 Aeration Supplies	\$21,000.00
5/14/2014	00360105 Dewatering Supplies	-\$1,905.00	00520105 Maintenance Supplies	\$1,905.00
5/14/2014	00360105 Dewatering Supplies	-\$1,485.00	00200105 Plant Supplies	\$1,485.00
5/14/2014	00370105 Centrifuge Supplies	-\$240.00	00290105 Aeration Supplies	\$240.00
5/14/2014	00370105 Centrifuge Supplies	-\$10.00	00520106 Maintenance Services	\$10.00
5/14/2014	00360105 Dewatering Supplies	-\$305.00	00530105 Yards Supplies	\$305.00
5/14/2014	00360105 Dewatering Supplies	-\$755.00	00200105 Plant Supplies	\$755.00
5/15/2014	00370105 Centrifuge Supplies	-\$465.00	00210105 RWWP Supplies	\$465.00
5/15/2014	00380106 Incinerator Services	-\$23,000.00	00200106 Plant Services	\$23,000.00
5/15/2014	00400106 South Services	-\$6,000.00	00200106 Plant Services	\$6,000.00
5/15/2014	00520107 Maintenance Capital Outlay	-\$8,000.00	00510107 Lab Capital Outlay	\$8,000.00

**Sewer Maintenance Division**

4/29/2014	00660105 Sewer Repair Supplies	-\$2,500.00	00690105 Auto Supplies	\$2,500.00
4/29/2014	00660105 Sewer Repair Supplies	-\$2,500.00	00690105 Auto Supplies	\$2,500.00
5/9/2014	00690107 Auto Capital Outlay	-\$20,000.00	00660107 Sewer Repair Capital Outlay	\$20,000.00
5/9/2014	00690107 Auto Capital Outlay	-\$5,000.00	00670107 Sewer Cleaning Capital Outlay	\$5,000.00
5/13/2014	00660105 Sewer Repair Supplies	-\$3,000.00	00670105 Sewer Cleaning Supplies	\$3,000.00

**General Financial Charges**

5/12/2014	00800183 Financial Contingency	-\$108,480.00	00280106 SWWP Services	\$108,480.00
-----------	-----------------------------------	---------------	---------------------------	--------------

**RECEIVE & FILE**

Board Meeting of May 28, 2014

## ITEM NO. 4

**BUFFALO SEWER AUTHORITY WRITTEN PROCEDURES - TAX-EXEMPT OBLIGATIONS**

- WHEREAS: The Internal Revenue Code of 1986, as amended (the “Code”) and the regulations promulgated thereunder (the “Regulations”) impose certain requirements on tax-exempt obligations, including but not limited to, restrictions on the use of bond proceeds and bond-financed property, arbitrage yield restrictions, and the arbitrage rebate requirement. These requirements are generally applicable throughout the period that the bonds remain outstanding; and
- WHEREAS: Form 8038-G, Information Return for Tax Exempt Governmental Obligations (“Form 8038-G”) now requires the issuer to represent whether it has established written procedures to (a) monitor the requirements of Section 148 of the Code, including, but not limited to, the arbitrage rebate and arbitrage yield restriction requirements; and (b) ensure that any nonqualified bonds (within the meaning of Section 1.141-12(j) of the Regulations) are remediated in accordance with the Code and the Regulations; and
- WHEREAS: In addition to the above-described Form 8038-G representations, the Buffalo Sewer Authority (the “Authority”) has been advised that additional procedures are recommended in order for the Authority to document compliance with the applicable federal tax requirements. Actions pursuant to these procedures (collectively referred to as post-issuance tax compliance) are intended to assist the Authority in documenting compliance with the applicable federal tax requirements. Post-issuance tax compliance begins with the debt issuance process itself and includes a continuing focus on investments of bond proceeds and use of bond-financed property. Post-issuance tax compliance requires identifying the responsible people and the applicable procedures; and
- WHEREAS: References herein to a “bond” or to “bonds” shall apply to all forms of tax-exempt obligations including, but not limited to, lease/purchase agreements.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby adopts the attached  
Written Procedures Related to Tax-Exempt Obligations.

MOTION TO ADOPT

MADE BY MS. WILSON-DIVINCENZO

2<sup>ND</sup> BY MR. KENNEDY

AYES 4 NOES 0

Board Meeting of May 28, 2014

**BUFFALO SEWER AUTHORITY****WRITTEN PROCEDURES**  
Related to Tax-Exempt Obligations**Procedures**

The Executive Secretary and General Manager (hereinafter referred to as the “Authority Representatives”) of the Authority are designated as being responsible for post-issuance tax compliance. The Authority Representatives may delegate to their staff or contract with independent contractors (such as an arbitrage/rebate consultant or a consulting engineer) responsibility for different aspects of post-issuance tax compliance. For example, coordinating and documenting the expenditure of bond proceeds on projects may be delegated to the consulting engineer. However, the Authority Representatives will be ultimately responsible for implementing the procedures described herein.

The Authority recognizes that it has issued a substantial amount of tax-exempt debt prior to the adoption of these procedures. With respect to this prior issued debt, the Authority Representatives will take reasonable steps to collect and maintain appropriate documentation of compliance with these procedures. However, the Authority recognizes that such documentation may not exist with respect to some of the items enumerated in these procedures.

**Training – When appropriate, the Authority Representatives will:**

- (a) Attend (or direct other employees of the Authority to attend) training programs offered by the Internal Revenue Service (“IRS”) or other industry professionals regarding tax-exempt financing that are relevant to the Authority.
- (b) Train incoming Executive Secretaries or General Managers who will have responsibility for carrying out the provisions of these Written Procedures to ensure continued compliance with these Written Procedures and all tax compliance agreements for any outstanding bonds.

**Issuance – The Authority Representatives will:**

- (a) Confirm the filing of the Form 8038 or Form 8038-G (or applicable successor form) with Internal Revenue (“IRS”). Filing of the applicable Form 8038 is usually overseen by bond counsel at or soon after the closing of a bond issue.
- (b) Obtain and store the Transcript of Proceedings prepared by bond counsel (which typically includes the applicable Form 8038 and the Arbitrage Certificate containing the Authority’s expectations as of the date of issuance of the bond issue).
- (c) Establish separate accounts or subaccounts to record expenditures for costs of any project financed with tax-exempt bonds. Where appropriate the Authority Representatives may use accounts established as part of the Authority’s financial records for this purpose. In recording such costs, the Authority Representatives will ensure that the accounting system will include the following information: (1) identity of person or business paid, along with any other available narrative description of the purpose for the payment, (2) date of payment, (3) amount paid, and (4) invoice number or other identifying reference.

- (d) For tax-exempt bonds that are issued to refund prior tax-exempt bonds, set out special accounting and allocation procedures for the proceeds of the financing, and if necessary proceeds of the refinanced tax-exempt bonds.

**Recordkeeping – The Authority Representatives will:**

- (a) Establish a plan for keeping relevant books and records as to the investment and the expenditure of bond proceeds.
- (b) Keep accurate records including:
- Basic records relating to the bond transactions (including the bond ordinances, loan agreements, and bond counsel opinion; see Transcript of Proceeding, above);
  - Documentation evidencing the expenditure of bond proceeds;
  - Documentation evidencing use of bond-financed property by public and private sources (i.e., copies of management contracts);
  - Documentation evidencing all sources of payment or security for the bonds; and
  - Documentation pertaining to any investment of bond proceeds (including the purchase and sale of securities, SLGS subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts, and rebate calculations).
- (c) Keep all records in a manner that ensures their complete access to the IRS so long as they are material. While this is typically accomplished through the maintenance of hard copies, records may be kept in an electronic format if certain requirements are satisfied, in accordance with the guidelines in Revenue Procedure 97-22, 1997-1 C.B. 652.
- (d) Keep the relevant records for each issue of bonds for as long as such issue of bonds is outstanding (including any bonds issued to refund such issue of bonds) plus three years after the final redemption date of the bonds.

**Annual Compliance Review – The Authority Representatives will:**

- (a) Annually review all financial and other records pertaining to any outstanding tax-exempt bonds of the Authority for the purpose of identifying potential noncompliance with the terms of these Written Procedures or any Arbitrage Certificate or Tax Compliance Agreement relating to such bonds and obtain any documents required to be incorporated into the file relating to such bonds.
- (b) If any potential noncompliance is found, consult with legal counsel to the Authority or the Authority's bond counsel and, if recommended by counsel, follow the procedures set forth herein for remediating such noncompliance.

**Arbitrage Rebate and Arbitrage Yield Restriction – The Authority Representatives will:**

- (a) Engage the services of an arbitrage/rebate consultant for assistance in compliance with arbitrage related issues.
- (b) Work with the Authority's bond counsel, financial advisor and/or arbitrage/rebate consultant to monitor compliance with "temporary period exceptions" for expenditure of bond proceeds, typically three years for new money bonds, and provide for yield restriction of investments or "yield reduction payments" if exceptions are not satisfied.

- (c) Work with the Authority's bond counsel and financial advisor to ensure investments acquired with bond proceeds are purchased at fair market value. This may include use of bidding procedures under the regulatory safe harbor (Section 1.148-5(d) of the Regulations).
- (d) Consult with the Authority's bond counsel prior to the creation of funds which would reasonably be expected to be used to pay debt service on tax-exempt bonds to determine in advance whether such funds must be invested at a restricted yield (i.e., yield restricted).
- (e) Consult with the Authority's bond counsel and financial advisor before engaging in post-issuance credit enhancement transactions (e.g., bond insurance, letter of credit) or hedging transactions (e.g., interest rate swap, cap).
- (f) Consult with the Authority's bond counsel, financial advisor, and/or arbitrage/rebate consultant to identify situations in which compliance with applicable yield restrictions depends upon subsequent investments (e.g., purchase of 0% SLGS from U.S. Treasury) and monitor implementation.
- (g) Work with the Authority's arbitrage/rebate consultant to arrange for timely computation of rebate/yield reduction payment liability and, if an amount is payable, for timely filing of Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate (or applicable successor form), and payment of such liability. Rebate/Yield Reduction payments are ordinarily due at 5-year intervals.

**Private Use of Bond-Financed Facilities – The Authority Representatives will:**

- (a) Create and maintain records of which proceeds of bond issues were used to finance which facilities. These records shall incorporate the refunding or partial refunding of any bond issues.
- (b) Record the allocation of bond proceeds to expenditures, including reimbursements. These records will be consistent with the expenditures used for arbitrage purposes.
- (c) Record the allocation of bond proceeds and funds from other sources in connection with any bond funded project. Review expenditure of bond proceeds with bond counsel and/or consulting engineer to ensure bond proceeds are used for qualifying costs.
- (d) Review with bond counsel prior to the sale or lease of a bond-financed facility, or the granting of a license or management contract, or any other arrangement allowing private use of a bond financed facility, the terms of such arrangement.
- (e) Keep records of private use, if any, of bond financed facilities to monitor the amount of private use of bond financed facilities. Private use of bond-financed facilities shall be reviewed once a year (in connection with the preparation of the annual financial statements). If a change in private use occurs, bond counsel will be consulted to determine if remedial action is necessary.

**Correcting Compliance Deficiencies – The Authority Representatives will:**

- (a) If the Authority Representatives determine that there exists any deficiency in compliance with these Written Procedures or any Arbitrage Certificate or Tax Compliance Agreement relating to an outstanding bond of the Authority, contact the Authority's bond counsel and follow the



procedures described in the IRS regulations or the Tax-Exempt Bonds Voluntary Closing Agreement Program (“VCAP”) to remediate the noncompliance.

- (b) If remediation of the noncompliance requires the Authority to submit a request under VCAP, the Authority Representatives will undertake this step only after reporting the violation to the Commissioners of the Authority and obtaining their approval.

**Reissuance – The Authority Representatives will:**

- (a) Consult with bond counsel to identify any post-issuance modifications to the terms of bonds which could be treated as a current refunding of “old” bonds by “new” bonds, often referred to as a “reissuance.”
- (b) Consult with bond counsel to determine whether any “remedial action” (see item (e) under “Private Use of Bond-Financed Facilities” above) in connection with private use must be treated as a “reissuance.”

## ITEM NO. 5

**AUTHORIZATION FOR CHANGE ORDER TO BLANKET ORDER NO. 21400030 FOR LEGAL SERVICES**

WHEREAS: On June 12, 2013, the Board of the Buffalo Sewer Authority authorized the General Manager to retain Charles C. Martorana, of Hiscock & Barclay, LLP, for professional legal services for environmental matters, litigation, and arbitration matters on an as-needed basis for fiscal year July 1, 2013 through June 30, 2014, for a maximum amount not to exceed \$80,000.00; and

WHEREAS: Blanket Order No. 21400030 was established for these legal services; and

WHEREAS: Due to an unexpected litigation matter, additional man hours were required to adequately address legal matters and issues in order to meet the short response deadline; and

WHEREAS: The General Manager and staff recommend approval to increase the maximum amount for these services by \$35,000.00, for a total cost not to exceed \$115,000.00.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to approve a change order in the amount of \$35,000.00, thereby increasing Blanket Order No. 21400030 for legal services provided by Hiscock & Barclay, LLP, from \$80,000.00 to \$115,000.00 for the remainder of fiscal year 2013-2014. Funds for this change order shall be charged to account no. 00550106-432003.

MOTION TO APPROVE

MADE BY MR. KENNEDY

2<sup>ND</sup> BY MS. WILSON-DIVINCENZO

AYES 4 NOES 0

Board Meeting of May 28, 2014

## ITEM NO. 6

**CONTRACT APPROVAL - LEGAL SERVICES**

WHEREAS: The Buffalo Sewer Authority (the Authority) has many complex regulatory, enforcement, and environmental matters that require the skills of a specialized attorney; and

WHEREAS: F. Paul Calamita, Esq., of AquaLaw, PLC, from Richmond VA, has expertise in these matters and has been representing the Authority in recent years; and

WHEREAS: Proposed hourly fees for Mr. Calamita and staff are as follows:

F. Paul Calamita	\$420.00
Associate	\$255.00
Legal Assistant	\$190.00

; and

WHEREAS: The General Manager, Executive Secretary, and staff recommend approval to continue to retain F. Paul Calamita and staff for professional legal services for the period July 1, 2014 through June 30, 2015, on an as-needed basis.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to retain F. Paul Calamita and staff, of AquaLaw, PLC, for professional legal services in connection with environmental matters associated with the Long Control Plan on as-needed basis for the period July 1, 2014 through June 30, 2015, for a total amount not to exceed \$65,000.00. Expenses for these legal services will be charged to account no. 00110106-432003.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2<sup>ND</sup> BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of May 28, 2014

## ITEM NO. 7

**CONTRACT APPROVAL - LEGAL SERVICES**

WHEREAS: Randolph C. Oppenheimer, of Damon Morey, LLP, has extensive experience in labor relations and has proposed to represent the Buffalo Sewer Authority relating to these matters; and

WHEREAS: Randolph C. Oppenheimer, of Damon Morey, LLP, has represented the Buffalo Sewer Authority in the past and the General Manager and staff recommend approval to retain his services on an as-needed basis for fiscal year 2014-2015; and

WHEREAS: Mr. Oppenheimer has proposed an hourly rate of \$205.00 for all negotiations with respect to these matters, which represents a substantial discount from his standard rates.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer hereby authorizes the General Manager to retain Randolph C. Oppenheimer, of Damon Morey, LLP, as legal counsel for matters relating to labor relations for the period July 1, 2014 through June 30, 2015, for a total amount not to exceed \$25,000.00. Expenses for these legal services will be charged to account no. 00110106-432003.

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

Board Meeting of May 28, 2014

## ITEM NO. 8

**CONTRACT APPROVAL – LEGAL SERVICES**

WHEREAS: The Buffalo Sewer Authority has many complex regulatory, enforcement, and environmental matters that require the skills of a specialized attorney; and

WHEREAS: Charles C. Martorana, of Hiscock & Barclay, LLP, has extensive expertise in these areas. Mr. Martorana also represents the Buffalo Sewer Authority in litigation and arbitration matters as needed; and

WHEREAS: The General Manager and staff recommend approval to retain Charles C. Martorana, of Hiscock and Barclay, LLP, for legal services on an as-needed basis for the fiscal year 2014-2015; and

WHEREAS: Proposed billing rates for Mr. Martorana and staff are as follows:

Partners	\$250.00 per hour
Associates & Counsel	\$225.00 per hour
Paralegal Services	\$140.00 per hour

NOW THEREFORE  
BE IT RESOLVED:

That the Buffalo Sewer Authority hereby authorizes the General Manager to retain Charles C. Martorana, of Hiscock & Barclay, LLP, for legal services on an as-needed basis for the period July 1, 2014 through June 30, 2015, for a total amount not to exceed \$80,000.00. Expenses for these legal services will be charged to account no. 00550106-432003.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2<sup>ND</sup> BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of May 28, 2014

## ITEM NO. 9

**TRAVEL AUTHORIZATION - NEW ORLEANS, LOUISIANA**

WHEREAS: The Water Environment Federation's 87<sup>th</sup> Annual Technical Exhibition and Conference will be held September 27 – October 1, 2014, in New Orleans, Louisiana; and

WHEREAS: The Buffalo Sewer Authority staff annually participates in this international event to keep abreast of the latest technologies, innovations, and research in the wastewater field; and

WHEREAS: The General Manager recommends attendance at the Water Environment Federation's 87<sup>th</sup> Annual Technical Exhibition and Conference.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes travel from September 27 – October 1, 2014, for the Chairman of the Board and the Treatment Plant Superintendent to attend the Water Environment Federation's 87<sup>th</sup> Annual Technical Exhibition and Conference in New Orleans, Louisiana at a total cost not to exceed \$6,000.00. Funds are available in account nos. 00100104-458010, 00100104-458012, 00200104-458010 and 00200104-458012.

MOTION TO APPROVE

MADE BY MR. KENNEDY

2<sup>ND</sup> BY MS. WILSON-DIVINCENZO

AYES 4 NOES 0

Board Meeting of May 28, 2014

## ITEM NO. 10

**CHANGE ORDER NO. 1 – CONTRACT NO. 81300004**

CONTRACTOR:	ORIGINAL CONTRACT COST	\$175,000.00
Ferguson Electric	PREVIOUS CHANGE ORDER	0.00
321 Ellicott St.	THIS CHANGE ORDER	<u>41,281.51</u>
Buffalo, NY 14203	ADJUSTED CONTRACT COST	\$216,281.51

WORK: Electrical In-plant Service Contract

**DESCRIPTION OF CHANGE OR EXTRA WORK:**

Item #1 Replace 5P4B Duplex Switch, Transformer Secondary Tap Box

**REASON FOR CHANGE OR EXTRA WORK:**

Item #1 Original equipment is showing signs of failure

**COST OF CHANGE OR EXTRA WORK:**

Item #1 \$41,281.51

The total INCREASE to the contract as a result of this Change Order is \$41,281.51

**CONTRACT SUPPLEMENT CONDITIONS:**

1. The contract completion date established in the original contract or as modified by previous contract supplements is hereby changed by 0 days, making the final completion date of 8/30/14.
2. Any additional work to be performed under this contract supplement shall be carried out in compliance with the specifications included in the preceding description of changes involved with the supplemental contract drawings designated none and under the provisions of the original contract, including compliance with applicable equipment specifications, general specifications, and project specifications for the same type of work.
3. This contract supplement unless otherwise provided herein does not relieve the Contractor from strict compliance with the guarantee provisions of the original contract, particularly those pertaining to performance and operation of equipment.
4. The Contractor expressly agrees that he will place under coverage of his performance and payment bonds and Contractor's Insurance all work covered by this contract supplement. The Contractor will furnish to the Owner evidence of increased coverage of his performance and payment bonds for the accrued value of all contract supplements that exceeds the original contract price by twenty percent (20%).

5. The costs established under this contract supplement are acknowledged as including any and all costs associated with the work described herein and including any and all costs associated with any and all work performed or to be performed by the Contractor that may be affected in any manner by the work described herein.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves Change Order No. 1 to Contract No. 81300004 as written in the above Agenda Item, increasing the contract cost in the amount of \$41,281.51, making the adjusted contract cost \$216,281.51.

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

Board Meeting of May 28, 2014



## ITEM NO. 11

**CHANGE ORDER NO. 1 – CONTRACT NO. 81300011**

CONTRACTOR:	ORIGINAL CONTRACT COST	\$1,595,000.00
K&E Construction Co., Inc.	PREVIOUS CHANGE ORDER	0.00
40 Stanley Street	THIS CHANGE ORDER(Increase)	<u>20,000.00</u>
Buffalo, NY 14206	ADJUSTED CONTRACT COST	\$1,615,000.00

WORK: BSA Multiple Hearth Incinerator Upgrade-16E

**DESCRIPTION OF CHANGE OR EXTRA WORK:**

- Item #1 Replace emergency bypass seal gasket assembly
- Item #2 Re-work rabble arm teeth to fit into rabble arms

**REASON FOR CHANGE OR EXTRA WORK:**

- Item #1 The existing damper seals were deteriorated beyond repair and will require replacement to facilitate proper operation of the incinerator #2.
- Item #2 The new teeth fittings purchased by the BSA did not match the receiving slots in the rabble arms. The labor hours required to grind and re-work the teeth is reflected in this cost.

**COST OF CHANGE OR EXTRA WORK:**

- Item #1 \$3,000.00
- Item #2 \$17,000.00

The total INCREASE to the contract as a result of this Change Order is \$20,000.00

**CONTRACT SUPPLEMENT CONDITIONS:**

1. The contract completion date established in the original contract or as modified by previous contract supplements is hereby changed by 120 calendar days, making the final completion date of June 2, 2014.



## ITEM NO. 12

**CHANGE ORDER NO. 2 - CONTRACT NO. 81300022**

CONTRACTOR:	ORIGINAL CONTRACT COST	\$75,000.00
Mollenberg-Betz, Inc.	PREVIOUS CHANGE ORDER	\$257,442.00
300 Scott Street	THIS CHANGE ORDER	<u>\$150,000.00</u>
Buffalo, NY 14204	ADJUSTED CONTRACT COST	\$482,442.00

WORK: In-Plant Steam Repairs

**DESCRIPTION OF CHANGE OR EXTRA WORK:**

Item #1 Replace all ninety two "D" tubes and nineteen rear wall tubes in Keller Auxiliary Boiler #2. This task involves removing all outer and inner wall casings to access the boiler tubes. Remove all ninety two "D" tubes and nineteen rear wall tubes. Provide new SA178 Grade "A" 2 inch diameter x .105 min. wall "D" tubes and nineteen 2" diameter rear wall tubes and install per manufacturer's specifications. Turbine all combustion chamber intermediate wall tubes, all generating section tubes and all gas outlet side wall tubes. Perform hydrostatic test. Provide and install new refractory seals and refractory floor. Re-install inner casing for side wall and roof section. Provide and install new side wall and roof insulation. Re-install side wall and roof outer casing. Re-install all small bore piping. Turbine all six hundred ninety two remaining tubes in the Keller Auxiliary Boilers #1, #2 and #3. Clean and demobilize.

**REASON FOR CHANGE OR EXTRA WORK:**

Item #1 Improve the safety and efficiency of the Auxiliary Boiler.

**COST OF CHANGE OF EXTRA WORK**

\$150,000.00

THE TOTAL COST OF THE CHANGE OR EXTRA WORK \$150,000.00

The total INCREASE to the contract as a result of this Change Order is \$150,000.00

**CONTRACT SUPPLEMENT CONDITIONS:**

1. The contract completion date established in the Original contract or as modified by previous Contract Supplements remains unchanged.
2. Any additional work to be performed under this Contract Supplement shall be carried out in compliance with the specifications included in the preceding Description of Changes involved with the Supplemental Contract Drawings designated none and under the provisions of the Original

Contract, including compliance with applicable Equipment specifications, General Specifications and Project Specifications for the same type of work.

3. This Contract Supplement unless otherwise provided herein does not relieve the Contractor from strict compliance with the guarantee provisions of the Original Contract, particularly those pertaining to performance and operation of equipment.
4. The Contractor expressly agrees that he will place under coverage of his performance and Payment Bonds and Contractor's Insurance all work covered by this Contract Supplement. The Contractor will furnish to the Owner evidence of increased coverage of his Performance and Payment Bonds for the accrued value of all Contract Supplements that exceeds the Original Contract Price by twenty percent (20%).
5. The costs established under this Contract Supplement are acknowledged as including any and all costs associated with the work described herein and including any and all costs associated with any and all work performed or to be performed by the Contractor that may be affected in any manner by the work described herein.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves Change Order No. 2 to Contract No. 81300022 as written in the above Agenda Item, increasing the contract cost in the amount of \$150,000.00, making the adjusted contract cost \$482,442.00.

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

Board Meeting of May 28, 2014

## ITEM NO. 13

**CHANGE ORDER NO. 3 – CONTRACT NO. 81300027**

CONTRACTOR:	ORIGINAL CONTRACT COST	\$788,684.00
STC Construction, Inc.	PREVIOUS CHANGE ORDER	19,500.00
63 Zoar Valley	THIS CHANGE ORDER(Increase)	<u>82,000.00</u>
Springville, NY 14141	ADJUSTED CONTRACT COST	\$890,184.00

WORK: Primary Bypass Modifications Project

**DESCRIPTION OF CHANGE OR EXTRA WORK:**

- Item #1 Provide concrete modifications to damaged tunnel structure.
- Item #2 Re-route electrical feeders to new sluice gates.
- Item #3 Provide control/monitoring integration for new sluice gates in Bypass Project.

**REASON FOR CHANGE OR EXTRA WORK:**

- Item #1 Water infiltration has compromised the integrity of the existing concrete/rebar.
- Item #2 The actual field conditions were inconsistent with the contract documents.
- Item #3 This cost reflects the amount beyond the prescribed integration allowance.

**COST OF CHANGE OR EXTRA WORK:**

- Item #1 \$60,000.00
- Item #2 \$20,000.00
- Item #3 \$2,000.00

The total INCREASE to the contract as a result of this Change Order is \$82,000.00

**CONTRACT SUPPLEMENT CONDITIONS:**

- The contract completion date established in the original contract or as modified by previous contract supplements is hereby changed by 150 days, making the final completion date of 8/1/14.
- Any additional work to be performed under this contract supplement shall be carried out in compliance with the specifications included in the preceding description of changes involved with the supplemental contract drawings designated none and under the provisions of the original









## ITEM NO. 16

**AUTHORIZATION FOR PURCHASE OF PISTA GRIT PARTS**

WHEREAS: On November 7, 2012, the Board of the Buffalo Sewer Authority designated Smith and Loveless, Incorporated, the original equipment manufacturer, and/or their local representatives as a sole source for the purchase of pista grit concentrators for the Bird Island Wastewater Treatment Plant; and

WHEREAS: Total expenditures to date for Smith and Loveless pista grit parts are \$27,256.52; and

WHEREAS: The Superintendent of Mechanical Maintenance has determined a need to replace the auger/screw on the Smith and Loveless Grit Screw Conveyor. A quote was requested and received from Smith and Loveless, Incorporated in the amount of \$8,462.00 and no freight will be charged; and

WHEREAS: The Treatment Plant Superintendent, Superintendent of Mechanical Maintenance, and staff recommend these replacement Smith & Loveless brand parts bringing the total monies payable for this commodity to \$35,718.52; 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 replacement auger/screw on Grit Screw Conveyor Smith and Loveless parts in the amount of \$8,462.00 and no freight will be charged, bringing the total monies payable for this commodity to \$35,718.52 for fiscal year 2013-2014. This purchase will be charged to account no. 00230105-466107.

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

Board Meeting of May 28, 2014

## ITEM NO. 17

**AUTHORIZATION FOR PURCHASE OF WESTFALIA PARTS**

WHEREAS: On November 7, 2012, the Board of the Buffalo Sewer Authority designated GEA Mechanical Equipment US Incorporated/GEA Westfalia Separator Division, the original equipment manufacturer, and/or their authorized local representative, as a sole source for the purchase of various replacement parts, supplies, and service on the Westfalia brand centrifuge located at the Treatment Plant; and

WHEREAS: The Superintendent of Mechanical Maintenance has determined a need to restock Westfalia parts. Upon request, GEA Mechanical Equipment US Incorporated/GEA Westfalia Separator Division submitted a quote in the amount of \$25,401.48, including freight not to exceed \$100.00 for the Westfalia restock parts; and

WHEREAS: Monies payable to date to GEA Mechanical Equipment US Incorporated, in fiscal year 2013-2014 are \$14,719.65. This purchase will bring the total monies payable for purchase to \$40,121.13; 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 Westfalia restock parts from GEA Mechanical Equipment US Incorporated, at a cost of \$25,401.48, including freight not to exceed \$100.00. This purchase will be charged to account no. 00370105-466107.

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

Board Meeting of May 28, 2014

## ITEM NO. 18

**AUTHORIZATION FOR PURCHASE OF BLACKMER PUMP PARTS**

WHEREAS: On November 7, 2012, the Board of the Buffalo Sewer Authority designated Blackmer Pump Company, the original equipment manufacturer, and/or their authorized local representative, as a sole source for Blackmer brand pumps located at the Treatment Plant; and

WHEREAS: The Superintendent of Mechanical Maintenance has determined a need for Blackmer LD17 4x4-12 pump parts. Upon request, Corrosion Products and Equipment, Inc., the authorized local representative, submitted a quote in the amount of \$11,196.00; and

WHEREAS: Monies payable to date to Corrosion Products and Equipment, Inc., in fiscal year 2013-2014 are \$28,748.00. This purchase will bring the total monies payable for purchase to \$39,944.00; and

WHEREAS: The Treatment Plant Superintendent, Superintendent of Mechanical Maintenance, and staff reviewed the quote received and recommend the purchase of the Blackmer LD 17 4x4-12 pump parts; 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 Blackmer LD 17 4x4-12 pump parts at a total cost of \$11,196.00, and further authorizes total monies payable to Corrosion Products and Equipment, Inc., of \$39,944.00 for fiscal year 2013-2014. This purchase will be charged to account no. 00350105-466107.

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

Board Meeting of May 28, 2014

## ITEM NO. 19

**REPORT ON BIDS RECEIVED - PURCHASE OF VARIOUS NEW & UNUSED GRAY CAST IRON CASTINGS**

WHEREAS: Formal bids were advertised and solicited for the purchase of the following various gray cast iron castings:

- 1.) (30) Standard Manhole Frames & Covers
  - 2.) (30) Dark 12" x 18 1/8" Receiver Grates
  - 3.) (30) Dark 13" x 18 1/8" Receiver Grates
  - 4.) (30) Dark 18 1/8" x 18 1/8" Receiver Grates
  - 5.) (10) McConnell 11 1/2" x 23" Cast Iron Grates
  - 6.) (10) McConnell 23" x 23" Cast Iron Grates
- ; and

WHEREAS: The following bids were received and opened by the Buffalo Sewer Authority Purchase Department on May 19, 2014:

Vendor	Cost
EJ USA Inc.	\$18,820.00
Neenah Foundry	Did Not Respond

; and

WHEREAS: The Director of Sewer Maintenance and staff carefully reviewed the quotes received and recommend awarding the purchase to the only bidder, EJ USA Inc., at a total cost of \$18,820.00.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to purchase the above listed various gray cast iron castings from the only bidder, EJ USA Inc. at a total cost of \$18,820.00. This purchase will be charged to account no. 00660105-466269.

MOTION TO APPROVE

MADE BY MR. KENNEDY

2<sup>ND</sup> BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of May 28, 2014

## ITEM NO. 20

**REPORTS ON BIDS RECEIVED - PURCHASE OF VARIOUS NEW & UNUSED STEEL PRODUCTS**

WHEREAS: Formal bids were advertised and solicited for the purchase of the following various steel products:

- 1.) (30) Receiver Bottom Sections w/slides
  - 2.) (25) Receiver Top Section 20"
  - 3.) (10) Receiver Top Section 18"
  - 4.) (20) Receiver Top Section 16"
  - 5.) (40) Curb Box 23" x 9"; 7" Reveal
  - 6.) (20) Curb Box 23" x 8"; 6" Reveal
  - 7.) (20) Frame 2' x 2'
  - 8.) (60) Curb Box 23" x 10"; 8" Reveal
  - 9.) (25) Receiver Top Section 6"
  - 10.) (20) Curb Box 4"
  - 11.) (20) Curb Box 5"
  - 12.) (25) Curb Box 6"
  - 13.) (20) Curb Box 7"
  - 14.) (20) Receiver Top Section 24"
  - 15.) (20) Curb Box 8"
  - 16.) (20) Receiver Top Section 12"
- ; and

WHEREAS: The following bids were received and opened by the Buffalo Sewer Authority Purchase Department on May 19, 2014:

Vendor	Cost
Melius Welding	\$61,475.00
Neenah Foundry	Did Not Respond
Hoth Machine	\$23,670.00 – Only bid Item #1
EJ USA, Inc.	\$52,285.00 – Did not bid Item #1
Goergen Mackwirth	\$136,815.00

; and

WHEREAS: The Director of Sewer Maintenance and staff carefully reviewed the quotes received and recommend awarding the entire purchase to the lowest bidder, Melius Welding, at a total cost of \$61,475.00.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to purchase the above listed various steel products from the lowest bidder, Melius Welding at a total cost of \$61,475.00. This purchase will be charged to account no. 00660105-466269.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2<sup>ND</sup> BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of May 21, 2014

## ITEM NO. 21

**AUTHORIZATION TO AMEND BOARD RESOLUTION NO. 19 OF THE BOARD MEETING OF APRIL 2, 2014 - AUTHORIZATION TO ENTER INTO ENGINEERING SERVICES AGREEMENT - GREEN INFRASTRUCTURE BETTERMENT AS PART OF THE NIAGARA STREET PHASE 1 AND PHASE 2 STREETScape IMPROVEMENT PROJECT**

WHEREAS: At the Meeting of April 2, 2014, the Board of the Buffalo Sewer Authority authorized the General Manager to enter into an agreement with Bergmann and Associates to perform design services for the Green Infrastructure Betterment as part of the Niagara Street Phase 1 and Phase 2 Streetscape Improvement Project in an amount not to exceed \$ 108,664.58; and

WHEREAS: Bergmann and Associates has an existing agreement with the City of Buffalo to perform said services; and

WHEREAS: Bergmann and Associates and the City of Buffalo have requested that the Buffalo Sewer Authority enter into an agreement with the City of Buffalo to reimburse the City for Bergmann and Associates services related to the Green Infrastructure Betterment component of this project.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes to amend Board Resolution No. 19 of the Board Meeting of April 2, 2014, to read as follows:

**“That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to enter into an agreement with the City of Buffalo to enter into an agreement with Bergmann and Associates to perform design services for the Green Infrastructure Betterment as Part of the Niagara Street Phase 1 and Phase 2 Streetscape Improvement Project in an amount not to exceed \$108,664.58. Account no. 02000365-432004 will be utilized for these services.”**

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

Board Meeting of May 28, 2014

## ITEM NO. 22

**REPORT ON BIDS RECEIVED - COMBINED SEWER OVERFLOW LONG TERM CONTROL PLAN SPP165A KENSINGTON AVENUE SEWER UPGRADE PROJECT**

WHEREAS: Formal bids were advertised and solicited for the Combined Sewer Overflow Long Term Control Plan SPP165A Kensington Avenue Sewer Upgrade Project. The following bids were received and opened by the Buffalo Sewer Authority on May 1, 2014:

<b>Contractor</b>	<b>Bid</b>
NOVA Site Company, LLC	\$277,585.00
Visone Construction, Inc.	\$308,270.00
C.M.H. Co., Inc.	\$321,005.00
Kandey Co., Inc.	\$433,975.00

; and

WHEREAS: The proposals were received and the contract will be awarded on the basis of unit bid and lump sum prices. The bids do not reflect the true amount of the contract; and

WHEREAS: The Buffalo Sewer Authority's consultant, Erdman Anthony, has reviewed the proposals and recommend award of the contract to the lowest responsible bidder, NOVA Site Company, LLC; and

WHEREAS: The Principal Sanitary Engineer and staff concur with the recommendation provided by Erdman Anthony to award the contract to the lowest responsible bidder, NOVA Site Company, LLC.

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 NOVA Site Company, LLC for the Combined Sewer Overflow Long Term Control Plan SPP165A Kensington Avenue Sewer Upgrade Project. Expenses for this contract will be charged to account no. 02000367-490740.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2<sup>ND</sup> BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of May 28, 2014



## ITEM NO. 23

**CONFIRMATION OF APPOINTMENTS**

SEWER CONSTRUCTION WORKER (PROVISIONAL)  
SEWAGE TREATMENT PLANT  
\$19.31 PER HOUR  
EFFECTIVE: MAY 12, 2014

WAYNE HOWARD  
115 MARIEMONT AVE.  
BUFFALO, NY

---

SEWER CONSTRUCTION WORKER (PROVISIONAL)  
SEWAGE TREATMENT PLANT  
\$18.67 PER HOUR  
EFFECTIVE: MAY 12, 2014

EDWARD BYRNE  
174 LOCKWOOD AVE.  
BUFFALO, NY

---

SEWER CONSTRUCTION WORKER (PROVISIONAL)  
SEWAGE TREATMENT PLANT  
\$18.67 PER HOUR  
EFFECTIVE: MAY 12, 2014

FRANK DILEO JR.  
66 SHOREHAM PKWY.  
BUFFALO, NY

---

SHIFT SUPERINTENDENT (PROVISIONAL)  
SEWAGE TREATMENT PLANT  
\$73,457 PER ANNUM  
EFFECTIVE: MAY 12, 2014

DOUGLAS RUISI  
188 LAVERACK AVE.  
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. KENNEDY

2<sup>ND</sup> BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of May 28, 2014

ITEM NO. 24

**ADJOURNMENT OF MEETING**MOTION TO APPROVEMADE BY MR. KENNEDY2<sup>ND</sup> BY MS. WILSON-DIVINCENZOAYES 4 NOES 0

Board Meeting of May 28, 2014