

MINUTES OF THE REGULAR MEETING
OF THE
BUFFALO SEWER AUTHORITY
June 11, 2014

54769.....54790

BUFFALO SEWER AUTHORITY

June 11, 2014

REGULAR MEETING

9:00 A.M.

1038 CITY HALL

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Attachment A – Capital Asset Guide for Buffalo Sewer Authority

Attachment B – Buffalo Sewer Authority Purchasing Guidelines

ITEM NO. 2

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

May 31, 2014

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
CONSTRUCTION/CAPITAL IMPROVEMENT FUND						
31-July-12	Money Market		\$46,354.71	First Niagara	0.15%	Municipal Premium
LIABILITY AND CASUALTY RESERVE FUND						
31-July-12	Money Market		\$998,162.90	First Niagara	0.10%	Municipal Premium
OPERATING FUND						
31-July-12	Super NOW		\$3,926,412.09	First Niagara	0.10%	Municipal Premium
TRUST & AGENCY FUND						
31-Jul-12	Money Market		\$33,528.29	First Niagara	0.02%	Municipal Premium
SURPLUS FUND						
			533.07	Wilmington Fund		
30-May-14	28-Aug-14	90	\$7,998,999.75	M&T Securities	0.10%	\$2,000.25
			<u>\$7,999,532.82</u>			
NET REVENUE FUND						
09-May-14	09-Jun-14	31	\$4,000,000.00	M&T	0.05%	\$169.86
30-May-14	30-Jun-14	31	\$3,000,453.72	M&T	0.05%	\$129.19
22-May-14	20-Aug-14	90	\$10,180,199.68	M&T Securities	0.11%	2,800.32
			<u>\$17,180,653.40</u>			
DEBT RESERVE FUND						
Series J						
04-Mar-04	15-Nov-33	10848	\$774,061.00	SLG	3.82%	
Series K						
22-Jul-04	15-Feb-33	10435	\$498,654.00	SLG	4.63%	
Series L						
27-Jul-06	01-Oct-35	10658	\$952,666.00	SLG	4.52%	
Series N						
15-Nov-12	15-Apr-32	7091	\$2,167,157.00	SLG	2.42%	

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Board Meeting of June 11, 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

5/23/2014	00300103 Blower Utilities	-\$4,500.00	00650103 Sewer Maintenance Utilities	\$4,500.00
5/23/2014	00300103 Blower Utilities	-\$200.00	00500103 Walden Utilities	\$200.00
5/23/2014	00300103 Blower Utilities	-\$200.00	00490103 Niagara Utilities	\$200.00
5/27/2014	00370105 Centrifuge Supplies	-\$920.00	00230105 Grit Supplies	\$920.00
5/27/2014	00370105 Centrifuge Supplies	-\$490.00	00530105 Yards Supplies	\$490.00
5/27/2014	00360105 Dewatering Supplies	-\$20,000.00	00330105 Final Supplies	\$20,000.00
5/27/2014	00370105 Centrifuge Supplies	-\$7,700.00	00350105 Filter Supplies	\$7,700.00
5/28/2014	00300103 Blower Utilities	-\$250.00	00490103 Niagara Utilities	\$250.00
5/29/2014	00300105 Blower Supplies	-\$22,005.00	00370105 Centrifuge Supplies	\$22,005.00
5/29/2014	00260105 Primary Supplies	-\$12,445.00	00210105 RWWP Supplies	\$12,445.00
5/29/2014	00250105 Secondary Supplies	-\$4,200.00	00420105 Amherst Supplies	\$4,200.00

Sewer Maintenance Division

5/22/2014	00690107 Auto Capital Outlay	-\$17,000.00	00660107 Sewer Repair Capital Outlay	\$17,000.00
5/27/2014	00660105 Sewer Repair Supplies	-\$5,000.00	00670105 Sewer Cleaning Supplies	\$5,000.00
5/28/2014	00690106 Auto Services	-\$750.00	00650106 Sewer Maintenance Services	\$750.00

General Financial Charges

5/27/2014	00800183 Financial Contingency	-\$493.92	00110106 Admin Services	\$493.92
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Board Meeting of June 11, 2014

ITEM NO. 4

FUND BALANCE POLICY OF THE BUFFALO SEWER AUTHORITY

WHEREAS: The Buffalo Sewer Authority has developed a Fund Balance Policy in an effort to ensure financial security through the maintenance of a healthy reserve fund that guides the creation, maintenance, and use of resources for financial stabilization purposes. The Authority's primary objective is to maintain a prudent level of financial resources to protect against reducing service levels or raising sewer rents and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. The Authority also seeks to maintain the highest possible credit ratings which are dependent, in part, on the Authority's maintenance of a healthy fund balance; and

WHEREAS: The guidelines shall be annually reviewed and approved by the Board of the Buffalo Sewer Authority.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby adopts the following Fund Balance Policy:

Fund Balance Policy**Definitions.**

Fund balance - The excess of assets over liabilities in a governmental fund.

Nonspendable fund balance - Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).

Restricted fund balance - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.

Committed fund balance - Amounts constrained to specific purposes by the Authority itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the Authority takes the same highest-level action to remove or change the constraint.

Assigned fund balance - Amounts the Authority intends to use for a specific purpose; intent can be expressed by the Board or by an official or body to which the Board delegates the authority.

Unassigned fund balance - Amounts that are available for any purpose; these amounts are reported only in the General Fund.

Policy Statement

The fund balance of the Authority's General Fund has been accumulated to meet this purpose, to provide stability and flexibility to respond to unexpected adversity and/or opportunities.

The target is to maintain an unrestricted fund balance of not less than 15% of annual operating expenditures for the fiscal year.

The Authority's basic goal is to maintain annual expenditure increases at a growth rate, and to limit expenditures to anticipated revenue in order to maintain a balanced budget. The decision to retain an unrestricted fund balance of not less than 15% of operating expenditures stems from the following:

- This amount provides adequate funding to cover approximately two (2) months of operating expenses.
- This amount provides the liquidity necessary to accommodate the Authority's uneven cash flow, which is inherent in its periodic sewer rent collection schedule.
- This amount provides the liquidity to respond to contingent liabilities.
- The Government Finance Officers Association recommends the minimum General Fund unrestricted fund balance to be maintained should be no less than either two (2) months of regular operating revenues or expenditures.

The Board will set aside certain amounts for capital projects as committed fund balance. Amounts to be determined by the General Manager based on the amounts available, the planned projects and other financing sources.

The Board will set aside committed fund balances to cover the amount of outstanding purchase orders or encumbrances that have been approved by the Board.

The Board will set aside certain amounts for future insurance claims. Amounts to be determined by the General Manager based on availability of fund balance, claim trends and potential for future claims.

The Board will allow the General Manager to determine the proper amounts to be assigned for purposes as they determine necessary.

The Board will allow the General Manager to determine the amount to be assigned for capital asset replacements (or other issue).

ITEM NO. 5

**REVISION TO BUFFALO SEWER AUTHORITY POLICY – CAPITAL ASSETS
(ATTACHMENT A)**

WHEREAS: The Buffalo Sewer Authority has a Capital Asset Guide that establishes the basis for inventory, values of capital and infrastructure assets, and depreciation calculations; and

WHEREAS: The Capital Asset Guide shall be annually reviewed and approved by the Board.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby adopts the following “Capital Asset Guide” (Attachment A), which establishes the basis for inventory, values of capital and infrastructure, and depreciation calculations.

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

Board Meeting of June 11, 2014

ITEM NO. 7

RESOLUTION OF THE BUFFALO SEWER AUTHORITY FOR POLICIES AND PROCEDURES ON BILLING AND COLLECTION OF ACCOUNTS FOR WATER CHARGES AND SEWER RENTS

- WHEREAS: The Buffalo Water Board and Veolia North America-Northeast, LLC (“Veolia”) entered into a Management Agreement dated as of July 1, 2010 (the “Management Agreement”) whereby, among other things, Veolia agreed to provide professional management services for the Buffalo Water Board to manage the operation, maintenance, and repair of the Buffalo Water System, as defined in the Management Agreement; and
- WHEREAS: The Buffalo Sewer Authority and Buffalo Water Board issue joint invoices and cooperate in the collection of accounts for their sewer rents and water charges, respectively, and each benefits from the services provided pursuant to the Management Agreement; and
- WHEREAS: In accordance with the Management Agreement and applicable law, the Buffalo Sewer Authority wishes to adopt certain policies and procedures with respect to billing and collection of customer accounts for water charges and sewer rents, respectively, (collectively the “Policies and Procedures”); and
- WHEREAS: The Buffalo Sewer Authority, the Buffalo Water Board, and Veolia wish to enter into a Memorandum of Understanding (the “MOU”) to implement the Policies and Procedures and provide for the sharing of information and otherwise to facilitate the implementation of the Policies and Procedures; and
- WHEREAS: The Buffalo Water Board adopted the Policies and Procedures and approved the MOU at its regular meeting held April 9, 2014.

ITEM NO. 8

CLAIM AGAINST LIABILITY AND CASUALTY RESERVE FUND

WHEREAS: On January 9, 2014, Ronnanisha Lumpkin, 642 Taunton Place, Buffalo, New York, filed a Claim with the Buffalo Sewer Authority for damage to her basement due to sewer back up; and

WHEREAS: The General Manager and the City of Buffalo Law Department reviewed this Claim and agreed on a settlement of \$1,242.00; and

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to make payment to Ronnanisha Lumpkin, 642 Taunton Place, Buffalo, New York, in the amount of \$1,242.00 as full settlement. This Claim will be paid out of the Liability and Casualty Reserve Fund.

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

Board Meeting of June 11, 2014

ITEM NO. 9

AUTHORIZATION TO UTILIZE ERIE COUNTY CONTRACT BID NO. 214044-004 FOR REGULATORY MEDICAL NEEDS

WHEREAS: The Buffalo Sewer Authority has the need for services of a health care provider to perform audiometric, alcohol, and drug testing; and

WHEREAS: These services are required by various safety regulations; and

WHEREAS: The Buffalo Sewer Authority is eligible to utilize Erie County Bid No. 214044-004 awarded to EmployerCare, Inc., for the period May 1, 2014 through April 30, 2015; and

WHEREAS: The General Manager recommends authorization to utilize this contract.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to utilize Erie County Contract Bid No. 214044-004, awarded to EmployerCare, Inc., to perform audiometric, alcohol, and drug testing based upon their performance and low bidder status with Erie County.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of June 11, 2014

ITEM NO. 10

REPORT ON BIDS RECEIVED - CHLORINE BUILDING ROOF REPLACEMENT PROJECT

WHEREAS: Formal bids were advertised and solicited for the Chlorine Building Roof Replacement Project at the Bird Island Wastewater Treatment Facility. The following bids were received and opened on May 30, 2014:

Weaver Roofing & Metal, Inc.	\$ 186,726.00
Joseph Sanders Roofing, Inc.	\$ 198,117.00
Jameson Roofing, Inc.	\$ 205,080.00
Progressive Roofing	\$ 208,000.00
Grove Roofing, Inc	\$ 216,700.00

; and

WHEREAS: The bids were received and the contract will be awarded on the basis of lump sum prices. The bids reflect the true amount of the contract; and

WHEREAS: The Buffalo Sewer Authority's staff reviewed the bids and recommend awarding the contract to the lowest bidder, Weaver Roofing and Metal, Inc., at a cost not to exceed \$186,726.00.

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 Weaver Roofing & Metal, Inc., for the Chlorine Building Roof Replacement Project at a cost not to exceed \$186,726.00. Expenses for this contract will be charged to account no. 02000370-490740.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2ND BY MR. KENNEDY

AYES 4 NOES 0

Board Meeting of June 11, 2014

ITEM NO. 14

REQUEST FOR LEAVE OF ABSENCE

WHEREAS: We have received a request from Brian Ray, a permanent Laborer I, for a six (6) month unpaid medical leave of absence beginning May 30, 2014. Mr. Ray's attending physician has provided required supporting documentation; and

WHEREAS: The General Manager has reviewed this request and recommends approving this leave of absence request for a period of six (6) months.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby grants Brian Ray a six (6) month medical leave of absence without pay beginning May 30, 2014, and extending until November 30, 2014.

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

Board Meeting of June 11, 2014

ITEM NO. 15

CONFIRMATION OF APPOINTMENTS

EQUIPMENT OPERATOR (TEMPORARY)
SEWAGE TREATMENT PLANT
\$22.32 PER HOUR
EFFECTIVE: MAY 12, 2014

CONOR MORRISON
88 CUSHING
BUFFALO, NY

PRINCIPAL CLERK (TEMPORARY)
ADMINISTRATION
\$55,389 PER ANNUM
EFFECTIVE: MAY 26, 2014

LORI SCALETTA
35 LINCOLN BLVD.
BUFFALO, NY

SEWER CONSTRUCTION INSPECTOR (PROVISIONAL)
SEWAGE TREATMENT PLANT
\$57,397 PER ANNUM
EFFECTIVE: MAY 26, 2014

DOUGLAS SMITH
44 FAIRVALE DR.
CHEEKTOWAGA, NY

SEWER CONSTRUCTION INSPECTOR (TEMPORARY)
SEWAGE TREATMENT PLANT
\$57,397 PER ANNUM
EFFECTIVE: MAY 26, 2014

JOHN KERRUISH II
179 FENTON ST.
BUFFALO, NY

SEWER CONSTRUCTION INSPECTOR (TEMPORARY)
SEWAGE TREATMENT PLANT
\$57, 397 PER ANNUM
EFFECTIVE: MAY 26, 2014

JOSEPH PARADISI
44 ARUNDEL RD.
BUFFALO, NY

LABORER I (SEASONAL)
SEWAGE TREATMENT PLANT
\$105.00 PER DAY
EFFECTIVE: JUNE 2, 2014

HORACE HARPER
397 PRATT
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

2ND BY MS. WILSON-DIVINCENZO

AYES 4 NOES 0

Board Meeting of June 11, 2014

ITEM NO. 16

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 employees have applied for Tuition reimbursement:

<u>EMPLOYEE</u>	<u>SCHOOL</u>	<u>COURSE</u>	<u>TUITION%</u>	<u>REIMBURSEMENT TOTAL</u>
Louis J. Czech	California State University, Sacramento	Pretreatment Facility Inspection	100%	\$50.00
Christopher J. Bogdan	Buffalo State	Activated Sludge	100%	\$500.00

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves the above applications for Tuition Reimbursement totaling \$550.00. These Reimbursements will be charged to account no. 00820102-421026.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of June 11, 2014

ITEM NO. 17

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>
Thomas Caulfield	Walden University	PPA 9000 – 3 for Public Administration Dissertation	Winter 2013-2014	\$3,151.74

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 MS. WILSON-DIVINCENZO

2ND BY MR. KENNEDY

AYES 4 NOES 0

Board Meeting of June 11, 2014

ITEM NO. 18

ADJOURNMENT OF MEETING

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of June 11, 2014