

MINUTES OF THE REGULAR MEETING

OF THE

BUFFALO SEWER AUTHORITY

September 23, 2015

BUFFALO SEWER AUTHORITY

September 23, 2015

REGULAR MEETING

9:00 A.M.

1038 CITY HALL

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Attachment A – Capital Asset Guide

Attachment B – Purchasing Guidelines, Policies and Procedures

ITEM NO. 2

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

August 31, 2015

ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
CONSTRUCTION/CAPITAL IMPROVEMENT FUND						
31-July-12	Money Market		\$15,599,450.31	First Niagara	0.15%	Municipal Premium
			\$459.80	Wilmington Fund		
13-Mar-15	09-Sep-15	180	\$15,015,996.20	M&T Securities	0.25%	\$18,773.75
13-Mar-15	09-Sep-15	180	\$10,009,997.60	M&T Securities	0.25%	\$12,515.00
01-Jul-15	30-Dec-15	182	\$2,498,032.92	M&T Securities	0.25%	\$ 3,163.51
22-May-15	12-May-16	356	\$14,186,859.96	M&T Securities	0.21%	\$29,523.97
			\$57,310,796.79			
LIABILITY AND CASUALTY RESERVE FUND						
31-July-12	Money Market		\$1,094,156.73	First Niagara	0.15%	Municipal Premium
OPERATING FUND						
31-July-12	Super NOW		\$8,353,525.44	First Niagara	0.10%	Municipal Premium
TRUST & AGENCY FUND						
31-Jul-12	Money Market		\$35,297.46	First Niagara	0.02%	Municipal Premium
SURPLUS FUND						
			\$551.49	Wilmington Fund		
26-Aug-15	20-Nov-15	86	\$9,999,098.04	M&T Securities	0.16%	\$5,018.67
			\$9,999,649.53			
NET REVENUE FUND						
			\$0.00	Wilmington Fund		
1-Jul-15	08-Sep-15	69	\$6,500,739.96	M&T Securities	0.11%	\$370.63
13-Jul-15	26-Oct-15	105	\$9,401,272.84	M&T Securities	0.16%	\$4,388.53
06-Aug-15	30-Sep-15	55	\$3,999,400.00	M&T Securities	0.11%	\$672.22
26-Aug-15	25-Nov-15	91	\$3,499,284.51	M&T Securities	0.21%	\$1,756.33
			\$23,400,697.31			

DEBT RESERVE FUND**Series J (1004209)**

02-Jul-14	15-Nov-33	7076	\$515,879.00	SLG	2.70%
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Series K (1004925)

02-Jul-14	15-Feb-33	6803	\$361,415.00	SLG	2.70%
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Series L (1009355)

			\$1,017,518.72	Wilmington Fund	
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Series M Construction (1039320)

			\$0.00	Wilmington Fund	
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Series M (1039308)

27-Jun-14	01-May-44	10901	\$595,613.00	SLG	2.70%
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Series N (1002070)

15-Nov-12	15-Apr-32	7091	\$2,167,157.00	SLG	2.42%
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RECEIVE & FILE

Board Meeting of September 23, 2015

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

6/30/2015	00300103 Blow Electric & Light/Power	-\$92.43	00420103 Electric & Light/Power	\$92.43
7/22/2015	00380106 INCI Repairs to Equip.	-\$500.00	00520106 Main Laundry & Towel Services	\$500.00
8/13/2015	00520105 Main Equip. Maintenance	-\$190.00	00430105 BAB Equipment Maintenance	\$190.00
8/21/2015	00280105 SWWP Equip. Maintenance	-\$1,250.00	00520105 Main Office Supplies	\$1,250.00
9/08/2015	00290107 AER Operating	-\$3,000.00	00510107 Lab Operating Equip.	\$3,000.00
9/10/2015	00280105 SWWP Equip Maintenance	-\$475.00	00380105 INCI. Building Materials	\$475.00

Sewer Maintenance Division

6/30/2015	00690105 Auto Automotive Repairs	-\$1,500.00	00660105 SWRR Road and Highway Maintenance	\$1,500.00
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Administration Division

6/30/2015	00110105 Admin Misc.	-\$36.51	00110105 Admin Postage	\$36.51
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General Financial Charges

6/30/2015	00800183 Financial Contingency	-\$7,942.00	00600106 Engineering & Tech	\$7,942.00
6/30/2015	00800183 Financial Contingency	-\$180.00	00820102 Edu/ Lic/Health/Welfare	\$180.00
6/30/2015	00800183 Financial Contingency	-\$699.00	00820102 FR Health & Welfare Plan	\$699.00
6/30/2015	00800183 Financial Contingency	-\$600.00	00820102 FR Health & Welfare Plan	\$600.00
6/30/2015	00800183 Financial Contingency	-\$20,720.09	00200108 FR Workers Compensation	\$20,720.09
6/30/2015	00800183 Financial Contingency	-\$1,771.85	00550106 IWS Legal Services	\$1,771.85
6/30/2015	00800183 Financial Contingency	-\$4.02	00600106 Eng Service and Equip Rent	\$4.02
7/20/2015	00800183 Financial Contingency	-\$1,750.00	00200103 Plan Telephone	\$1,750.00
8/06/2015	00800183 Financial Contingency	-\$142,058.00	00600106 Engineering & Tech	\$142,058.00
8/13/2015	00820102 Financial Contingency	-\$45,387.00	00200106 Plan Non-Professional	\$45,387.00

9/01/2015	00800183 Financial Contingency	-\$1,049.00	00820102 Education/Lic/Training	\$1,049.00
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RECEIVE & FILE

Board Meeting of September 23, 2015

ITEM NO. 4

FUND BALANCE DESIGNATION

WHEREAS: The Buffalo Sewer Authority has adopted a Fund Balance Policy in an effort to ensure financial security through the maintenance of a reserve fund; and

WHEREAS: In accordance with this policy, each year the Buffalo Sewer Authority must designate the purpose of the fund balance; and

WHEREAS: The General Manager recommends the following designation of the fund balance for the fiscal year ending June 30, 2015.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approves the following designation of the fund balance for the fiscal year ending June 30, 2015:

Fund Balances:	
Non-Spendable	\$ 130,520.00
Committed:	
Encumbrances	\$ 1,768,734.00
Loss Contingencies	\$ 5,000,000.00
Capital Projects	\$20,566,048.00
Unassigned	<u>\$10,000,000.00</u>
Total Fund Balances	<u>\$37,465,302.00</u>

MOTION TO APPROVE

MADE BY MR. KENNEDY

2ND BY MS. PETRUCCI

AYES 4 NOES 0

Board Meeting of September 23, 2015

ITEM NO. 5

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. 6

INVESTMENT GUIDELINES OF THE BUFFALO SEWER AUTHORITY

WHEREAS: In Accordance with Title 7, Section 2925 of the Public Authorities Law, every public authority and every public benefit corporation, whether or not such corporation is otherwise governed by this chapter, shall by resolution adopt comprehensive investment guidelines which detail the corporation's operative policy and instructions to officers and staff regarding the investing, monitoring, and reporting of funds of the corporation; and

WHEREAS: The guidelines so approved shall be annually reviewed and approved by the corporation.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby adopts the following investment guidelines that reflect the updated Bond Resolution adopted May 3, 1993:

Investment Guidelines**Section 1. Definitions**

In this Resolution the following terms shall have the following meanings unless the context otherwise requires:

"Authority" shall mean the Buffalo Sewer Authority, a body corporate and politic constituting a public benefit corporation of the State of New York and any body, board, authority, agency, or political subdivision or instrumentality of the State which shall hereafter succeed to the powers, duties, and functions thereof.

"Investment Securities" shall mean and include any of the following securities, if and to the extent the same are at the time legal investments by the Authority of the funds to be invested therein:

(1) Direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided, that the full faith and credit of the United States of America must be pledged to any such direct obligation or guarantee ("Direct Obligations");

(2) Direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States; consolidated debt obligations and letter of credit-backed issues of the Federal Home Loan Banks; participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation (“FHLMCS”); debentures of the Federal Housing Administration; mortgage-backed securities (except stripped mortgage securities which are valued greater than par on the portion of unpaid principal) and senior debt obligations of the Federal National Mortgage Association (“FNMA”); participation certificates of the General Services Administration; guaranteed mortgage-backed securities and guaranteed participation certificates of the Government National Mortgage Association (“GNMA”); guaranteed participation certificates and guaranteed pool certificates of the Small Business Administration; debt obligations and letter of credit-backed issues of the Student Loan Marketing Association; local authority bonds of the U.S. Department of Housing & Urban Development; guaranteed Title XI financings of the U.S. Maritime Administration; guaranteed transit bonds of the Washington Metropolitan Area Transit Authority; Resolution Funding Corporation securities;

(3) Direct obligations of any state of the United States of America or any subdivision or agency thereof whose unsecured, uninsured, and unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's Investors Service and "A" or better by Standard & Poor's Corporation, or any obligation fully and unconditionally guaranteed by any state, subdivision, or agency whose unsecured, uninsured, and unguaranteed general obligation debt is rated, at the time of purchase "A" or better by Moody's Investors Service and "A" or better by Standard & Poor's Corporation;

(4) Federal funds, unsecured certificates of deposit, time deposits, or bankers acceptances (in each case having maturities of not more than 365 days) of any domestic bank including a branch office of a foreign bank which branch office is located in the United States, provided legal opinions are received to the effect that fully and timely payment of such deposit or similar obligation is enforceable against the principal office or any branch of such bank, which, at the time of purchase, has a short-term "Bank Deposit" rating of "P-1" by Moody's and a "Short-Term CD" rating of "A-1" or better by S&P;

(5) Deposits of any bank or savings and loan association which has combined capital, surplus, and undivided profits of not less than \$3 million, provided such deposits are continuously and fully insured by the Bank Insurance Fund or the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation;

(6) Investments in money-market funds rated "AAAm" or "AAAm-G" by Standard & Poor's Corporation;

(7) Repurchase agreements collateralized by Direct Obligations, GNMMAs, FNMAs, or FHLMCs with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction or any commercial bank insured by the FDIC, if such broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation rated "P-1" or "A3" or better by Moody's Investors Service, and "A-1" or "A-" or better by Standard & Poor's Corporation, provided:

- (a) master repurchase agreement or specific written repurchase agreement governs the transaction.
- (b) the securities are held free and clear of any lien by the Trustee or an independent third party acting as agent ("Agent") for the Trustee, and such third party is (i) a Federal Reserve Bank, (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$50 million or (iii) a bank approved in writing for such purpose by Financial Guaranty Insurance Company, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee; and
- (c) a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities, is created for the benefit of the Trustee; and
- (d) the repurchase agreement has a term of 10 years or less, and the Trustee or the Agent will value the collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two business days of such valuation; and
- (e) the fair market values of the securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 103%.

(8) Commercial paper (having original maturities of not more than 270 days) rated, at the time of purchase, "P-1" by Moody's Investors Service and "A-1" or better by Standard & Poor's Corporation;

"Trustee" shall mean Manufacturers and Traders Trust Company, Buffalo, New York, and its successor or successors and any other person which may at the time be substituted in its place.

Section 2. Collateral

Certificates of Deposit (CD), Time Deposit Accounts (TDA), and Negotiable Order of Withdrawal Accounts (NOW) shall be fully secured by insurance of the Federal Deposit Insurance Corporation, obligations of New York State, obligations of the United States, obligations of federal agencies the principal and interest of which are guaranteed by the United States, or obligations of New York State local governments.

The market value of collateral shall at all times equal or exceed the principal amount of the certificate of deposit, time deposits, or NOW accounts. Market

value shall mean the bid or closing price as quoted in the Wall Street Journal or as quoted by another recognized pricing service. The Supervising Accountant shall monitor the collateral no less frequently than monthly.

Securities purchased through a Repurchase Agreement shall be valued to market once during the tenure of the agreement and no less than once a month.

Collateral shall not be required with respect to the direct purchase of obligations of New York State, obligations of the United States, and obligations of federal agencies the principal and interest of which are guaranteed by the United States Government.

Section 3. Funds

In accordance with the Authority's Sewer System Revenue Bond Resolution adopted June 29, 1977, and as amended May 3, 1993, the following special trust funds were established:

1. Construction Fund
2. Net Revenue Fund
3. Debt Reserve Fund
4. Redemption Fund
5. Surplus Fund
6. Rebate Fund

All of said Funds are held by the Trustee.

In addition to the Funds held by the Trustee, the Authority established an Operating Fund and a Construction and Capital Improvement Fund held by a Depository designated by and under the supervision of the Authority.

Section 4. Investments

Moneys in any Fund held by the Trustee or the Authority shall be continuously invested and reinvested or deposited and redeposited on terms which in the judgment of the Authority provide reasonable liquidity, in the highest yield Investment Securities that may be reasonably known, with a view toward maximizing yield (with proper preservation of principal) and minimizing the instances of uninvested funds. The Authority shall consult with the Trustee from time to time as to the investment of amounts in the Funds. The Authority through an Authorized Officer may direct the Trustee to or, in the absence of direction, the Trustee shall invest and reinvest the moneys in any such Fund held by it in Investment Securities so that the maturity date or dates of redemption at the option of the holder thereof shall coincide as nearly as practicable with the times at which moneys are needed to be so expended. The Trustee shall sell at the best price obtainable, or present for redemption, any Investment Securities purchased by it as an investment whenever it shall be necessary in order to provide moneys to meet any payment or transfer from the Fund for which such investment was

made.

Investment Securities purchased as an investment of moneys in any Fund shall be deemed at all times to be a part of such Fund but the income or interest earned and gains realized in excess of losses suffered by a Fund due to the investment thereof shall be deposited in the Operating Fund as Revenues or shall be reinvested and credited to the Operating Fund; except that any such excess amount in the Debt Reserve Fund shall be deposited in or credited to the Debt Reserve Fund.

Moneys in any Fund held by the Trustee may be invested in common with the moneys held in any other such Fund.

The Authority may utilize the service of the office of the Comptroller of the City of Buffalo to obtain the highest available investment yield.

Section 5. Deposits

In lieu of Investment Securities, the Trustee shall at the written direction of an Authorized Officer of the Authority deposit amounts or cause amounts to be deposited from any Fund held by the Trustee in interest bearing time deposits or certificates of deposit, or shall make other similar banking arrangements with itself or a member bank or banks of the Federal Reserve System or a bank, the deposits of which are insured by the Federal Deposit Insurance Corporation or its successor, or a savings and loan association, the deposits of which are insured by the Federal Savings and Loan Insurance Corporation or its successor. Each such interest bearing time deposit or certificate of deposit or other similar banking arrangement shall permit the moneys so placed to be available at the times at which moneys are needed to be expended, and, except to the extent that any such deposit shall be less than \$5,000 or be insured by the United States of America or the federal corporations enumerated above, all moneys in each such interest bearing time deposit or certificate of deposit or other similar banking arrangement shall be continuously and fully secured as stated in Section 2.

In order to permit such amounts to be available for use at the time when needed, any amounts held by any Fiduciary, as such, any, if and as directed by an Authorized Officer of the Authority, be deposited in the commercial banking department of such Fiduciary which may honor checks and drafts on such deposit with the same force and effect as if it were not such Fiduciary. Any such Fiduciary shall allow and credit on such amounts at least such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

All amounts of more than \$5,000 deposited by any Fiduciary pursuant to the paragraph above shall be continuously and fully secured by lodging with the Trustee as custodian, as collateral security, investment securities having a market value not less than the amount of such deposit plus accrued interest.

Moneys in any fund held by the Authority which are not required for immediate expenditure may also be invested temporarily in deposits insured by the Federal Deposit Insurance Corporation in accordance with the requirements of Section 2927 of the Public Authorities Law of the State of New York.

All amounts so deposited by any Fiduciary shall be credited to the particular Fund from which such amounts were derived, but any income derived in connection with such deposits shall be credited to, and shall be deposited as received in, the Operating Fund; except that any income derived in connection with deposits in the Debt Reserve Fund shall be credited to and deposited as received in the Debt Reserve Fund. Whenever on any valuation date, as provided in the bond resolution as amended on May 3, 1993, the amount in the Debt Reserve Fund exceeds the Debt Reserve requirement, the Trustee may, if directed by the Certificate of an authorized officer of the Authority, withdraw from the Debt Reserve Fund the amount of any excess therein over the Debt Reserve Requirement as of the date of such withdrawal and deposit the moneys so withdrawn into the Operating Fund.

MOTION TO	APPROVE		
MADE BY	MS. PETRUCCI		
2 ND BY	MR. KENNEDY		
AYES	4	NOES	0

Board Meeting of September 23, 2015

ITEM NO. 9

CLAIM AGAINST LIABILITY AND CASUALTY RESERVE FUND

WHEREAS: On July 16, 2015, Margaret McCall, 41 Deerhurst Park Blvd., Kenmore, New York, filed a Claim with the Buffalo Sewer Authority for damages to her vehicle by a Buffalo Sewer Authority facilities on July 16, 2015; and

WHEREAS: The City of Buffalo Law Department and the General Manager reviewed this Claim and have negotiated a final settlement in the amount of \$8,050.00.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to make payment to Margaret McCall, 41 Deerhurst Park Blvd., Kenmore, New York, 14217 in the final settlement amount of \$8,050.00. This Claim will be paid out of the Liability and Casualty Reserve Fund.

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

Board Meeting of September 23, 2015

ITEM NO. 10

CLAIM AGAINST LIABILITY AND CASUALTY RESERVE FUND

WHEREAS: On July 6, 2015, James Sheehan, 429 S. Legion, Buffalo, New York, filed a Claim with the Buffalo Sewer Authority for damages to his vehicle located at 429 South Legion, Buffalo, NY by an Authority vehicle on February 26, 2015; and

WHEREAS: The City of Buffalo Law Department and the General Manager reviewed this Claim and have negotiated a final settlement in the amount of \$156.02.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to make payment to James Sheehan, 429 South Legion, Buffalo, New York, 14220 in the final settlement amount of \$156.02. This Claim will be paid out of the Liability and Casualty Reserve Fund.

MOTION TO APPROVE

MADE BY MS. PETRUCCI

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of September 23, 2015

ITEM NO. 13

**REPORT ON BIDS RECEIVED - DISSOLVED AIR FLOATATION SEPARATOR TOP AND
BOTTOM SKIMMER REPLACEMENT PHASE II PROJECT AT BIRD ISLAND
WASTEWATER TREATMENT PLANT**

WHEREAS: Formal bids were advertised and solicited for the Dissolved Air Floatation Separator Top and Bottom Skimmer Replacement Phase II Project at the Bird Island Wastewater Treatment Plant. The following bids were received and opened by the Buffalo Sewer Authority on September 10, 2015:

Quackenbush Co. Inc.	\$1,097,000.00
Hohl Industrial Services, Inc.	\$1,160,903.00
K&E Fabricating Co., Inc	\$1,241,665.88
John W. Danforth, Inc.	\$1,292,000.00

; 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, Quackenbush Co., Inc., at a cost not to exceed \$1,097,000.00.

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 Co., Inc. Expenses for this contract will be charged to account no. 02000406-490740.

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

Board Meeting of September 23, 2015

ITEM NO. 14

AUTHORIZATION TO PURCHASE VEHICLE UNDER THE CHAUTAUQUA COUNTY BID NO. 2016

WHEREAS: In 2006-2007 the Buffalo Sewer Authority implemented a vehicle replacement plan in order to update its current fleet and budget responsibly; and

WHEREAS: As part of this plan, the Director of Sewer Maintenance and Head Motor Equipment Mechanic request approval to purchase the following vehicle, with additional options, available under Chautauqua County Contract to add to the existing fleet:

County Contract	Vendor	Vehicle	Cost
Bid No. 2016	Van Bortel Ford	One (1) 2016 Ford F-250 XL Super Cab 4x4 8' Box:	\$28,610.58
		Warner Service Body Steel Service body, Adjustable shelving (250# cap), concealed hinges, T Latches P98-M-SW-F and various after-market options:	\$ 12,757.50
		Various Options Totaling:	\$ 961.40
		Delivery Charge:	<u>\$ 110.00</u>
		Total Vehicle Cost:	\$42,439.48

; and

WHEREAS: The Director of Sewer Maintenance and the Head Motor Equipment Mechanic recommend the purchase of the above vehicle at the total cost of \$42,439.48.

ITEM NO. 15

AUTHORIZATION TO PURCHASE VEHICLES UNDER THE ONONDAGA COUNTY BID NO. 2015

WHEREAS: In 2006-2007 the Buffalo Sewer Authority implemented a vehicle replacement plan in order to update its current fleet and budget responsibly; and

WHEREAS: As part of this plan, the Director of Sewer Maintenance and Head Motor Equipment Mechanic request approval to purchase the following vehicles, with additional options, available under Onondaga County Contract to add to the existing fleet:

County Contract	Vendor	Vehicle	Cost
Bid No. 2015 Award No. 7974	Van Bortel Ford	Two (2) 2016 Ford F-550 XL Crew Cab 4x4 200 WB 84 CA:	\$36,786.60
		6.7 L Powerstroke Diesel V-8 Engine:	\$ 7,317.00
		11' Warner Service Body w/enclosed 72" sides, 12 Gauge treadplate cargo floor, flush mount doors – Basic Body Configuration & various other after-market items:	\$17,965.67
		Various Options Totaling:	\$ 2,304.00
		Delivery Charge:	\$ 160.00
		Total Vehicle Cost:	\$64,533.27
			<u> </u> x 2 \$129,066.54

; and

WHEREAS: The Director of Sewer Maintenance and the Head Motor Equipment Mechanic recommend the purchase of the above vehicles at the total cost of \$129,066.54.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority authorizes the General Manager to purchase the above vehicles and additional options indicated from Van Bortel Ford, at a total cost of \$129,066.54. This purchase will be charged to account no. 00690107-474200.

MOTION TO APPROVE

MADE BY MR. KENNEDY

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of September 23, 2015

ITEM NO. 16

CHANGE ORDER NO. 1 – SEWERAGE INFRASTRUCTURE BETTERMENT AS PART OF THE OHIO STREET AND INNER HARBOR INFRASTRUCTURE IMPROVEMENTS

CONTRACTOR:	ORIGINAL CONTRACT COST	\$145,000.00
CATCO, Inc.	PREVIOUS CHANGE ORDER	N/A
1266 Town Line Road	THIS CHANGE ORDER	<u>\$29,752.27</u>
Alden, NY 14004	ADJUSTED CONTRACT COST	\$174,752.27

WORK: Sewerage Infrastructure Betterment for Ohio Street and Inner Harbor Infrastructure Improvements

DESCRIPTION OF CHANGE OR EXTRA WORK:

Item #1 Increase contract in the amount of \$13,865.70

Item #2 Increase contract in the amount of \$15,886.57

REASON FOR CHANGE OR EXTRA WORK:

Item #1 Unanticipated repairs to existing sewer infrastructure

Item #2 Additional construction observation and administration inspection charges

COST OF CHANGE OR EXTRA WORK:

Item #1 \$13,865.70

Item #2 \$15,886.57

THE TOTAL COST OF THE CHANGE OR EXTRA WORK \$29,752.27

The total INCREASE to the contract as a result of this Change Order is \$29,752.27

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 calendar days, making the final completion date 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

ITEM NO. 17

CHANGE ORDER NO. 2 – CONTRACT NO. 81500015

CONTRACTOR:	ORIGINAL CONTRACT COST	\$353,757.12
Milherst Construction, Inc.	PREVIOUS CHANGE ORDER	\$50,752.02
10025 County Road	THIS CHANGE ORDER (DEDUCT)	<u>(17,850.00)</u>
Clarence Center, NY 14032	ADJUSTED CONTRACT COST	\$386,659.14

WORK: SPP 163 Fillmore Northland Sewer Optimization Project

DESCRIPTION OF CHANGE OR EXTRA WORK:

Item #1 Decrease contract in the amount of \$17,850.00

REASON FOR CHANGE OR EXTRA WORK:

Item #1 Unused unit quantities

COST OF CHANGE OR EXTRA WORK:

Item #1 (\$17,850.00)

THE TOTAL COST OF THE CHANGE OR EXTRA WORK (\$17,850.00)

The total DECREASE to the contract as a result of this Change Order is \$17,850.00

CONTRACT SUPPLEMENT CONDITIONS:

1. The contract completion date established in the original contract or as modified by previous contract supplements is hereby changed by 0 calendar days, making the final completion date 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. 81500015 as written in the above Agenda Item, decreasing the contract cost in the amount of \$17,850.00, making the adjusted contract cost \$386,659.14.

MOTION TO APPROVE

MADE BY MR. KENNEDY

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of September 23, 2015

ITEM NO. 19

**CHANGE ORDER NO. 3 - NIAGARA ST. STREETScape IMPROVEMENT PROJECT
PHASE 2**

CONTRACTOR:	ORIGINAL CONTRACT COST	\$108,664.58
Bergmann Associates	PREVIOUS CHANGE ORDERS	74,312.12
40 La Riviere Drive, Suite #150	THIS CHANGE ORDER	23,862.63
Buffalo, New York 14202	ADJUSTED CONTRACT COST	<u>\$206,839.33</u>

WORK: Green Infrastructure Betterment as part of the Niagara Street Streetscape Improvements

DESCRIPTION OF CHANGE OR EXTRA WORK:

Item #1 Incorporation of sewer repair work into Niagara Street Phase 2 Streetscape Improvements

REASON FOR CHANGE OR EXTRA WORK:

Item #1 Originally the repair project was to be bid as a separate project, however it was later determined that it would be more efficient to add to the ongoing Streetscape Project

COST OF CHANGE OR EXTRA WORK:

Item #1 \$23,862.63

THE TOTAL COST OF THE CHANGE OR EXTRA WORK \$23,862.63

The total INCREASE to the contract as a result of this Change Order is \$23,862.63

NOW THEREFORE**BE IT RESOLVED:**

That the Board of the Buffalo Sewer Authority hereby approves Change Order No. 3 in the amount of \$23,862.63, making the adjusted contract cost \$206,839.33. Expenses for this Contract will be funded from account no. 02000365-432004.

MOTION TO APPROVE

MADE BY MR. ROOSEVELT

2ND BY MS. PETRUCCI

AYES 4 NOES 0

Board Meeting of September 23, 2015

ITEM NO. 21

AUTHORIZATION FOR GREEN INFRASTRUCTURE BETTERMENT AS PART OF THE KENMORE AVENUE STREETScape IMPROVEMENTS PROJECT

WHEREAS: On February 3, 2015, the Common Council of the City of Buffalo authorized the Department of Public Works, Parks and Streets to enter into an agreement for the Kenmore Avenue Reconstruction Project with the responsible low bidder Destro & Brothers Concrete Co. for a cost not to exceed \$5,035,750.00; and

WHEREAS: As part of the bid, \$336,465.00 was included for green infrastructure improvements; and

WHEREAS: The General Manager, Associate Engineer and staff of the Buffalo Sewer Authority concur with the City of Buffalo Department of Public Works, Parks and Streets and recommend awarding a contract for green infrastructure betterment to Kenmore Avenue to the lowest responsible bidder, Destro & Brothers Concrete Co., at a cost not to exceed \$336,465.00; and

WHEREAS: The Buffalo Sewer Authority has allocated money in their construction fund for this Green Infrastructure Betterment.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves the green infrastructure betterment for the Kenmore Avenue Streetscape Improvements Project awarded to the lowest responsible bidder, Destro & Brothers Concrete Co., for a not to exceed amount of \$336,465.00. Expenses for this contract will be charged to account no. 02000407-490740.

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 September 23, 2015

ITEM NO. 22

**AUTHORIZATION TO ENTER INTO EASEMENT MODIFICATION AGREEMENT
REGARDING 80 & 100 FOREST AVENUE**

- WHEREAS: A drawing dated October 2, 1882, known as Profile #4454 indicates that the “Asylum Sewer” which was constructed to service the property now known as 400 Forest, the Richardson Olmsted Complex included a 15” diameter section located along the centerline of Dewitt Street between Bradley Street and Forest Avenue; and
- WHEREAS: A record drawing dated October 23, 1905, known as Profile #6079 indicates that a 10” vitrified tile sewer was constructed within the western sidewalk of Dewitt Street between Bradley Street and approximately 580’ to the south and was possibly extended a further 240’ to Forest Avenue by a 9” vitrified tile sewer; and
- WHEREAS: A record drawing dated May 20, 1893, known as Profile # 5670 indicates that a 10” vitrified tile sewer was constructed within the eastern sidewalk of Dewitt Street between Bradley Street and approximately 460’ south.
- WHEREAS: The Buffalo Sewer Authority (the “Authority”) was created by New York Public Authorities Law (the “Public Authorities Law”) Section 1177 (the “Authority Act”) and is authorized and empowered by the Public Authorities Law Article 5, Title 8 to provide for the jurisdiction, control, possession, supervision and use of the “facilities”, as defined in Section 1176(10) of the Authority Act, including but not limited to the sewage treatment system, storm water and sewage collection system constituting the City of Buffalo’s sewer system (the “Sewer System”); and
- WHEREAS: Pursuant to Section 1179 of the Authority Act, the City of Buffalo (the “City”) assigned, transferred and dedicated to the Authority the jurisdiction, control, supervision, possession and use of the Sewer System; and
- WHEREAS: In Quitclaim Deed L. 6847 P. 3 dated December 19, 1962, the City of Buffalo conveyed that portion of Dewitt Street between Bradley Street and 125.80’ south to Foster-Milburn Company of 468 Dewitt Street subject to any rights of the Buffalo Sewer Authority and/or the City of Buffalo to operate and maintain the above mentioned sewers; and
- WHEREAS: Profiles #6079 and 5670 indicate that the above described 10” sewers were abandoned at their points of connection to the Bradley Street sewer in 1963; and

WHEREAS: Profile #4454 indicates that upstream flows were diverted from the Asylum Sewer to a 48” brick sewer on Bradley Street in October 1973; and

WHEREAS: In Quitclaim Deed L. 9211 P. 598 dated March 4, 1982, the City of Buffalo conveyed that portion of Dewitt Street between Forest Avenue and 634.23’ north to Westwood Pharmaceuticals, Inc., of 468 Dewitt Avenue subject to any rights of the Buffalo Sewer Authority, The City of Buffalo, the State of New York, and private utilities to enter upon such land for the purposes of maintenance and repair of the existing sewer and waterlines running through the street and that no structure shall be erected upon the premises without prior written approval from the Buffalo Sewer Authority indicating that such construction will not interfere with its rights of access to its sewers and said land; and

WHEREAS: The Buffalo Niagara Business Park LLC, the owner of those properties described in Quitclaim Deeds L. 6847 P. 3 and L. 9211 P. 598 wishes to enter into negotiations with the City of Buffalo, the Buffalo Water Board and the Buffalo Sewer Authority to modify easement agreements to authorize Buffalo State Ventures, LLC who proposes to purchase these properties to abandon and remove those portions of sewer and water lines on the former Dewitt Street which service only those parcels known as 80 & 100 Forest.

NOW THEREFORE
BE IT RESOLVED: The Board of the Buffalo Sewer Authority does here by authorize the BSA General Manager, in consultation with BSA General Counsel and City of Buffalo Corporation Counsel, to negotiate and execute any modifications, updates to and/or additional terms of easement instruments and agreements by and between the Buffalo Sewer Authority, City of Buffalo, Buffalo Water Board, and others, as necessary, to abandon and remove those portions of sewer lines on the former Dewitt Street from the south line of Bradley Street to the north line of Forest Avenue.

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

ITEM NO. 24

CONFIRMATION OF APPOINTMENTS

LABORER I (PERMANENT)
SEWAGE TREATMENT PLANT
\$17.05 PER HOUR
EFFECTIVE: AUGUST 10, 2015

ANDRE BROWN
27 ROEBLING AVENUE
BUFFALO, NY

LABORER I (SEASONAL)
SEWAGE TREATMENT PLANT
\$105.00 PER DAY
EFFECTIVE: AUGUST 17, 2015

MICHAEL CRAPO
273 BARAGA STREET
BUFFALO, NY

MAINTENANCE ASSISTANT (SEWER- CLEANING) (PERMANENT)
SEWAGE TREATMENT PLANT
\$18.09 PER HOUR
EFFECTIVE: SEPTEMBER 14, 2015

PAUL MATHEWSON
114 ULLMAN STREET
BUFFALO, NY

CLERK (TEMPORARY)
 ADMINISTRATIVE OFFICE
 \$34,977 PER ANNUM
 EFFECTIVE: SEPTEMBER 14, 2015

MORGAN HAROLD
 121 SHOSHONE STREET
 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. PETRUCCI
 AYES 4 NOES 0

Board Meeting of September 23, 2015

ITEM NO. 26

ADJOURNMENT OF MEETING

MOTION TO APPROVE

MADE BY MR. KENNEDY

2ND BY MR. ROOSEVELT

AYES 4 NOES 0

Board Meeting of September 23, 2015