

MINUTES OF THE ANNUAL MEETING
OF THE
BUFFALO SEWER AUTHORITY
July 1, 2010

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BUFFALO SEWER AUTHORITY

July 1, 2010

ANNUAL MEETING

9:00 A.M.

TREATMENT PLANT

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CALL OF THE ROLL

Present:	<u>Herbert Bellamy, Jr.</u>	<u>Chairman</u>
	<u>John D. Kennedy, Sr.</u>	<u>Vice Chairman</u>
	<u>Christopher Roosevelt</u>	<u>Assistant Vice Chairman</u>
	<u>Eleanor Wilson-DiVincenzo</u>	<u>Secretary</u>
	<u>John E. Kennedy, Jr.</u>	<u>Assistant Secretary</u>
	<u>David Comerford</u>	<u>General Manager</u>
	<u>Oluwole McFoy</u>	<u>Secretary to the General Manager</u>
	<u>Ronald Brown</u>	<u>Executive Secretary</u>
	<u>Jason Shell</u>	<u>Intergovernmental Coordinator</u>
	<u>James Eagan, PE</u>	<u>Sr. Sanitary Engineering Supervisor</u>
	<u>James Keller</u>	<u>Treatment Plant Superintendent</u>
	<u>Roberta Gaiek, PE</u>	<u>Treatment Plant Administrator</u>
	<u>Thomas Caulfield</u>	<u>Administrator of Capital</u>
	<u>Edward Hennessy</u>	<u>Improvements & Development</u>
	<u></u>	<u>Director of Sewer Maintenance</u>
	<u></u>	<u></u>
	<u></u>	<u></u>
Absent:	<u>none</u>	<u></u>

The meeting was called to order at 9:00 AM. A quorum was present.

ITEM NO. 1

Motion to Adopt the Minutes of the Meeting of June 16, 2010

MOTION TO	<u>ADOPT</u>
MADE BY	<u>MR. ROOSEVELT</u>
2 ND BY	<u>MR. KENNEDY, SR.</u>
AYES	<u>5</u> NOES <u>0</u>

Board Meeting of July 1, 2010

ITEM NO. 2

ELECTION OF OFFICERS

	MOTION TO	<u>APPROVE</u>
CHAIRMAN	MADE BY	<u>MR. ROOSEVELT</u>
HERBERT L. BELLAMY, JR.	2 ND BY	<u>MR. KENNEDY, SR.</u>
	AYES <u>5</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
VICE CHAIRMAN	MADE BY	<u>MS. WILSON-DIVINCENZO</u>
JOHN D. KENNEDY, SR.	2 ND BY	<u>MR. ROOSEVELT</u>
	AYES <u>5</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
ASSISTANT VICE CHAIRMAN	MADE BY	<u>MR. KENNEDY, SR.</u>
CHRISTOPHER ROOSEVELT	2 ND BY	<u>MR. KENNEDY, JR.</u>
	AYES <u>5</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
SECRETARY	MADE BY	<u>MR. KENNEDY, JR.</u>
ELEANOR WILSON-DIVINCENZO	2 ND BY	<u>MR. ROOSEVELT</u>
	AYES <u>5</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
ASSISTANT SECRETARY	MADE BY	<u>MS. WILSON-DIVINCENZO</u>
JOHN E. KENNEDY, JR.	2 ND BY	<u>MR. KENNEDY, SR.</u>
	AYES <u>5</u>	NOES <u>0</u>

ITEM NO. 3

ELECTION OF MEMBERS TO AUDIT COMMITTEE

	MOTION TO	<u>APPROVE</u>
CHAIRPERSON	MADE BY	<u>MR. KENNEDY, JR.</u>
JOHN D. KENNEDY, SR.	2 ND BY	<u>MS. WILSON-DIVINCENZO</u>
	AYES <u>5</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
MEMBER	MADE BY	<u>MR. KENNEDY, SR.</u>
ELEANOR WILSON-DIVINCENZO	2 ND BY	<u>MR. ROOSEVELT</u>
	AYES <u>5</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
MEMBER	MADE BY	<u>MR. KENNEDY, JR.</u>
CHRISTOPHER ROOSEVELT	2 ND BY	<u>MS. WILSON-DIVINCENZO</u>
	AYES <u>5</u>	NOES <u>0</u>

Board Meeting of July 1, 2010

ITEM NO. 4

ELECTION OF MEMBERS TO GOVERNANCE COMMITTEE

	MOTION TO	<u>APPROVE</u>
CHAIRPERSON	MADE BY	<u>MS. WILSON-DIVINCENZO</u>
CHRISTOPHER ROOSEVELT	2 ND BY	<u>MR. KENNEDY, JR.</u>
	AYES <u>5</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
MEMBER	MADE BY	<u>MR. KENNEDY, JR.</u>
ELEANOR WILSON-DIVINCENZO	2 ND BY	<u>MR. KENNEDY, SR.</u>
	AYES <u>5</u>	NOES <u>0</u>
	MOTION TO	<u>APPROVE</u>
MEMBER	MADE BY	<u>MR. KENNEDY, SR.</u>
JOHN E. KENNEDY, JR.	2 ND BY	<u>MR. ROOSEVELT</u>
	AYES <u>5</u>	NOES <u>0</u>

Board Meeting of July 1, 2010

ITEM NO. 5

CONSTRUCTION FUND AMENDMENT

WHEREAS: The Buffalo Sewer Authority desires to fund the Five Year Capital Plan in order to continue its program of improving the sewer system; and

WHEREAS: There is funding available from the 2008-2009 Fund Balance designated for Capital Projects; and

WHEREAS: The General Manager recommends approval of this transfer.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approves the transfer of funds from the Fund Balance Designated for Capital Projects to the Construction Fund Budget Amendment for 2009-2010 for the funding of the listed projects as designated by the Amendment.

MOTION TO APPROVE

MADE BY MR. ROOSEVELT

2ND BY MR. KENNEDY, JR.

AYES 5 NOES 0

Board Meeting of July 1, 2010

**BUFFALO SEWER AUTHORITY
CONSTRUCTION FUND BUDGET AMENDMENT #1
2009-2010 FISCAL YEAR**

This Amendment to the Construction Fund utilizes funds from prior years to provide improvements to the infrastructure of the Buffalo Sewer Authority as designated by the Five Year Capital Plan.

The funds will be added to the various appropriation accounts as listed below:

REVENUES & RESOURCES

FUND BALANCE DESIGNATED FOR CAPITAL PROJECTS	<u>\$11,521,000</u>
TOTAL REVENUE & RESOURCES	<u>\$11,521,000</u>

APPROPRIATIONS

TREATMENT PLANT:

REPLACE PLANT WATER SCREEN	\$ 340,000
ANNUAL CENTRIFUGE MAINTENANCE	50,000
RAILINGS - AERATION BASINS	150,000
SCRUBBER WATER DISCHARGE PUMPS & CONTROLS	300,000
SCADA DCU REPLACEMENT	2,400,000
FLOW BOTTLENECK – PRIMARY BYPASS	500,000
THICKENER SLUDGE PUMPS & CONTROLS	150,000
CEMS & DAS	180,000
ROOF REPLACEMENT & STRUCTURAL REPAIRS	1,500,000
DIGESTER CLEANING & MIXING IMPROVEMENTS	1,000,000
WWTP – UNDESIGNATED PROJECTS	251,000

COLLECTION SYSTEM:

SEWER CLEANING/TV INSPECTION	\$ 300,000
RECONSTRUCTION – UNDESIGNATED PROJECTS	400,000
CSO PHASE II STUDY	800,000
CSO SYSTEM IMPROVEMENTS – CAZENOVIA CREEK	1,000,000
SPP 123 A MODIFICATIONS – PHASE I	1,400,000
SPP 121 SUPPLEMENTAL CAPACITY	400,000
BSA/LACKAWANNA OUTER HARBOR	400,000
TOTAL APPROPRIATIONS	<u>\$11,521,000</u>

ITEM NO. 6

CLAIM AGAINST LIABILITY AND CASUALTY RESERVE FUND

WHEREAS: On February 13, 2010, Karen Behrmann, 265 Depew Avenue, Buffalo, New York, filed a Claim with the Buffalo Sewer Authority for damages to the basement and contents of her property located at 35 Foreman which was due to a sewer backup on November 15, 2009; and

WHEREAS: The City of Buffalo Law Department and the General Manager reviewed this Claim and determined that the Buffalo Sewer Authority is liable in this matter; and

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to make payment to Karen Behrmann, 265 Depew Avenue, Buffalo, New York, in the amount of \$1,200.00 as full settlement. This Claim will be paid out of the Liability and Casualty Reserve Fund.

MOTION TO APPROVE
MADE BY MS. WILSON-DIVINCENZO
2ND BY MR. KENNEDY, JR.
AYES 5 NOES 0

Board Meeting of July 1, 2010

ITEM NO. 7

CONTRACT APPROVAL - AUDIT AND ACCOUNTING SERVICES

WHEREAS: The use of independent Certified Public Accountants is necessary in order that the Buffalo Sewer Authority submit financial statements in accordance with generally accepted auditing standards, prepares a Comprehensive Annual Financial Report for submission to the New York State Comptroller, and develops accurate cost allocation schedules of operation at the Wastewater Treatment Plant; and

WHEREAS: Drescher & Malecki, LLP, has proposed a service contract with the Buffalo Sewer Authority for the fiscal year ending June 30, 2010, for a fee not to exceed \$45,500.00 for accounting and auditing services, and a fee not to exceed \$4,500.00 to compile the cost allocation schedule; and

WHEREAS: The Audit Committee of the Board of Directors of the Buffalo Sewer Authority recommends accepting this proposal for the fiscal year ending June 30, 2010.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves and authorizes the Chairman of the Audit Committee to enter into an agreement with Drescher & Malecki, LLP, Certified Public Accountants, to perform the required auditing services of the Authority's affairs and to compile the cost allocation schedule for the fiscal year ending June 30, 2010. Expenses for performing the required financial audit, up to a maximum of \$45,500.00, will be charged to account no. 00110106-432001. Expenses for the cost allocation schedule, up to a maximum of \$4,500.00 will be charged to account no. 00550106-432001.

MOTION TO	<u>APPROVE</u>
MADE BY	<u>MS. WILSON-DIVINCENZO</u>
2 ND BY	<u>MR. KENNEDY, JR.</u>
AYES	<u>5</u> NOES <u>0</u>

Board Meeting of July 1, 2010

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 Buffalo Sewer Authority wishes to utilize his expertise and services; and

WHEREAS: The General Manager and the members of his committee recommend approval to retain Charles C. Martorana, of Hiscock & Barclay, LLP, for legal services on an as-needed basis for the fiscal year July 1, 2010 through June 30, 2011.

NOW THEREFORE
BE IT RESOLVED:

That the Board of 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 fiscal year July 1, 2010 through June 30, 2011, for an amount not to exceed \$80,000.00. Compensation for Hiscock and Barclay, LLP's attorneys are as follows: partners shall be billed at \$215.00 per hour, associates and other counsel shall be billed at \$190.00 per hour, and paralegal services shall be billed at \$120.00 per hour. Expenses for these legal services will be charged to account no. 00550106-432003.

MOTION TO	<u>APPROVE</u>		
MADE BY	<u>MR. KENNEDY, JR.</u>		
2 ND BY	<u>MR. KENNEDY, SR.</u>		
AYES	<u>5</u>	NOES	<u>0</u>

Board Meeting of July 1, 2010

ITEM NO. 10

CONTRACT APPROVAL - SELF-INSURED WORKERS' COMPENSATION PROGRAM

- WHEREAS: The use of a professional claims management company is necessary for the successful continuation of the Buffalo Sewer Authority's self-insured Workers' Compensation Program; and
- WHEREAS: The current Workers' Compensation Administrative Agreement with First Niagara Risk Management, Inc., expires June 30, 2010; and
- WHEREAS: First Niagara Risk Management, Inc., has submitted a two-year proposal to continue to administer the Buffalo Sewer Authority's Self-Insured Workers' Compensation Program for the period July 1, 2010 to June 30, 2012; and
- WHEREAS: The annual fee for these services shall remain at \$29,500.00 under this contract; and
- WHEREAS: The Secretary to the General Manager and staff recommend accepting this proposal.

NOW THEREFORE
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to enter into an agreement with First Niagara Risk Management, Inc., to administer the Self-Insured Workers' Compensation Program for the period July 1, 2010 through June 30, 2012, for an annual fee of \$29,500.00. Expenses for this contract will be charged to account nos. 00110108-452000, 00200108-452000, and 00650108-452000 on a pro-rata basis.

MOTION TO	_____	APPROVE	_____
MADE BY	_____	MR. KENNEDY, SR.	_____
2 ND BY	_____	MR. KENNEDY, JR.	_____
AYES	_____	5	NOES _____ 0

Board Meeting of July 1, 2010

ITEM NO. 11

AUTHORIZATION TO DISPOSE OF OBSOLETE LABORATORY EQUIPMENT

WHEREAS: The Buffalo Sewer Authority Laboratory Director has identified the following equipment that is no longer needed due to age, condition, or uneconomical to service:

Description	Condition
Labconco flask scrubber dishwasher	OOS
Hotpack stainless steel dishwasher Model H-1175-FSM	OOS
Refrigerator w/ Precision top mounted control unit	OOS
Refrigerator w/ Precision top mounted control unit	OOS
Traulsen stainless steel refrigerator/freezer	Freezer OOS
Freas drying oven	OOS
YSI Model 35 conductivity meter	unknown
Mettler PE160 Balance	unknown
Barnstead glass still FI-STREEM	working
Barnstead glass still FI-STREEM	working
Wheaton unispense model III	unknown
FMI lab pump model RP-D	working
Balance - triple beam	working
Spectronic 21	unknown
Perkin Elmer R-50 chart recorder	unknown
Beckman model 3550 pH meter	unknown
Fisher model 230 pH meter	unknown
CEM microwave drying oven - Smart System 5	fire damaged

; and

WHEREAS: The Treatment Plant Superintendent, Laboratory Director and staff request permission to auction and/or dispose of this equipment which serves no purpose nor has any value to the Buffalo Sewer Authority; and

WHEREAS: The Board must authorize the disposal of this equipment.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to auction and/or dispose of this equipment. If auctioned, a report will be presented to the Board to receive and file.

MOTION TO APPROVE _____

MADE BY MS. WILSON-DIVINCENZO _____

2ND BY MR. KENNEDY, JR. _____

AYES 5 NOES 0 _____

Board Meeting of July 1, 2010

ITEM NO. 12

AUTHORIZATION FOR CHANGE ORDER TO PURCHASE ORDER NO. 21001579 FOR BLACKMER PUMP

WHEREAS: On May 26, 2010, the Board of the Buffalo Sewer Authority authorized the General Manager to purchase one Blackmer System One Vortex Centrifugal Pump from Corrosion Products and Equipment, Inc., at a cost not to exceed \$26,510.00; and

WHEREAS: Upon review of Purchase Order No. 21001579 established for this procurement, it was noted that the standard motor specified for this pump should have been upgraded to a severe duty premium efficient motor at an additional cost of \$560.00; and

WHEREAS: The Treatment Plant Superintendent, Principal Chief Stationary Engineer, and staff recommend this change order to Purchase Order No. 21001579 in the amount of \$560.00, from \$26,510.00 to \$27,070.00; and

WHEREAS: This motor upgrade will provide greater efficiency, save on energy usage, provide a return-on-investment of 18 months, and also qualifies for a \$150.00 NYSERDA rebate.

NOW THEREFORE
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to approve a change order to Purchase Order No. 21001579 in the amount of \$560.00, from \$26,510.00 to \$27,070.00. Funds for this procurement are available in account no. 00360107-474080.

MOTION TO _____ APPROVE _____

MADE BY _____ MR. KENNEDY, JR. _____

2ND BY _____ MR. KENNEDY, SR. _____

AYES _____ 5 _____ NOES _____ 0 _____

Board Meeting of July 1, 2010

ITEM NO. 13

ADJOURNMENT OF MEETINGMOTION TO APPROVE MADE BY MS. WILSON-DIVINCENZO 2ND BY MR. KENNEDY, JR. AYES 5 NOES 0

Board Meeting of July 1, 2010