

**MINUTES OF THE REGULAR MEETING**  
**OF THE**  
**BUFFALO SEWER AUTHORITY**  
**July 28, 2010**

53216.....53250



# **BUFFALO SEWER AUTHORITY**

**July 28, 2010**

**REGULAR MEETING**

**9:00 A.M.**

**1038 CITY HALL**

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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>Roberta Gaiek, P.E.</u>	<u>Treatment Plant Administrator</u>
	<u>Thomas Caulfield</u>	<u>Administrator of Capital</u>
	<u>Edward Hennessy</u>	<u>Improvements &amp; Development</u>
	<u>Darryl McPherson</u>	<u>Director of Sewer Maintenance</u>
	<u></u>	<u>City Auditor</u>
	<u></u>	<u></u>
	<u></u>	<u></u>
	<u></u>	<u></u>
Absent:	<u>none</u>	<u></u>

The meeting was called to order at 9:01 A.M. A quorum was present.

ITEM NO. 1

Motion to Adopt the Minutes of the Meeting of July 1, 2010

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

## ITEM NO. 2

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

<b>June 30, 2010</b>						
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ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
<b>CAPITAL IMPROVEMENT FUND</b>						
15-Apr-02	Money Market		\$500,225.89	Chase	0.50%	High Yield
<b>CONSTRUCTION FUND</b>						
08-Apr-02	Money Market		\$31,255,694.57	Chase	0.50%	High Yield
<b>LIABILITY AND CASUALTY RESERVE FUND</b>						
22-Apr-02	Money Market		\$1,009,105.42	Chase	0.50%	High Yield
<b>OPERATING FUND</b>						
08-Apr-02	Money Market		\$11,111,811.26	Chase	0.50%	High Yield
<b>TRUST &amp; AGENCY FUND</b>						
06-May-02	Money Market		\$35,576.59	Chase	0.50%	High Yield
<b>SURPLUS FUND</b>						
			\$593.80	MTB Funds		
30-Jun-10	28-Sep-10	90	\$4,394,591.55	M&T Securities	0.31%	\$3,408.45
			\$4,395,185.35			
<b>NET REVENUE FUND</b>						
			\$7,856,713.03	MTB Funds		
30-Jun-10	26-Jul-10	26	\$5,444,488.77	M&T Securities	0.13%	\$511.23
30-Jun-10	26-Jul-10	26	\$5,999,133.34	M&T Securities	0.20%	\$268.03
			\$19,300,335.14			



ISSUE DATE	MATURITY DATE	TOTAL DAYS	AMOUNT	BANK	RATE	INTEREST AMOUNT
<b>DEBT RESERVE FUND</b>						
30-Apr-10	03-Jun-11	399	\$1,007,669.72	Series F FHLB	0.42%	
30-Apr-10	10-Jun-11	406	\$333,570.61	Series F FHLB	0.42%	
01-Aug-08	06-Sep-13	1862	\$8,240,877.50	Series I FHLB	4.00%	
13-Mar-03	15-Apr-32		\$2,825,593.00	Series H SLG	4.35%	
04-Mar-04	15-Nov-33		\$774,061.00	Series J SLG	3.82%	
22-Jul-04	15-Feb-33		\$498,654.00	Series K SLG	4.63%	
27-Jul-06	01-Oct-35		\$952,666.00	Series L SLG	4.52%	

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Board Meeting of July 28, 2010

## ITEM NO. 3

## INFORMATIVE: REALLOCATION OF FUNDS

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

**Wastewater Treatment Plant**

6/8/2010	00330106 Blower Services	-\$500.00	00380106 Incinerator Services	\$500.00
6/8/2010	00290105 Aeration Supplies	-\$8,294.00	00510105 Lab Supplies	\$8,294.00
6/9/2010	00290105 Aeration Supplies	-\$398.04	00240105 Primary Sedimentation	\$398.04
6/10/2010	00550105 IWS Supplies	-\$113.85	00200105 Plant Supplies	\$113.85
6/14/2010	00530105 Yards Supplies	-\$99.81	00520105 Maintenance Supplies	\$99.81
6/15/2010	00330106 Blower Services	-\$5,980.57	00200106 Plant Services	\$5,980.57
6/15/2010	00290105 Aeration Supplies	-\$1,388.00	00200105 Plant Supplies	\$1,388.00
6/17/2010	00330106 Blower Services	-\$19,900.00	00200106 Plant Services	\$19,900.00
6/18/2010	00200106 Plant Services	-\$200.00	00380106 Incinerator Services	\$200.00
6/18/2010	00200106 Plant Services	-\$500.00	00520106 Maintenance Services	\$500.00
6/18/2010	00250105 Secondary Supplies	-\$314.46	00200105 Plant Supplies	\$314.46
6/21/2010	00220106 Screen Services	-\$136.99	00200106 Plant Services	\$136.99
6/24/2010	00200107 Plant Capital Outlay	-\$560.00	00360107 Dewater Capital Outlay	\$560.00
7/13/2010	00360103 Dewater Utilities	-\$115.41	00440103 KellyS Utilities	\$115.41

**Sewer Maintenance Division**

6/9/2010	00690106 Auto Services	-\$2,000.00	00670106 Sewer Cleaning Services	\$2,000.00
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**General Financial Charges**

6/14/2010	00800183 Financial Contingency	-\$12,000.00	00820102 Fringe Benefits	\$12,000.00
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Board Meeting of July 28, 2010

## ITEM NO. 4

**INFORMATIVE: REPORT ON THE CONDITION OF THE CAPITAL IMPROVEMENT FUND**

Balance July 1, 2009 (Temporary Investments & Cash)	\$500,240.96	
Interest on Investments	2,603.37	
Transfers from Operating Fund	0	
Transfers to Operating Fund	(2,618.44)	
		500,225.89
Less: Expenditures	0	
Encumbrances	0	0
<b>Unallocated Funds as of June 30, 2010</b>		<b><u>\$500,225.89</u></b>
<b>Expenditures:</b>	_____	
<b>Total Expenditures</b>		<b><u>0</u></b>
<b>Encumbrances:</b>	_____	
<b>Total Encumbrances</b>		<b><u>0</u></b>
<b>ENCUMBRANCES AND EXPENDITURES FOR 7/1/09-6/30/2010</b>		<b><u>\$0</u></b>

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Board Meeting of July 28, 2010

## ITEM NO. 5

**INFORMATIVE: REPORT ON THE CONDITION OF THE LIABILITY AND CASUALTY RESERVE FUND**

The Resolution that created the Liability and Casual Reserve Fund provides that:

“The General Manager shall regularly and not less than semi-annually render to the Board a detailed report of the operation and condition of the Liability and Casualty Reserve Fund.”

Fund Balance as of June 30, 2009	\$1,054,670.06
Interest Earnings	5,446.31
Less: Claims Paid	<u>(51,010.95)</u>
Fund Balance as of June 30, 2010	<u>\$1,009,105.42</u>

During the period of July 1, 2009 – June 30, 2010, the B.S.A. settled 25 claims. Seventeen (17) claims were denied. Eight (8) claims resulted in cash payments from the B.S.A. totaling \$51,010.95.

**Total Active Claims Pending**

Bodily Injury	10
Property Damage	17
Auto B.I. & P.D	3
Other Liability	<u>0</u>
	30

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Board Meeting of July 28, 2010

## ITEM NO. 6

**ADJUSTMENT OF SEWER RENT**

WHEREAS: On July 1, 2010, the City of Buffalo Department of Assessment billed the Buffalo Municipal Housing Authority sewer rent based upon total assessed valuation; and

WHEREAS: In accordance with a Consolidated Loan and Subsidy Contract among the Buffalo Municipal Housing Authority, the City of Buffalo, Buffalo Sewer Authority, and the State of New York, sewer rent billing for the Marine Drive property (100 Erie) is based on the assessed valuation of \$15,000,000.00. The sewer rent is calculated on only one-third of the exempt value; and

WHEREAS: Sewer rent bills were issued totaling \$25,459.55 for the above named property, and the contractual obligation is actually \$8,147.05.

NOW THEREFORE  
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approve the cancellation of sewer rent totaling \$17,312.50 for the Marine Drive property and that this cancellation be paid out of Sewer Rent account no. 00800108-480090.

MOTION TO	_____	APPROVE	_____
MADE BY	_____	MR. KENNEDY, SR.	_____
2 <sup>ND</sup> BY	_____	MR. ROOSEVELT	_____
AYES	_____	5	NOES _____ 0

Board Meeting of July 28, 2010

## ITEM NO. 7

**PAYMENT FROM JUDGEMENT AND CLAIMS**

WHEREAS: Board approval is required for charges made against the Buffalo Sewer Authority's current budget for services and/or materials received during a prior fiscal year; and

WHEREAS: The following services were received during a prior fiscal year and charged to the 2010-2011 budget account no. 00800108-480214:

<b>VENDOR</b>	<b>AMOUNT</b>
Quackenbush Company	\$3,881.82
Union Occupational Health Center	\$ 65.00

; and

WHEREAS: The General Manager and staff recommend the above payments from the Judgement and Claims account.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves the above payments from the Judgement and Claims account no. 00800108-480214.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

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

AYES 5 NOES 0

Board Meeting of July 28, 2010

## ITEM NO. 8

**RESOLUTION TO AUTHORIZE SETTLEMENT AGREEMENT WITH THE BUFFALO WATER BOARD AND NORSTAR DEVELOPMENT USA, L.P.**

WHEREAS: The Buffalo Sewer Authority and the Buffalo Water Board provide water and sewer services to property and facilities located at 99 Carolina Street, Buffalo, New York, which are managed by Norstar Development USA, L.P.; and

WHEREAS: The Buffalo Sewer Authority and the Buffalo Water Board have issued invoices to Norstar Development USA, L.P., for provision of water and sewer service to this property; and

WHEREAS: Norstar Development USA, L.P., the Buffalo Sewer Authority, and the Buffalo Water Board are willing to settle all disputes in connection with the Charges, upon the terms and conditions set forth in a proposed Settlement Agreement; and

WHEREAS: The Buffalo Sewer Authority, the Buffalo Water Board, and Norstar Development USA, L.P., believe it is in their best interest, respectively, to avoid the nuisance and expense of possible litigation and are willing to forebear any litigation and enforcement proceedings in connection with the charges, release each other, and waive any defenses and claims each has against the other with respect to the Charges.

NOW THEREFORE  
BE IT RESOLVED: That in full settlement of the Charges, the Buffalo Sewer Authority and the Buffalo Water Board agree to accept, and based on Norstar Development USA, L.P.'s, agreement to pay the sum of One Hundred Four Thousand, Three Hundred Fifteen Dollars and Seventy Cents (\$104,315.70) which shall be payable to the Treasurer of the City of Buffalo, as agent for the Buffalo Sewer Authority and the Buffalo Water Board upon execution of the Settlement Agreement.

BE IT FURTHER  
RESOLVED:

That the Board of the Buffalo Sewer Authority does hereby authorize the General Manager to undertake any and all actions that are necessary or appropriate to enable the Buffalo Sewer Authority to fulfill and administer the Settlement Agreement, including but not limited to the execution, delivery, and acceptance of the Settlement Agreement and any other agreements or instruments and to negotiate and establish any modifications, extensions, or additional terms of settlement with the Buffalo Water Board, Norstar Development USA, L.P., and any other person or entity, including any determinations of compliance or default, upon such terms and conditions reasonably acceptable to the General Manager to effectuate the purposes of this resolution. All actions of the General Manager and any other representative or agent of the Buffalo Sewer Authority in the preparation and negotiation of the Settlement Agreement are hereby ratified, approved, and confirmed.

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

Board Meeting of July 28, 2010



STATE OF NEW YORK     )  
                                           ) SS.:  
 COUNTY OF ERIE         )

I, the undersigned Secretary of the Buffalo Sewer Authority (the "Authority"), DO HEREBY CERTIFY that I have compared the annexed extract of the minutes of the meeting of the Authority, including the resolution contained therein, held the 28<sup>th</sup> day of July, 2010, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Authority and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Authority Board had due notice of said meeting, said meeting was duly held, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and public notice of the time and place of said meeting was duly given in accordance with such Article 7, and there was a quorum of the members of the Authority Board present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of July 2010.

---

Eleanor C. Wilson DiVincenzo  
 Secretary



## ITEM NO. 10

**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 does adopt 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 Services 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.

(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 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.

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.

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	_____ MR. KENNEDY, JR. _____		
2 <sup>ND</sup> BY	_____ MS. WILSON-DIVINCENZO _____		
AYES	_____ 5 _____	NOES	_____ 0 _____

Board Meeting of July 28, 2010



## ITEM NO. 11

**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 MR. KENNEDY, SR.

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

AYES 5 NOES 0

Board Meeting of July 28, 2010

ITEM NO. 12

**REVISION TO BUFFALO SEWER AUTHORITY POLICY – PURCHASING GUIDELINES  
(ATTACHMENT B)**

WHEREAS: The Buffalo Sewer Authority purchases goods and services according to its enabling legislation and charter granted by the State of New York; and

WHEREAS: The Buffalo Sewer Authority has developed Purchasing Guidelines for the procurement of goods and services that will ensure compliance with all State and Local Laws governing public bidding; and

WHEREAS: The Purchasing Guidelines shall be annually reviewed and approved by the Board.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves the “Purchasing Guidelines” (Attachment B), which establishes the basis for the procurements of goods and services by the Buffalo Sewer Authority.

MOTION TO                     APPROVE                    

MADE BY                     MR. KENNEDY, JR.                    

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

AYES             5             NOES             0            

Board Meeting of July 28, 2010

## ITEM NO. 13

**AUTHORIZATION FOR ORIGINAL EQUIPMENT MANUFACTURER PURCHASES OVER \$10,000 FOR FISCAL YEAR 2010-2011**

WHEREAS: On June 16, 2010, the Board of the Buffalo Sewer Authority designated various original equipment manufacturers, and/or their local representatives as sole sources for the purchase of various commodities, technology, and/or services for fiscal year 2010-2011; and

WHEREAS: Based upon historical usage, the Principal Chief Stationary Engineer anticipates the following not to exceed purchase costs for fiscal year 2010-2011:

<b>Original Equipment Manufacturer</b>	<b>Estimated Purchases</b>
ABB, Inc. (Instrumentation Division)	\$50,000
BSP Thermal Systems, Inc.	\$40,000
Diamond Power International, Inc.	\$40,000
Eaton Corporation	\$40,000
EIM Controls	\$50,000
Fairbanks Morse/Pentair Water	\$20,000
Gorman-Rupp Company	\$20,000
ITT Water & Wastewater USA, Inc. Flygt Products	\$30,000
JWC Environmental	\$20,000
Limitorque (A Div. Of Flowserve)	\$15,000
Moyno, Inc.	\$120,000
Royal Purple, Inc.	\$20,000
Royce Technologies	\$30,000
SFC-Adams, Inc. (d/b/a R. P. Adams)	\$20,000
Siemens Water Technologies Corp.	\$40,000
Smith & Loveless, Inc.	\$30,000
Varec Biogas	\$15,000
Vaughan Company, Inc.	\$50,000

; and

WHEREAS: The Treatment Plant Superintendent, Principal Chief Stationary Engineer, and staff recommend approval for the estimated amounts listed for the various original equipment manufacturers for purchases anticipated for fiscal year 2010-2011; and

WHEREAS: Board approval is required on purchases made over \$10,000.00.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to purchase original equipment commodities, as needed, from the original equipment manufacturers, or their designated local representatives, at a total cost not to exceed the listed amounts for fiscal year 2010-2011 and to charge them to the appropriate departmental accounts.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

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

AYES 5 NOES 0

Board Meeting of July 28, 2010

ITEM NO. 14

**AUTHORIZATION TO PURCHASE VEHICLE UNDER NEW YORK STATE CONTRACT**

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 Treatment Plant Superintendent and staff request approval to purchase the following vehicle available under New York State Contract to add to the existing fleet:

State Contract	Vendor	Vehicle	Cost
PC 65030 (SB)(WBE) Group No. 40450 Award No. 21910-PF	Van Bortel Ford, Inc.	2010 Ford F-150 1/2-ton, regular cab, long box, 4 X 2 pickup	\$15,260.00
		Additional option needed: bedliner	195.94
Delivery Charge			110.00
Total Vehicle Cost			\$15,565.94

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority authorizes the General Manager to purchase the above vehicle from Van Bortel Ford, Inc., at a total cost of \$15,565.94. This purchase will be charged to account no. 00520107-474200.

MOTION TO                                          APPROVE                                         

MADE BY                                          MR. KENNEDY, JR.

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

AYES                                          5                                          NOES                                          0

Board Meeting of July 28, 2010

## ITEM NO. 15

**REPORT ON BIDS RECEIVED - PURCHASE OF DARK STEEL RECEIVER BOTTOM SECTIONS**

WHEREAS: Formal bids were advertised and solicited for the purchase of fifty (50) dark steel receiver bottom sections with slides; and

WHEREAS: The following bids were received and opened by the Buffalo Sewer Authority Purchase Department on July 19, 2010:

VENDOR	UNIT PRICE	TOTAL
Buffalo Metal Forming	\$749.00	\$37,450.00
Goergen-Mackwirth Co., Inc.	\$924.00	\$46,200.00

; and

WHEREAS: The Director of Sewer Maintenance and staff carefully reviewed the quotes received and recommend awarding the purchase of fifty (50) receiver bottom sections with slides to the low bidder, Buffalo Metal Forming Inc., at a total cost of \$37,450.00.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby authorizes the General Manager to purchase the fifty (50) receiver bottom sections with slides from the low bidder, Buffalo Metal Forming Inc., at a total cost of \$37,450.00. This purchase will be charged to account no. 00660105-466269.

MOTION TO APPROVE

MADE BY MR. KENNEDY, JR.

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

AYES 5 NOES 0

Board Meeting of July 28, 2010

## ITEM NO. 16

CONTRACT NO. 85000021

**CERTIFICATE OF ACCEPTANCE AND OCCUPANCY**

WORK: Bird Island Waste Water Treatment Plant Pipe Replacement Phase I

BID: \$51,000.00

CONTRACTOR: Kandey Company, Inc.  
19 Ransier Drive  
West Seneca, New York 14224

WHEREAS: The Administrator of Capital Improvements & Development and staff have certified that the Contractor completed the work in accordance with the plans and specifications on June 27, 2010.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby finds and determines that:

- a. The work to be performed under the terms of the Contract has been complete and is accepted;
- b. The date of entrance and occupancy be fixed as of June 27, 2010;
- c. The maintenance period commence on June 27, 2010;
- d. Final payment be made to the Contractor in the amount of \$2,550.00, making the final cost of the contract \$51,000.00.

MOTION TO APPROVE

MADE BY MR. KENNEDY, SR.

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

AYES 5 NOES 0

Board Meeting of July 28, 2010





ITEM NO. 18

**AUTHORIZATION FOR CHANGE ORDER NO. 1 TO CONTRACT NO. 84900016 WITH C. DESTRO DEVELOPMENT CO., INC., FOR MISCELLANEOUS SYSTEM WIDE SEWER REPAIRS**

WHEREAS: Formal bids were received and opened by the Buffalo Sewer Authority on February 2, 2009, for Miscellaneous System Wide Sewer Repairs; and

WHEREAS: The low responsible bidder was C. Destro Development Co., Inc., with a low bid of \$371,260.00; and

WHEREAS: The Board of the Buffalo Sewer Authority accepted this bid on February 18, 2009; and

WHEREAS: Subsequent to the award of the contract with C. Destro Development Co., Inc., the Board of the Buffalo Sewer Authority budgeted \$371,260.00 for Miscellaneous System Wide Sewer Repairs for fiscal years 2009 – 2010 and 2010 – 2011; and

WHEREAS: The original contract amount from fiscal year 2009 – 2010 has been depleted; and

WHEREAS: C. Destro Development Co., Inc., agreed to hold repair unit costs as per original bid of February 2, 2009, in the amount of \$371,260.00; and

WHEREAS: It is recommended by the Senior Sanitary Engineering Supervisor that the contract amount be increased by \$250,000.00 to allow for continued repair services.

NOW THEREFORE  
BE IT RESOLVED: That the Board of the Buffalo Sewer Authority hereby approves Change Order No. 1 to Contract No. 84900016 in the amount of \$250,000.00, making the adjusted contract cost \$621,260.00. Expenses for this contract will be charged to account no. 02000268-490740.

MOTION TO APPROVE \_\_\_\_\_

MADE BY MR. KENNEDY, SR. \_\_\_\_\_

2<sup>ND</sup> BY MR. KENNEDY, JR. \_\_\_\_\_

AYES 5 NOES 0

## ITEM NO. 19

**AMENDMENT TO SCHEDULE OF JOB CLASSIFICATION PLAN**

WHEREAS: There is a need to modify the Job Classification Plan.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority approves the addition of the following positions to the Job Classification Plan:

**Two (2) Wastewater Treatment Plant Operator II 00360161 411001**

**One (1) Laborer II 00380161 411001**

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

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

AYES 5 NOES 0

Board Meeting of July 28, 2010

## ITEM NO. 20

**AMENDMENT TO SCHEDULE OF JOB CLASSIFICATION PLAN**

WHEREAS:                    There is a need to modify the Job Classification Plan.

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority approves the deletion of the following positions from the Job Classification Plan:

**Two (2) Wastewater Treatment Plant Operator II (w/license)**

**0360161 411001**

**One (1) Laborer I**

**00520161 411001**

MOTION TO                                      APPROVE                  

MADE BY                                      MR. KENNEDY, JR.                  

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

AYES                              5           NOES                              0          

Board Meeting of July 28, 2010

ITEM NO. 21

**CONFIRMATION OF APPOINTMENTS**

**SEWER MAINTENANCE SUPERVISOR I (PERMANENT)  
CHANGE OF STATUS ONLY  
SEWER MAINTENANCE DEPARTMENT  
\$47,877 PER ANNUM  
EFFECTIVE: JUNE 14, 2010**

SALVATORE LOTEMPIO, JR.  
1104 SHEREE DR.  
GRAND ISLAND, NY

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**SEWER MAINTENANCE SUPERVISOR I (PERMANENT)  
CHANGE OF STATUS ONLY  
SEWER MAINTENANCE DEPARTMENT  
\$47,877 PER ANNUM  
EFFECTIVE: JUNE 14, 2010**

ANGELO GIANCARLO  
218 CARMEL RD.  
BUFFALO, NY

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**LABORER I (PERMANENT)  
CHANGE OF STATUS ONLY  
SEWAGE TREATMENT PLANT  
\$15.60 PER HOUR  
EFFECTIVE: JUNE 15, 2010**

LEONARD FALZONE  
494 COLVIN AVE.  
BUFFALO, NY

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**SEWER CONSTRUCTION WORKER (PERMANENT)  
CHANGE OF STATUS ONLY**  
SEWER MAINTENANCE DEPARTMENT  
\$19.41 PER HOUR  
EFFECTIVE: JUNE 28, 2010

JOEL RENZONI  
20 PORTLAND  
BUFFALO, NY

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**SEWER CONSTRUCTION WORKER (PERMANENT)  
CHANGE OF STATUS ONLY**  
SEWER MAINTENANCE DEPARTMENT  
\$19.41 PER HOUR  
EFFECTIVE: JUNE 28, 2010

DOUGLAS SMITH  
44 FAIRVALE  
CHEEKTOWAGA, NY

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**SEWER CONSTRUCTION WORKER (PERMANENT)**  
SEWER MAINTENANCE DEPARTMENT  
\$19.41 PER HOUR  
EFFECTIVE: JUNE 28, 2010

JOSEPH PARADISI  
44 ARUNDEL  
BUFFALO, NY

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**MAINTENANCE ASSISTANT (SEWER CLEANING) (PERMANENT)**  
SEWER MAINTENANCE DEPARTMENT  
\$17.57 PER HOUR  
EFFECTIVE: JUNE 28, 2010

JOHN KERRUISH II  
179 FENTON ST.  
BUFFALO, NY

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**LABORER I (SEASONAL)**  
SEWAGE TREATMENT PLANT  
\$95.00 PER DAY  
EFFECTIVE: JULY 12, 2010

DANIEL GILMOUR  
29 CARLYLE  
BUFFALO, NY

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**SEWER MAINTENANCE SUPERVISOR I (PROVISIONAL)**  
SEWER MAINTENANCE DEPARTMENT  
\$49,074 PER ANNUM  
EFFECTIVE: JULY 19, 2010

JAMES BRUNDO  
95 COLDEN COURT  
CHEEKTOWAGA, NY

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**SEWER MAINTENANCE SUPERVISOR I (PROVISIONAL)**  
SEWER MAINTENANCE DEPARTMENT  
\$49,074 PER ANNUM  
EFFECTIVE: JULY 19, 2010

JAMES JOHNSON  
257 ANGLE ROAD  
WEST SENECA, NY

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**WASTEWATER TREATMENT PLANT OPERATOR II  
(PROVISIONAL)**  
SEWAGE TREATMENT PLANT  
\$19.64 PER HOUR  
EFFECTIVE: JULY 26, 2010

SEAN MORRISON  
32 EAGLEWOOD  
BUFFALO, NY

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**WASTEWATER TREATMENT PLANT OPERATOR II  
(PROVISIONAL)**  
SEWAGE TREATMENT PLANT  
\$19.64 PER HOUR  
EFFECTIVE: JULY 26, 2010

SALVATORE FALZONE  
248 PARKHURST  
TONAWANDA, NY

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**LABORER I (SEASONAL)**  
SEWAGE TREATMENT PLANT  
\$95.00 PER DAY  
EFFECTIVE: JULY 26, 2010

KENNETH BROWN  
89 WILLIAM PRICE PKWY.  
BUFFALO, NY

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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, SR.                    

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

AYES           5           NOES           0          

Board Meeting of July 28, 2010

## ITEM NO. 22

**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 employee has applied for Tuition Reimbursement:

<u>EMPLOYEE</u>	<u>SCHOOL</u>	<u>COURSE</u>	<u>TUITION%</u>	<u>REIMBURSEMENT TOTAL</u>
Salvatore Falzone	Buffalo State University of NY	Grade 3 Supervision	100%	\$500.00

NOW THEREFORE  
BE IT RESOLVED:

That the Board of the Buffalo Sewer Authority hereby approves the above application for Tuition Reimbursement totaling \$500.00. This Reimbursement will be charged to account no. 00800108-480214.

MOTION TO APPROVE

MADE BY MS. WILSON-DIVINCENZO

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

AYES 5 NOES 0

Board Meeting of July 28, 2010



ITEM NO. 23

**ADJOURNMENT OF MEETING**MOTION TO                     APPROVE                    MADE BY                     MR. KENNEDY, SR.                    2<sup>ND</sup> BY                     MR. KENNEDY, JR.                    AYES           5           NOES           0          

Board Meeting of July 28, 2010