

MINUTES of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 295 Main Street, Room 350, Buffalo, New York, on the 27th day of June 2019.

PRESENT: Jerome D. Schad, Chairman
 Mark S. Carney, Vice Chairman
 E. Thomas J. Jones, Jr., Treasurer
 Terrence D. McCracken, Secretary to the Authority
 Karen A. Prendergast, Chief Financial Officer
 Margaret A. Murphy, Attorney
 Russell J. Stoll, Executive Engineer
 Daniel J. NeMoyer, Director of Human Resources
 Lavonya C. Lester, Director of Administration
 Sabrina A. Figler, Director of Water Quality
 Joseph T. Burns, Deputy Administrative Director
 Jeffrey C. Schlierf, Sr. Micro Technical Support Specialist
 Anthony Alessi, Claims Representative/Risk Manager
 Matthew W. Barrett, Security Officer
 Richard J. Deren, Network Specialist

ATTENDEES: Dan Cappellazzo, E3 Communications
 Patrick Quinn, Lawley
 Michael Lawley, Lawley
 Paul Powell, Lawley
 Daniel Murray, Lawley

CALL TO ORDER AT 9:30 a.m.

PLEDGE TO THE FLAG

I. ROLL CALL

II. READING OF MINUTES

Motion by Mr. Carney seconded by Mr. Jones and carried to waive the reading of the Minutes of the Meeting held on Thursday, June 13, 2019.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

III. APPROVAL OF MINUTES

Motion by Mr. Carney seconded by Mr. Jones and carried to approve the Minutes of the Meeting held on Thursday, June 13, 2019.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

IV. REPORTS

A) SECRETARY

1. Executive Session

Discussion relating to personnel matters of a particular person(s) pursuant to Public Officers Law § 105(1)(f) (matters relating to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person)

The Chair requested that the executive sessions be deferred until the end of the meeting, but separate the three executive sessions.

2. Executive Session

Discussion relating to the appointment of a person to the position of executive director pursuant to Public Officers Law § 105(1)(f) (matters relating to the appointment, employment or promotion of a particular person)

3. New & Unused Enclosed Trailer Bid Opening

Secretary McCracken informed the Board that a bid opening was held on June 11, 2019 for a new and unused enclosed trailer in which one bid was received (Stephan L. Green Trailers). However, on June 17, 2019 an additional bid was received (Davis Trailer World, LLC) at the Ellicott Square Building via US Postal Service incoming mail which was post marked May 31, 2019. Margaret Murphy noted that she looked over the bid notice and determined that there is some vagueness in it, but the notice to bidders did indicate bid due date and time. She believes all indications show Davis Trailer World sent in their bid well in advance of the due date. Commissioner Jones asked if the bid has been awarded yet, and it has not. Ms. Murphy noted that she reviewed Davis Trailer's bid, and since it is \$2,000 less than the first bid received, Ms. Murphy and Mr. McCracken felt it necessary to bring this to the Board for their decision. Commissioner

Jones remarked that since it was a postal service problem, Davis Trailer's bid should be accepted. The Chair feels that since it isn't in compliance with the timeline, the bids should be rejected and re-advertised. Vice Chairman Carney agreed with Mr. Schad to reject and re-advertise and would like to see the language tightened.

B) LEGAL

1. Presentation by Lawley

Karen Prendergast informed the Board that Paul Powell, Patrick Quinn, Michael Lawley and Daniel Murray of Lawley Services, Inc. were here to speak to the Board about the Authority's current premiums and their recommended coverages and any potential changes. Mr. Quinn informed the Board that the Property insurance premium is with Affiliated. This is about a 14% increase over last year which is directly tied to the Sturgeon Point claim. Liability coverage is with Philadelphia insurance. It's flat this year despite increases in exposure. The crime insurance is up slightly. Some coverages have been enhanced to account for computer hacking coverage or computer fraud coverage. Mr. Quinn is recommending increasing some limits in the Cyber insurance. The Public Officials Liability with Chubb insurance is relatively flat from last year. It's up just over \$1000 which is basically market rate changes. The workers compensation coverage remains with State Insurance Fund. Lawley will be looking into self-insurance over the next 90 days. The umbrella pricing is up about \$17,000 over last year. This was shopped out to different umbrella carriers, however Chub's umbrella actually goes over certain coverages that not all carriers are willing to go over, specifically the public officials' liability. The security guard coverage is down slightly. The current carrier, Indemnity Company has raised the rates, so Lawley is recommending changing carriers to Lloyds of London who offered a competitive renewal. Service fees cover the management of the Workers Compensation Program and loss control services. This entire program is approximately a 2.27% increase from last year. Karen Prendergast informed the Board that she is recommending some changes to enhance coverage, which is about \$35,000 additional from Lawley's recommendation. Chairman Schad remarked that he does not feel that an executive session is needed, and he is in favor of the changes. Vice Chairman Carney asked Mr. Quinn if he recommends the increase in the cyber insurance and criminal. Mr. Quinn replied that he does recommend the increase.

2. Executive Session

Discussion, if necessary, relating to insurance matters that would imperil the public safety if disclosed; pursuant to Public Officers Law § 105(1)(a)

It was determined that this Executive Session is not needed.

C) FISCAL

1. May 2019 Investment Report

Karen Prendergast distributed the May 2019 Investment Report along with a brief explanation of the report.

2. Monthly Finance Report – May 2019

Karen Prendergast distributed the May 2019 Monthly Financial report. This report includes operating revenue, investment income, operating expense and net income.

D) OPERATIONS

1. Goals Considerations – Infrastructure Prioritization Criteria

Russell Stoll distributed a memo from himself and Karen Prendergast regarding the Goals Consideration – Infrastructure Prioritization Criteria. The memo listed the criteria along with an explanation of considerations for each of them: Health and Safety, Impact of Failure, Redundancy of Facilities, Process Reliance, Regulatory Compliance and Urgency in Terms of Time. Mr. Stoll noted that each project will be scored against said criteria from 1-5, where 1 is a negligible impact to the criteria and 5 being an extreme impact to the criteria. This approach will result in a prioritization of the proposed projects. The highest priority projects will be advanced to the design phase and then to the construction/implementation phase. He also suggested reviewing the prioritization every year to determine if anything has changed that would affect the priority of the projects. Chairman Schad noted that he is in favor of adjusting goal #3 to a functional needs target. Mr. Schad would like a document prepared stating the goals and the criteria so then staff can discuss how this can be monitored. He asked Mr. Stoll to think about when he feels the annual review should be held. Chairman Schad remarked that he thought June 1st might be appropriate so it's in place by budget time.

2. Extension of Contract

Russell Stoll asked permission to extend the current contract with CRM Contracting, Inc. for a one-year period for fencing, guardrail, general welding, painting and sandblasting repairs. He explained that the contract does allow for a one-year extension. CRM is typically the only bidder, and the Authority has been pleased with their work. Commissioner Jones asked if the specs can be reviewed to see if its broad enough to include other bidders. Ms. Prendergast and Mr. Stoll both agree that it is something that can be looked at.

Commissioner Jones asked Mr. Stoll if he could update the Board on the recent watermain breaks. Mr. Stoll replied that there is a break located in Hamburg on Route 5. Crews were sent out immediately, and it has been shut down and controlled. The situation is being assessed as to what work is necessary to get it back in place. There was some impact of pressure and service in the Hamburg and Orchard Park area for a little bit. However, it appears to have been stabilized, and everything is in place to repair the pipe starting today. There have been two breaks in Amherst. One was a couple of weeks ago, and that was dispatched quickly with little or no impact. The other break occurred under Main Street in the Williamsville area near 290. Exploration and excavations are being conducted to determine what is the best repair. There was virtually no impact to customers as the system is performing as intended with no pressure impacts. Commissioner Jones asked if there may be some traffic impacts in which Mr. Stoll replied that, yes, there may be possible traffic impacts. Karen Prendergast noted to minimize the traffic impact, the work will be done during the nighttime hours.

E) HUMAN RESOURCES

No Report

F) AUDIT COMMITTEE

No Report

G) GOVERNANCE COMMITTEE

No Report

H) FINANCE COMMITTEE

No Report

I) ETHICS COMMITTEE

No Report

V. COMMUNICATIONS AND BILLS

C-1 NOTICE OF CLAIM NIAGARA MOHAWK POWER CORPORATION - RECEIVED AND FILED AND REFERRED TO LEGAL FOR FOLLOW UP

C-2 FOIL FROM ERIC CHUNG RELATIVE TO PURCHASING RECORDS RECEIVED AND FILED AND REFERRED TO LEGAL FOR FOLLOW UP

C-3 FOIL FROM CHRIS JONES RELATIVE TO RESTORATION BID INFORMATION - RECEIVED AND FILED AND REFERRED TO LEGAL FOR FOLLOW UP

C-4 FOIL FROM TYLER BANKS RELATIVE TO ADDRESS OF PROPERTIES NOT RECEIVING SERVICE - RECEIVED AND FILED AND REFERRED TO LEGAL FOR FOLLOW UP

C-5 ROBERT CROWLEY RETIREMENT - RECEIVED AND FILED AND REFERRED TO SECRETARY FOR FOLLOW UP

DISCUSSION

Chairman Schad thanked Mr. Crowley for his time and service. Commissioners Jones and Carney agreed.

VI. PERSONS ADDRESSING THE AUTHORITY

The Commissioners will hear the concerns of persons desiring to address the Commissioners on any Water Authority subject

No member of the public requested the opportunity to speak.

VII. UNFINISHED BUSINESS

VIII. NEW BUSINESS

ITEM 1 - MASTER PURCHASE ORDERS, RELEASES FROM MASTER PURCHASE ORDERS, PURCHASE ORDERS, AND AMENDMENTS OF SAME

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 2 - AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH NEPTUNE TECHNOLOGY GROUP, INC. RELATIVE TO THE EXTENSION OF STANDARD METER WARRANTY AND REPLACEMENT OF MALFUNCTIONING WATER METERS, PROJECT NO. 201500025

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 3 - AUTHORIZATION TO SOLICIT REQUEST FOR PROPOSALS FOR CONSULTING ENGINEERING SERVICES RELATIVE TO VAN DE WATER WATER TREATMENT PLANT RESIDUALS TREATMENT SYSTEM UPGRADES, PROJECT NO. 201900093

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 4 - AWARD OF CONTRACT TO MARK CERRONE, INC. FOR STURGEON POINT WTP SLUDGE REMOVAL, DISPOSAL AND RELOCATION, PROJECT NO. 201900091 FOR AN ESTIMATED AMOUNT OF \$524,740.00

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

Commissioner Jones noted that there were four bidders, and this was the lowest bid.

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 5 - AUTHORIZATION TO ADVERTISE FOR BIDS FOR THE FURNISHING, DELIVERING AND INSTALLING OF ONE BULK CAUSTIC SODA STORAGE TANK FOR STURGEON POINT WATER TREATMENT PLANT, PROJECT NO. 201900133

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 6 - AUTHORIZATION TO ADVERTISE FOR BIDS FOR THE FURNISHING, DELIVERING AND INSTALLING OF POTABLE WATER STORAGE TANK MIXING SYSTEM FOR PINE HILL TANK, TOWN OF CHEEKTOWAGA, PROJECT NO. 201900037

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 7 - APPROVAL OF AMENDMENT NO. 1 OF WM. SCHUTT & ASSOCIATES FOR WATER SYSTEM IMPROVEMENTS PROJECT, CITIES OF TONAWANDA AND LACKAWANNA, VILLAGE OF BLASDELL, TOWNS OF CHEEKTOWAGA, WEST SENECA AND HAMBURG, IDENTIFIED AS CONTRACT NO. WSA-14, PROJECT NO. 201900075 - \$5,000.00

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 8 - AUTHORIZATION TO EXTEND THE CONTRACT WITH NEPTUNE TECHNOLOGY GROUP, INC. FOR FURNISHING AND DELIVERING OF WATER METERS, AUGUST 1, 2015 THROUGH JULY 31, 2018, PROJECT NO. 201500025, CONTRACT NO. 15-13-09 - \$1,700,000.00

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 9 - RATIFICATION OF THE INSTALLATION OF HYDRANTS AND VALVES AND RETIREMENT OF EXISTING HYDRANTS AND VALVES - VARIOUS LOCATIONS

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 10 - AUTHORIZATION TO GRANT LEAK ALLOWANCE REQUESTS - \$5,655.32

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 11 - AUTHORIZATION TO GRANT A ONE-TIME COURTESY REVERSAL OF DELINQUENT CHARGES FOR CHEEKTOWAGA CONCRETE LLC - \$556.24

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 12 - WAIVER OF SECTION 3.04 OF THE ERIE COUNTY WATER
AUTHORITY'S TARIFF FOR THE TOWN OF AURORA**

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

Chairman Schad asked what the reason is for the waiver. Karen Prendergast answered that this is relative to the conversion to direct service. When new accounts are opened for those customers who used to be bulk service, the Authority waives the origination fee of \$15.

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 13 - 2019-2020 INSURANCE-PROTECTION PROGRAM AND
AUTHORIZATION TO PAY INSURANCE INVOICES**

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 14 - AUTHORIZATION TO EXECUTE A SECURITIES AGREEMENT WITH JP
MORGAN SECURITIES**

Motion by Mr. Carney and seconded by Mr. Jones and carried

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 15 - AUTHORIZATION TO EXTEND THE AGREEMENT WITH CALAMP
RELATIVE TO AVL VEHICLE GPS SERVICES (T-18)**

Motion to table by Mr. Jones seconded by Mr. Carney

DISCUSSION

Secretary McCracken reported that he was asked that this item be tabled.

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

Motion made by Mr. Carney, seconded by Mr. Jones to go into Executive Session for the discussion relating to the appointment of a person to the position of executive director pursuant to Public Officers Law § 105(1)(f) (matters relating to the appointment, employment or promotion of a particular person) at 10:13 a.m. Mr. Schad invited Mr. McCracken, Mr. NeMoyer, Ms. Murphy and Ms. Prendergast.

Motion made by Mr. Carney, seconded by Mr. Jones to leave Executive Session at 10:17 a.m.

DISCUSSION

Chairman Schad reported that directions have been given to staff relative to the follow up process in order for the Board to start conducting interviews.

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

Motion made by Mr. Carney, seconded by Mr. Jones to go into Executive Session for the discussion relating to personnel matters of a particular person(s) pursuant to Public Officers Law § 105(1)(f) (matters relating to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person) at 10:19 a.m. Mr. Schad invited Mr. McCracken, Mr. NeMoyer, Ms. Murphy and Ms. Prendergast.

Motion made by Mr. Carney, seconded by Mr. Jones to leave Executive Session at 11:10 a.m.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

IX. ADJOURNMENT

Motion by Mr. Carney seconded by Mr. Jones carried that the meeting adjourn

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

A handwritten signature in dark ink, appearing to read 'T. D. McCracken', with a stylized, flowing script.

Terrence D. McCracken
Secretary to the Authority

PF