

**MINUTES of the ANNUAL MEETING of the ERIE COUNTY WATER AUTHORITY** held in the office, 295 Main Street, Room 350, Buffalo, New York, on the 6<sup>th</sup> day of May 2019.

**PRESENT:** Jerome D. Schad, Commissioner  
Mark S. Carney, Commissioner  
E. Thomas J. Jones, Jr., Commissioner  
Terrence D. McCracken, Secretary  
Margaret A. Murphy, Attorney  
Karen A. Prendergast, Comptroller  
Daniel J. NeMoyer, Director of Human Resources  
Steven V. D'Amico, Business Office Manager  
Russell J. Stoll, Executive Engineer  
Joseph T. Burns, Deputy Administrative Director  
Matthew W. Barrett, Security Officer  
Lavonya C. Lester, Director of Administration  
Sabrina A. Figler, Director of Water Quality  
Richard J. Deren, Network Specialist

**ATTENDEES:** Brian Gould, E3 Communications

**CALL TO ORDER**

**PLEDGE TO THE FLAG**

**I. - ROLL CALL**

**ITEM 1 - NOMINATION OF TEMPORARY SECRETARY**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to appoint Karen A. Prendergast as Temporary Secretary for the Annual Meeting.

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 2 - NOMINATION OF TEMPORARY CHAIRMAN**

Motion by Mr. Jerome Schad seconded by Mr. E. Thomas Jones and carried to appoint Mark S. Carney as Temporary Chairman for the Annual Meeting.

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 3 - NOMINATION OF CHAIRMAN**

Nominations were opened for the office of Chairman.

Motion by Mr. Mark Carney seconded by Mr. E. Thomas Jones and carried to nominate Jerome D. Schad as Chairman of the Erie County Water Authority for the ensuing year.

Motion by Mr. Mark Carney seconded by Mr. E. Thomas Jones and carried to move that nominations be closed.

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

Motion carried to elect Jerome D. Schad as Chairman.

At this point, Mr. Mark Carney turned the meeting over to the newly elected Chairman.

**ITEM 4 - NOMINATION OF VICE CHAIRMAN**

Nominations were opened for the office of Vice Chairman.

Motion by Mr. E. Thomas Jones seconded by Mr. Jerome Schad and carried to nominate Mark S. Carney as Vice Chairman of the Erie County Water Authority for the ensuing year.

Motion by Mr. E. Thomas Jones seconded by Mr. Jerome Schad and carried to move that nominations be closed.

**Discussion**

Commissioner Jones noted that most financial institutions require their employees with access to financial information are required to take time off in a continuous span of time - at least two weeks. If any irregularities, fraud or embezzlement existed, it would show during their absence. Commissioner Jones then raised the question should the Commissioners consider alternating the office of Treasurer and Vice Chairman. Vice Chairman Carney feels if that happened, then another audit would be needed, and since the Authority already had one when Commissioner Jones became Treasurer, he does not believe this is an economic way to conduct

business. Commissioner Jones noted that last year was an unusual situation as the Authority was without a Treasurer for almost half a year which is why the interim audit was requested and not because there was a change in Treasurer. If the Treasurer was changed at the Annual meeting, it would coincide with our annual audit. Chairman Schad remarked that the idea is a valuable one along with the internal check that was done last year, however, he added that since Commissioner Jones did such a good job last year on keeping the Commissioners focused on some things, he would like to see him continue as Treasurer for another year and revisit this matter at another time. In response to Commissioner Jones, Daniel NeMoyer responded that the Authority's policy is that employees take a two-week vacation, but it is not required to be two consecutive weeks. Karen Prendergast added that the Authority does have an internal control review every year and part of that review is the segregation of duties with respect to all of the financial procedures.

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

Motion carried to elect Mark S. Carney as Vice Chairman.

#### **ITEM 5 - TREASURER**

Nominations were opened for the office of Treasurer.

Motion by Mr. Mark Carney seconded by Mr. Jerome Schad and carried to nominate E. Thomas Jones as Treasurer of the Erie County Water Authority for the ensuing year.

Motion by Mr. Mark Carney seconded by Mr. Jerome Schad and carried to move that nominations be closed.

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

Motion carried to elect E. Thomas Jones as Treasurer.

#### **ITEM 6 - SECRETARY**

Nominations were opened for the office of Secretary.

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to nominate Terrence D. McCracken as Secretary to the Erie County Water Authority for the ensuing year.

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to move that nominations be closed.

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

Motion carried to elect Terrence D. McCracken as Secretary to the Erie County Water Authority.

**ITEM 7 - ASSISTANT TREASURER**

Nominations were opened for the office of Assistant Treasurer.

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to nominate Daniel J. NeMoyer as Assistant Treasurer of the Erie County Water Authority for the ensuing year.

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to move that nominations be closed.

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

Motion carried to elect Daniel J. NeMoyer as Assistant Treasurer.

**ITEM 8 - ASSISTANT SECRETARY**

Nominations are open for the office of Assistant Secretary.

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to nominate Karen A. Prendergast as Assistant Secretary to the Erie County Water Authority for the ensuing year.

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to move that nominations be closed.

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

Motion carried to elect Karen A. Prendergast as Assistant Secretary to the Authority.

**ITEM 9 - RENEWAL OF COMMERCIAL CRIME POLICY**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried that the Erie County Water Authority ratify the continuation of Public Employee Dishonesty coverage in the amount of \$250,000 for the scheduled positions of Treasurer and Bill Collector and \$500,000 for all other employees.

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 10 - AUTHORIZATION TO DESIGNATE DEPOSITORIES FOR FUNDS**

Motion by Mr. Jerome Schad seconded by Mr. Mark Carney and carried that the Erie County Water Authority designate the financial institutions listed below as depositories for funds collected by the Treasurer:

EVANS BANK, N.A.  
BANK ON BUFFALO  
JP MORGAN CHASE BANK, N.A.  
JP MORGAN SECURITIES LLC  
KEY BANK OF NEW YORK  
M&T BANK  
MANUFACTURERS & TRADERS TRUST COMPANY/  
WILMINGTON TRUST, N.A.  
UBS FINANCIAL SERVICES, INC.

And furthermore, the Treasurer is hereby authorized and directed to execute all necessary signature cards and other financial institution documents necessary for funds collected by the Treasurer to be deposited in the named institutions. This resolution incorporates by reference any resolution required by a financial institution to be adopted by the governing board of a depositor.

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 11 - AUTHORIZATION TO APPROVE THE FOLLOWING TO EXECUTE ERIE COUNTY WATER AUTHORITY CHECKS ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to authorize the following to execute Erie County Water Authority checks on behalf of the Authority:

Assistant Treasurer  
Attorney  
Executive Director  
Secretary to the Authority  
Treasurer

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 12 - AUTHORIZATION TO APPROVE THE FOLLOWING TO MAKE WIRE TRANSFERS ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to authorize the following to make wire transfers on behalf of the Erie County Water Authority:

Assistant Manager of Accounting Services  
Cash Manager  
Manager of Accounting Services

Ayes: Three; Commrs. Anderson Schad and Jones  
Noes: None

**ITEM 13 - AUTHORIZATION FOR THE FOLLOWING TO APPROVE WIRE TRANSFERS VIA BANK CALL BACKS ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to authorize the following to approve wire transfers via bank call backs on behalf of the Erie County Water Authority:

Business Office Manager  
Chief Account Clerk  
Chief Customer Service Representative  
Sr. Account Clerk

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 14 - AUTHORIZATION TO APPROVE THE FOLLOWING TO MAKE  
AUTOMATED CLEARING HOUSE (ACH) TRANSFERS ON BEHALF  
OF THE ERIE COUNTY WATER AUTHORITY**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to authorize  
the following to make payroll ACH transfers on behalf of the Erie County Water Authority:

See attached list

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**APPROVED STAFF FOR ACH TRANSFERS**

	NYS Retirement	Payroll Direct Deposit	Payroll Withholding Taxes	Accounts Payable
Asst. Mgr. of Accounting Services	X	X	X	X
Cash Manager		X	X	X
Comptroller	X	X	X	X
Manager of Accounting Services	X	X	X	X

**ITEM 15 - AUTHORIZATION TO APPROVE THE FOLLOWING TO VIEW ALL DEPOSITORY, COLLATERAL AND INVESTMENT ACTIVITY ON THE INTERNET ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to authorize the following to view all depository, collateral and investment activity on the Internet on behalf of the Erie County Water Authority:

Assistant Manager of Accounting Services  
Business Office Manager  
Cash Manager  
Chief Account Clerk  
Comptroller  
Deputy Director  
Manager of Accounting Services

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None

**ITEM 16 - AUTHORIZATION TO APPROVE THE FOLLOWING TO EXECUTE ALL FEDERAL AND STATE TAX RETURNS ON BEHALF OF THE ERIE COUNTY WATER AUTHORITY**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to authorize the following to execute all Federal and State Tax Returns on behalf of the Erie County Water Authority:

Assistant Manager of Accounting Services  
Cash Manager  
Comptroller  
Manager of Accounting Services

Ayes: Three; Commrs. Schad, Carney and Jones  
Noes: None



**ITEM 17 - AUTHORIZATION TO APPROVE AND EXECUTE**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to approve the Director of Administration and, in the absence of the Director of Administration the Comptroller to authorize and execute purchase orders after departmental and Board approval.

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 18 - AUTHORIZATION TO APPROVE AND EXECUTE ASSOCIATED PURCHASING AGREEMENTS, WARRANTEES AND MAINTENANCE AGREEMENTS ON DEPARTMENTAL AND BOARD APPROVED PURCHASE ORDERS NOT TO EXCEED AN AGGREGATE OF \$20,000 PER CALENDAR YEAR PER VENDOR – RECEIVED AND FILED**

**Discussion**

Chairman Schad suggested that since the Authority is in the middle of its purchasing procedures review and that there is an incongruity between this resolution and the Authority's By-Laws that the Chair sign all contracts, this resolution be received and filed. He would like it brought back at the next meeting.

**ITEM 19 - AUTHORIZATION TO APPROVE ECWA MEMEBERSHIP AND PARTICIPATION IN JOINT PURCHASING ALLIANCES AS PERMITTED BY LAW– RECEIVED AND FILED**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to approve the Director of Administration to authorize and execute membership agreements, and other documents as needed, to enter into joint purchasing associations and alliances as deemed appropriate and permitted by law, and for the Director of Administration to have supervisory capacity to manage these procurement relationships.

**Discussion**

Karen Prendergast noted that as part of the review of the Authority's current procurement policies, she believes the recommendation will be that membership and joint purchasing alliances and the subsequent signing of those agreements will be done by the Chair so this resolution is something that should be addressed with Item 18 above.

Motion by Mr. Schad to withdraw the motion for adoption and to receive and file, seconded by Mr. Carney.

Chairman Schad called for a vote on the motion to withdraw and receive and file.

**VOTE**

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 20 - AUTHORIZATION TO APPOINT A LABOR-MANAGEMENT  
HEALTHCARE COALITION REPRESENTATIVE**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to appoint Karen A. Prendergast, Comptroller as the Authority's representative for the Labor-Management Healthcare Coalition, Inc. for the ensuing year.

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 21 - COMMITTEES AND BOARDS**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to approve that the following committee and board assignments for the coming year be made and that the Chairman of the Erie County Water Authority will continue to be empowered to name new committees and assign members.

	Finance Committee	Audit Committee	Governance Committee	Ethics Board
Jerome D. Schad, Chairman	X	X	X	X
Mark S. Carney, Vice Chairman	X	X	X	X
E. Thomas J. Jones, Jr. Treasurer	X	X	X	X

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 22 - RULES OF ORDER**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to approve that the Board of Commissioners adopt parliamentary Rules of Procedure using the publication based Robert's "Rules of Order," Jones, O.G., (1990) *Parliamentary Procedure at a Glance*. New York, Penguin Books.

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 23      ADOPTION OF THE DEFENSE AND INDEMNIFICATION  
OF BOARD MEMBERS, OFFICERS AND EMPLOYEES  
POLICY**

Motion by Mr. E. Thomas Jones seconded by Mr. Mark Carney and carried to approve that the Board of Commissioners continue to adopt the attached Defense and Indemnification Policy No. 94 adopted on March 26, 2019.

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

**ITEM 24 - ADJOURNMENT**

Motion by Mr. Jones seconded by Mr. Schad and carried to adjourn this annual organization meeting until the next organization meeting to be held on the first regularly scheduled board meeting after the 27<sup>th</sup> day of April 2020.

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

A handwritten signature in black ink, appearing to read "T. D. McCracken".

Terrence D. McCracken  
Secretary to the Authority

PJF

**ERIE COUNTY WATER AUTHORITY**  
**HR Policies/Procedures**

<b>Re:</b>	<b>DEFENSE &amp; INDEMNIFICATION</b>	<b>Policy No.:</b>	<b>94.0</b>
<b>Application:</b>	<b>Authority Wide</b>	<b>Adopted:</b>	<b>03/26/19</b>

**PURPOSE**

To establish the policy for the defense and indemnification of members, officers and employees of the Erie County Water Authority.

**POLICY**

Pursuant to Public Authorities Law § 1071, neither members of the Erie County Water Authority (the “Authority”) nor any person or persons acting in its behalf, while acting within the scope of its authority shall be subject to any personal liability resulting from the erection, construction, reconstruction, maintenance or operation of the properties or any of the improvements or from carrying out any of the powers expressly given to the Authority in Article 5, Title 3 of the Public Authorities Law. Although § 1071 gives statutory immunity to Authority members and employees, the section sets forth no provision relating to defense.

Public Authorities Law § 2824(1)(f) directs board members of any state or local public authority to “adopt a defense and indemnification policy and disclose such plan to any and all prospective board members.”

Public Officers Law § 18 established a comprehensive defense and indemnification policy for any public authority whose governing body has agreed by resolution, rule or regulation to confer the benefits of that section upon its members, officers and employees and to be held responsible for the costs incurred under the provisions of Public Officers Law § 18.

Consistent with the provisions of the Public Authorities Law, the Authority elects to make the provisions of Public Officers Law § 18 applicable to its members, officers, and employees. Nothing contained in this policy or within the general provisions of state law shall be deemed to extend the provisions of Public Officers Law § 18 to any independent contractor with whom the Authority may have contracted.

For purposes of this policy, the term “members” means the Commissioners, duly appointed pursuant to Public Authorities Law § 1053(1). The term “members” also includes “ad hoc members” who are appointed to serve as non-voting committee members pursuant to the Authority’s Amended and Restated By-Laws.