

MINUTES of the **MEETING** of the **ERIE COUNTY WATER AUTHORITY** held in the office, 295 Main Street, Room 350, Buffalo, New York, on the 10th day of January 2019.

PRESENT: **Jerome D. Schad, Chairman**
Mark S. Carney, Vice Chairman
E. Thomas Jones, Treasurer
Terrence D. McCracken, Secretary to the Authority
Karen A. Prendergast, Comptroller
Robert J. Lichtenthal, Jr., Deputy Director
Jacqueline Mattina, Associate Attorney
David Mineo, Associate Attorney
Joseph T. Burns, Deputy Administrative Director
Daniel J. NeMoyer, Director of Human Resources
Steven V. D'Amico, Business Office Manager
Matthew Barrett, Security Officer

ATTENDEES: **Brian Gould, e 3 Communications**

CALL TO ORDER AT 9:31 A.M.

PLEDGE TO THE FLAG

I. - ROLL CALL

II. - READING OF MINUTES

Motion by Mr. Jones seconded by Mr. Carney and carried to waive the reading of the Minutes of the Meeting held on Thursday, December 27, 2018.

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, as amended, of the Meeting held on Thursday, December 27, 2018.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

IV. – REPORTS**A) SECRETARY****B) LEGAL****C) FISCAL****D) OPERATIONS**1. RFP Waterline Replacement Projects 2019-2020 Stoll

Mr. Stoll distributed a proposed RFP for Waterline Replacement Projects for 2019 and advised that Engineering is looking to start capital improvements on distribution mains. He advised 2019 will include the design of improvements for the construction of six projects in 2020. He also advised the six projects are spread throughout the Authority's service area with a focus on some aging pipes and poor hydraulic quality, leak histories and others that pose a risk. Engineering reviewed the priorities and moved certain projects up to be able to get the watermains replaced. Mr. Schad questioned that one of the projects is a transmission line to which Mr. Stoll advised that one project does have a transmission main in it. He advised that the projects have a number of sections within the projects so each one addresses a number of different areas. Mr. Carney inquired if this RFP is subject to the apprenticeship requirements and Mr. Stoll confirmed that it is.

2. Declaration of Emergency Lichtenthal

Mr. Lichtenthal distributed a memo and documentation from the end of December Declaration of Emergency. This memorializes the Declaration pursuant to ECWA purchasing policies with regard to referring emergency purchases to the Board. He reiterated that the Commissioners were personally contacted individually on December 21, 2018 when it came to the Authority's attention that the lab that the Authority is currently under contract with failed (for the second time) to complete the water quality testing within the required time frame and therefore the Authority had to acquire the services of another lab in order to comply under the Safe Drinking Water Act and the requirements of the state and county regulators. Mr. Lichtenthal confirmed that the samples were done timely and that the Authority is in compliance.

Jones inquired whether the Authority had these problems in the past in with this vendor. Mr. Lichtenthal replied that the problems with this vendor continue to grow. He advised that the Authority is trying to address the issues from a purchasing standpoint, but it may at some point come to the Board to determine that this would be a non-responsive bidder because of repeated issues. Mr. Carney inquired whether the Authority could cancel the contract and Mr. Lichtenthal advised that this is being looked at currently. Mr. Schad asked for follow up on this matter.

E) HUMAN RESOURCES

F) AUDIT COMMITTEE

G) GOVERNANCE COMMITTEE

H) FINANCE COMMITTEE

I) ETHICS BOARD

Mr. Carney noted that the Authority formed an “Independent Ethics Board”. He would like to know if there are any meetings scheduled at this time. Mr. Schad advised that this is still currently at the Governance Committee. Mr. Jones indicated that one of the Authority’s attorneys is on this committee. He expressed whether or not the other two members have been notified as there are timelines as to when they will have to file ethics disclosures. Mr. Schad advised that the members have not been appointed yet. Mr. Jones advised that once the Authority gets to stage of appointing members they will be notified. Mr. Carney advised that this matter needs to be expedited as it was started six months ago. Mr. Jones added that this is tied up in the overall review of the Authority’s Ethics Policy. Mr. Schad advised that Ms. Murphy expressed concern that she does not feel she should be a member as she is the Authority’s Attorney. Mr. Carney suggested to choose someone else, perhaps a different member of the Authority’s legal staff, Mr. Mineo. Mr. Carney wants to bring this back to the attention of the Board to move forward on this matter. Mr. Schad advised it will be covered at the Governance level and then sent to the Board.

V. - COMMUNICATIONS AND BILLS

ITEM 1 - Creation and/or Amendment of Master Purchase Orders:

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

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 2 - Master Purchase Order Releases, Purchase Orders and Purchase Order Amendments:

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

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 3 - R. Chaffee Retirement Letter - Motion by Mr. Carney to receive and accept, seconded by Mr. Schad. Mr. Jones, Mr. Schad and Mr. Carney expressed a thank you and congratulations to Mr. Chaffee

ITEM 4 - M. Alba Retirement Letter - Motion by Mr. Carney to receive and accept, seconded by Mr. Schad. Mr. Schad, Mr. Jones and Mr. Carney expressed a thank you and that it is nice to see employees spend serious time at the Authority helping to get the right things done to get water delivered.

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 5 - AUTHORIZATION TO ADVERTISE FOR BIDS FOR CONTRACT NO: CH-010, WATER SYSTEM IMPROVEMENTS TOWN OF CHEEKTOWAGA, PROJECT NO. 201800075

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

DISCUSSION

Mr. Schad noted that the approval is subject to further review by counsel to make sure the required contract forms are in place. Mr. Carney approved subject to review that contract forms with regard to the apprenticeship program and sexual harassment are there.

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 6 - AUTHORIZATION TO ADVERTISE FOR BIDS FOR CONTRACT NO: GP-007, WATER SYSTEM IMPROVEMENTS VILLAGE OF DEPEW AND TOWN OF WEST SENECA, PROJECT NO. 201800080

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

DISCUSSION

Mr. Schad advised that as with the preceding item, subject to further review by Legal to make sure the contract forms are up to date. Mr. Carney noted on the blue authorization for Item 5 and Item 6, Ms. Murphy put in the “remark” section that these are subject to any revisions to standard contract forms. Mr. Carney questioned if Legal is signing the blue sheets before the contracts are finalized or after the fact. He also questioned why the blue authorizations would not be signed off on after all the revisions are complete. Mr. Schad advised this relates specifically to the Apprenticeship Program and Sexual Harassment. Mr. Carney’s interpretation is that when everyone signs the blue authorizations that Legal has already reviewed the documents and the new forms are in there. Ms. Prendergast added that the remarks relate to any possible revisions that might be in the upcoming contract, after the bidding process. Mr. Carney added that this is how things get missed. He advised when everyone signs the blue authorization, that lets the Commissioners know that everything is in compliance. He suggests that everything needs to be completed before signing. Mr. Carney added that going forward he will not accept remarks “subject to”. Mr. Stoll added that the contracts are up to date. Mr. Schad indicated to make sure everything gets to legal earlier.

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 7 - AWARD OF CONTRACT TO KANDEY COMPANY, INC. FOR LARGE SERVICES CONTRACT, FEBRUARY 1, 2019 THROUGH JANUARY 31, 2021, PROJECT NO. 201900005- \$2,563,925.00

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

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

ITEM 8 - AUTHORIZATION TO AMEND THE ERIE COUNTY WATER AUTHORITY'S ANNUAL O & M BUDGET FOR FISCAL YEAR 2018

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

DISCUSSION

None

ITEM 9 - AUTHORIZATION TO AMEND POLICY NO. 85.0 – RULES AND REGULATIONS OF THE ERIE COUNTY WATER AUTHORITY’S EMPLOYEE POLICIES AND PROCEDURES MANUAL

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

DISCUSSION

Mr. Schad expressed that this change relates to only one staff member that will be affected by this policy change. He does not believe it is Mr. Barrett’s job to be the guard of all the employees of the Authority and does not subscribe to the notion that just adding a gun in the workplace is necessarily a good idea. He believes this is something that should be addressed in a broader policy and opposes this item. Mr. Jones added that a security officer should have all the tools that the Authority can make available to him to perform his job. Mr. Carney added that the Authority is beyond the time to give a person a baton and whistle. Mr. Carney advised security is something that will be brought up quite often in 2019.

VOTE

Ayes: Two; Commrs. Carney and Jones

Noes: One; Schad

ITEM 10 - Service Connection Work Order List

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

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

IV. – ADJOURNMENT

Motion by Mr. Carney seconded by Mr. Jones and carried that the meeting adjourn at 9:50 a.m.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

Motion by Mr. Carney seconded by Mr. Jones and carried to re-open meeting at 10:02 a.m.

DISCUSSION

Mr. Schad advised the Authority will take a recess until approximately 10:30 to meet with members from the Authority's lobbyist firm, Masiello Martucci Calabrese and Associates when they arrive.

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

Motion by Mr. Carney seconded by Mr. Jones and carried to recess meeting until approximately 10:30 a.m.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

Motion by Mr. Carney seconded by Mr. Jones and carried to re-open the meeting at 10:32 a.m.

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

DISCUSSION

Mr. Schad advised the Board has reconvened to introduce and discuss matters with the Authority's new lobbying firm, Masiello Martucci Calabrese and Associates "MMC".

Mr. Schad discussed what he would like to see from MMC and what contacts they have to get matters completed. He would like the Authority to be a position to go to state or local government with a plan and that this should be something of real substance, not just an idea. He further indicated the Authority needs to solidify a long-term infrastructure plan. He further advised the Authority set aside \$250,000 in the budget for a long-term infrastructure planning study that includes the global issue of addressing potential weaknesses that cannot be solved in a one-year project, but rather a five-year or ten-year project. Mr. Schad also distributed Public Health Law Section 1114-a (see Resolution Packet Item "Public Health Law Section 1114-a) which was passed last year to create a study and he asked MMC to determine where this matter is in Albany and is looking to have the Authority influence this. He advised MMC that the study touches the Authority's policy of taking over local municipal water supplies from towns and villages and the biggest impediment being the cost of the towns getting their system up to a standard level for consolidation. The budgets of these towns do not have enough in them to get the towns up to par. He hopes the state in this study could determine a formula to help the town and the Authority on the transition costs for consolidation. He believes that towns should be able to go to the state for financial help for consolidation as a result of this study.

Mr. Martucci asked if there is a listing of communities that are interested in having their water systems taken over by the Authority. Also, the status of their current systems, including what the gap is between the towns and the Authority. Mr. Schad advised we would be able to supply this.

Mr. Carney advised he is in agreement with Mr. Schad. He advised that with the Authority's rates and budget, the Authority can only maintain the system, but never get ahead.

Mr. Carney also agrees that the Authority needs federal and/or state funds at a much larger amount to accomplish this and would like MMC to provide a road map to do this.

Mr. Martucci asked the time frame to finish the study to which Mr. Stoll advised it will take six months. He advised that the work is to define and develop a good rating system to see priorities and move forward to identify specifics and some planning costs, etc. He touched upon the towns interested in converting and explained that each situation is developed on an "as needed" basis, in that towns approach the Authority advising they are interested in the Authority taking over. The Authority then prepares an analysis which takes time.

Mr. Carney added that smaller towns are easier, but when you have the larger towns interested, Amherst for example, that has an aging system and have done very little to bring it up to standards, that is a concern.

Mr. Calabrese feels that preparing a study is significant. He explained that most people have no story based on facts to go to Albany. He advised that everything that the lobbyists ask for is going to be based on the engineering study. He noted that his business is a relationship business so while the engineering study is being developed, MMC will take advantage of this legislative session in 2019 to build the relationships and raise awareness of the Authority with the right people in Albany and to let them know that there will be a long term plan coming designed to take advantage of Public Health Law that was passed and encourage consolidation. He also advised they will be looking for the state and federal government to become partners to help fund it.

Mr. Schad added there are two matters: the first being the statutory change and the second is the Authority's infrastructure planning. The first requires no engineering study. The second is the analysis with the Authority's infrastructure planning. If it is done right, he foresees that a project will bubble up to the top of priorities. Mr. Schad advised he spoke with Mr. Stoll to come up with prioritizing criteria to drive the Authority's priorities.

Mr. Jones welcomed the firm and advised that he is very happy to have them represent the Authority. He offered his input if needed.

Mr. Masiello added that MMC is good at putting a face for clients in Albany. He advised there is a one Senator and several local Assembly Members that will have a relationship with the Authority. MMC will be the go-to between Albany and the Authority. MMC will also work the committee structure as to where an item is going to end in a committee, and they will identify the influential people in that committee in both houses.

Mr. Schad added that the Authority has successfully asked for and received over a million dollars over the last few years and stressed that the Authority is still looking for the smaller projects as well.

Mr. Schad mentioned that a new Executive Director is coming in February and would like Mr. Masiello to work with him.

Mr. Martucci noted the need to establish a face for the Authority and a long-term plan with the local Assembly and Senate. He feels there is a real need for this rather than having the Authority's critics define the Authority. Mr. Martucci advised most of the knowledge that elected officials have about the Authority is received from paper and television. MMC needs to dispel the myths and provide the true picture of what the needs of the Authority are. Mr. Martucci also advised that once the relationships and levels of trust are established, it becomes much easier to solve the problems.

Mr. Calabrese indicated that this is a good fit with both firms as the Authority deals with local governments across Erie County and that he has great relationships with key decision makers in many communities. He advised it is important to get the local communities involved as well so they can be heard.

Mr. Masiello stated that there should be a meet and greet with the legislators as he does not think there is one elected official that knows and realizes how the water system actually works as far as where it comes from, how it is cleaned and distributed, etc.

Mr. Carney added that until he walked the plants and saw the operation, it is hard to imagine what happens, and he researched the Authority before he came on.

Mr. Masiello stressed that people need to know the Authority's whole story as everyone thinks it's simple, but it really is not. Once there is a better understanding of the Authority, there will be more interest in helping the Authority.

Motion by Mr. Schad seconded by Mr. Carney and carried to adjourn meeting at 10:59 a.m.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None



Terrence D. McCracken
Secretary to the Authority

SLZ