

BUFFALO WATER BOARD MINUTES
July 18, 2018

MEMBERS PRESENT:

Oluwole A. McFoy
Gerald Kelly
Michael Finn
William Sunderlin

OTHERS PRESENT:

Peter Merlo
Jack McMahon
David Hill
Ken Maving
Charles Martorana
Damon Sykes
Michael Wolasz
Patrick Martin
Tim Shea

The regular monthly meeting of the Buffalo Water Board was called to order at 8:00 a.m.

1. Motion by Mr. Sunderlin to approve the agenda. Seconded by Mr. Finn. Approved.

Motion by Mr. Finn to approve the minutes from the June 6, 2018 meeting. Seconded by Mr. Kelly. Approved.
2. Staff Update: Mr. Hill with Veolia Water provided a staffing update to the Buffalo Water Board.
3. Election of Officers: Mr. McFoy continues pursuant to Mayoral appointment, as authorized by law, as Chair of the Buffalo Water Board. Motion by Mr. Kelly to approve Mr. McFoy as Chair of the Buffalo Water Board. Seconded by Mr. Sunderlin. Approved.
4. Election of Officers: Motion by Mr. Kelly to nominate Mr. Sunderlin as Vice Chair of the Buffalo Water Board. Seconded by Mr. Finn. Approved.
5. Election of Officers: Motion by Mr. Finn to nominate Mr. Merlo as Secretary of the Buffalo Water Board. Seconded by Mr. Sunderlin. Approved.
6. Governance Committee: Motion by Mr. Finn to nominate Mr. Sunderlin as Chair, Mr. Kelly as Vice Chair and Mr. Finn as a member of the Governance Committee of the Buffalo Water Board. Seconded by Mr. Sunderlin. Approved.
7. Audit Committee: Motion by Mr. Sunderlin to nominate Mr. Kelly as Chair, Mr. Finn as Vice Chair, and Mr. Sunderlin as a member of the Audit Committee of the Buffalo Water Board. Seconded by Mr. Finn. Approved.
8. PAAA Compliance: The Buffalo Water Board reviewed, with the assistance of legal counsel, the Buffalo Water Board's Mission Statement and Performance Goals established pursuant to the New York State Public Authorities Accountability Act, as amended (PAAA), as attached hereto. Motion by Mr. Sunderlin to confirm and restate the Buffalo Water Board's adoption of such Mission Statement and Performance Goals. Seconded by Mr. Finn. Approved.
9. The Buffalo Water Board Chairman, Mr. McFoy, reported on Advancing Water Affordability in the City of Buffalo:

"As we continue to protect public health by delivering high quality drinking water, Buffalo Water must keep pace with Federal and State regulations, maintain our dynamic distribution system, and improve aged portions of our system, while preventing the overburdening of our most vulnerable customers. Beginning in March 2018, we initiated efforts to evaluate a dedicated capital improvement fee and establish a water affordability program, addressing water affordability issues impacting low-income City residents. With local and national partners, we are focusing on the feasibility and effectiveness of an affordability program that provides eligible ratepayers a percentage discount on water bills based on income and other socioeconomic indicators such as poverty, homeownership, or other indicators such as receipt of Home Energy Assistance Program (HEAP) and Supplemental Nutrition Assistance Program (SNAP) benefits."

10. Motion made by Mr. Kelly to authorize Veolia Water to contract with Maxwell School of Citizenship and Public Affairs to help improve prompt payments in an amount not-to-exceed \$7,700, inclusive of Veolia Water's 10% administrative fee. Seconded by Mr. Finn. Approved.
11. Motion by Mr. Finn to authorize the Buffalo Water Board to acquire a new watermain on Chalmers Avenue, Buffalo New York, and authorize a permanent easement for future water facilities installed outside of the right-of-way as presented in the attached resolution. Seconded by Mr. Sunderlin. Approved.
12. Upon the recommendation of the Principal Engineer of the City Division of Water, motion made by Mr. Finn to increase the Buffalo Water Board's funding for a contract by the City of Buffalo with CIR Electrical Construction Corp for additional services to its Site Security Improvements Project (contract # 93002234) in an amount not-to-exceed \$18,235. This contract will continue to be administered by the City of Buffalo, Division of Water. Seconded by Mr. Sunderlin. Approved.
13. Upon the recommendation of the Principal Engineer of the City Division of Water, motion made by Mr. Sunderlin to authorize the Buffalo Water Board's funding for a contract betterment by the City of Buffalo with Destro & Brothers Concrete Company, Inc. for the removal of an abandoned watermain and site restoration under the Swan Street Bridge in an amount not-to-exceed \$50,000. This contract will be administered by the City of Buffalo, Division of Water. Seconded by Mr. Finn. Approved.
14. Upon the recommendation of the Principal Engineer of the City Division of Water, motion made by Mr. Sunderlin to increase the Buffalo Water Board's funding for a contract by the City of Buffalo with LP Ciminelli, Inc. (contract # 93002089) for the Colonel Ward Engineering Office Area and Filtration Plant Improvements Project in an amount not-to-exceed \$35,000. This contract will continue to be administered by the City of Buffalo, Division of Water. Seconded by Mr. Finn. Approved.
15. Upon the recommendation of the Principal Engineer of the City Division of Water, motion made by Mr. Kelly to authorize and fund a water meter purchase contract with Neptune Technology Group, Inc. for meters to be purchased by the City of Buffalo Purchase Department in an amount not-to-exceed \$30,000.00. This authorization is based on the Buffalo Water Board's prior resolution that standardized all future water meter and valve acquisitions through Neptune Technology Group, Inc. Seconded by Mr. Finn. Approved.

16. Mr. Waldvogel of GHD Consulting Services, Inc. delivered a report of GHD's on-going professional services to assist the Buffalo Water Board on a number of projects, including: the Influent Screen Project at Colonel Ward where the isolation gates are operational and will not need replacement, saving the Buffalo Water Board substantial sums in replacement costs, Management Requests For Qualification Development Process, and various on-going Capital Projects at the Colonel Ward Water Treatment Facility on Porter Avenue.
17. Mr. Hill from Veolia Water introduced Mr. Damon Sykes who presented and reviewed Veolia Water's monthly financial management report with the Buffalo Water Board. He discussed the revenue breakdown charts and graphs as presented in the monthly reports distributed to the Buffalo Water Board members.

Motion by Mr. Sunderlin to adjourn at 8:46 A.M. Seconded by Mr. Finn. Approved.

Next meeting, Thursday, August 9, 2018 at 8:00 A.M. This meeting will be in Room 502 in City Hall.

Authorities Budget Office Policy Guidance



Authority Mission Statement and Performance Measurements

Name of Public Authority: Buffalo Water Board

Public Authority's Mission Statement:

The Buffalo Water Board is a public benefit corporation of the State of New York and is dedicated to providing water service to its customers, in fulfillment of its obligations and the exercise of its authorities established by the Buffalo Municipal Water Finance Authority Act of the State of New York and other applicable law. The Buffalo Water Board seeks to protect the health and well being of the personnel who operate and maintain the Buffalo Water System and the people it serves, with an efficient water utility that preserves and protects water infrastructure and the environment for future generations.

Date Readopted: July 18, 2018

List of Performance Goals (If additional space is needed, please attach):

- **Performance Goal:** Establish and collect equitable water rates, charges and revenues that will satisfy the revenue requirements of the Buffalo Water System.
- **Measurement:** Did the Board manage its rate structure and collect sufficient revenues to operate the Buffalo Water System?
- **Performance Goal:** Establish realistic budgets and capital improvement plans that are current and predictive of future needs of the Buffalo Water System.
- **Measurement Goal:** Did the Board prepare realistic budgets to pay for operations, maintenance and capital projects necessary and appropriate for the provision of services and maintenance of the Buffalo Water System?
- **Performance Goal:** Establish best management practices, in line with industry standards for other public water utilities comparable in size and age to the Buffalo Water System.
- **Measurement Goal:** How do policies and procedures for management, operation and maintenance of the Buffalo Water Board compare to other public water facilities and systems of comparable size and age?

Additional questions:

1. Have the board members acknowledged that they have read and understood the mission of the public authority? Yes

2. Who has the power to appoint the management of the public authority?

The Members of the Buffalo Water Board are appointed by the Mayor of the City of Buffalo, and confirmed by the City of Buffalo Common Council. Pursuant to the Financing Agreement by and between the City of Buffalo, the Buffalo Municipal Water Finance Authority and the Buffalo Water Board dated as of September 24, 1992, as amended, the Buffalo Water Board uses the services of the employees and officers of the City of Buffalo, including but not limited to, the Commissioner of Public Works, Parks and Streets and the City Engineer to operate and maintain the Buffalo Water System. In addition, the Buffalo Water Board has engaged Veolia Water North America-Northeast, LLC since July 1, 2010 as its professional manager to manage the operation and maintenance of the Buffalo Water System.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

Yes, the policies are stated in the Buffalo Municipal Water Finance Authority Act of the State of New York, the New York State Public Authorities Law, and other related laws of the State of New York and the Financing Agreement by and between the City of Buffalo, the Buffalo Municipal Water Finance Authority and the Buffalo Water Board dated as of September 24, 1992, as amended.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

The Buffalo Water Board meets regularly, in public sessions, in compliance with the New York Open Meetings Law and related laws. It regularly receives and reviews reports from the Commissioner of Public Works, Parks and Streets, the City Engineer, its independent Consulting Engineers, Legal Counsel and Auditors, and Rate Consultant regarding the operation and maintenance of the Buffalo Water System to oversee the management of the Buffalo Water System. It also works cooperatively with the United States Environmental Protection Agency, and various departments and agencies of State of New York, County of Erie, City of Buffalo, including but not limited to, City of Buffalo Commissioner of Public Works, Parks and Streets, City of Buffalo Comptroller, City of Buffalo Corporation Counsel and other City of Buffalo officers and employees and Veolia Water North America-Northeast, LLC to implement policies and procedures to achieve the mission of the Buffalo Water Board.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions? Yes

RESOLUTION OF THE BUFFALO WATER BOARD CONCERNING THE ACQUISITION OF A NEW WATERMAIN ON CHALMERS AVENUE, BUFFALO, NEW YORK AND AUTHORIZATION FOR PERMANENT EASEMENT FOR FUTURE WATER FACILITIES INSTALLED OUTSIDE OF THE RIGHT-OF-WAY

WHEREAS: The Buffalo Water Board, owns and operates underground waterlines, underground passageways, basins, pipes, conduits, valves, pumps, manholes, hand holes, fittings, braces, foundations, meters, fixtures, hydrants, other property and equipment and appurtenances for the purpose of retaining, receiving, accumulating, transmitting and/or distributing water throughout the City of Buffalo (collectively referred to as "Water Facilities"); and

WHEREAS: The City of Buffalo is working with the Highland Park Developer, Highland Park Village, LLC, (the "Developer") to develop City of Buffalo owned property herein called "Highland Park" or the "Property" (formerly known as the Central Park Plaza). Currently a portion of Chalmers Avenue watermain has been constructed as part of the Phase 1 of the overall Highland Park Development. The completed work includes 850 LF of 10-inch diameter watermain, 2 fire hydrants and associated valves and appurtenances. A single point of connection to the City of Buffalo's water distribution system has been made to the existing 8-inch diameter watermain at Holden Street. The Highland Park Village, LLC agrees to purchase a performance bond equal to \$200,000 to ensure subsequent work phases include future connections to the Buffalo Water Board's water distribution system to create a looped distribution system for the development. The Developer has committed to completion of this additional watermain construction to create the desired loop system no later than November 30, 2020; and

WHEREAS: The City of Buffalo Common Council by resolution has authorized the Mayor, and other designated City of Buffalo personnel to negotiate the terms of the sale of the Property, subject to conditions, including but not limited to, the grant, establishment, preservation and reservation of all right, title and interest in any conveyance by the City of Buffalo that will enable the Buffalo Water Board to continue to use, operate, inspect, repair, maintain, replace, reconstruct or construct Water Facilities, as now or in the future may be located in and near the Property, upon the approval by the Buffalo Water Board, the City of Buffalo Corporation Counsel and the City of Buffalo Commissioner of Public Works, Parks and Streets; and

WHEREAS: The New York State Public Authorities Law Section 1048-g authorizes the Buffalo Water Board to acquire and possess lands, or any right, title, interest, or easement therein in the name of the Buffalo Water Board with the approval of the City of Buffalo.

NOW, THEREFORE,
BE IT RESOLVED:

That the Buffalo Water Board hereby authorizes the Buffalo Water Board Chairman, and any other officer, representative or agent of the Buffalo Water Board, including the City of Buffalo Commissioner of Public Works, Parks and Streets and the City of Buffalo Corporation Counsel, to:

1. Accept the new watermain installed in Chalmers Avenue upon completion thereof in accordance with all applicable codes and to the satisfaction of the Commissioner of Public Works, Parks and Streets;
2. Execute and deliver a twenty foot (20 foot) wide permanent easement for Water Facilities installed and work done outside of the public Right-of-Way on private property;
3. Accept installation of future Water Facilities by the Developer in connection with the Property and/or the public Right of Way installed in accordance with all applicable codes and to the satisfaction of the Commissioner of Public Works, Parks and Streets that includes bond or other security for performance satisfactory to the Commissioner of Public Works, Parks and Streets.

All of the above authorization is subject to the final review and approval by the Corporation Counsel.

BE IT FURTHER
RESOLVED:

That the Buffalo Water Board Chairman, and any other officer, representative or agent of the Buffalo Water Board, including the City of Buffalo Commissioner of Public Works, Parks and Streets and the City of Buffalo Corporation Counsel, is hereby authorized to take any other action necessary or appropriate to implement this resolution, including but not limited to, the payment of reasonable consultant fees, costs, transactional closing costs, recording and filing fees, title abstract fees, title insurance premiums, permit fees and other transaction fees and costs.

MOTION TO APPROVE

MADE BY Michael Finn

2ND BY William Sunderlin

AYES 4 NOES 0

Board Meeting of July 18, 2018

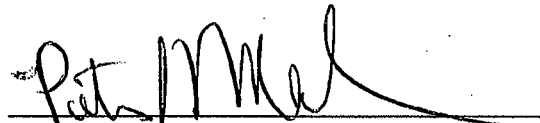
STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

I, the undersigned Secretary of the Buffalo Water Board (the "Water Board"), DO HEREBY CERTIFY that I have compared the annexed extract of the minutes of the meeting of the Water Board, including the resolution contained therein, held the 18th day of July, 2018, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Water Board and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters referred to therein.

I FURTHER CERTIFY that all members of said Water 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 Water 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 18th day of July, 2018.


Peter J. Merlo, P.E.
Secretary of the Buffalo Water Board