

**ERIE COUNTY SEWER DISTRICT NO. 6
BOARD OF MANAGERS MEETING
APRIL 10, 2012
LACKAWANNA CITY HALL**

MEMBERS PRESENT: Mr. Carr, Mr. Collareno, and Mr. Balcarczyk

OTHERS PRESENT: Messrs Canestrari, Fiegl, & Krug, and Ms. Gier

ITEM NO. 1 – CALL MEETING TO ORDER

Mr. Carr opened the meeting at 3:15 p.m.

a. Welcome New Member

The Board welcomed Mr. James Balcarczyk as a new Board member.

b. Election of Officers

Mr. Carr nominated Mr. James Balcarczyk for Chairman. Mr. Collareno seconded the motion. The motion carried 3-0.

Mr. Carr nominated Tony Collareno for Vice Chairman. The motion was seconded by Mr. Balcarczyk. The motion carried 3-0.

Mr. Carr nominated himself for Secretary. The motion was seconded by Mr. Collareno. The motion carried 3-0.

ITEM NO. 2 – APPROVAL OF MINUTES OF PREVIOUS MEETING

On a motion by Mr. Balcarczyk, and seconded by Mr. Collareno, the Board voted to approve the minutes from the October 11, 2011 meeting. The motion carried 3-0.

ITEM NO. 3 – ITEMS FROM THE PUBLIC

There were no items from the public.

ITEM NO. 4 – NEW BUSINESS

a. Approval of Payments

On a motion by Mr. Carr, seconded by Mr. Collareno, the following payments were

approved by the Board:

Bethlehem Park Phase III: Est #3 for \$83,030.11; Est #4 for \$19,100.75; and Est #5 for \$313,333.18 to CMH.

SPDES Permit MPI-3, Inv 423836 for \$1,102.30 to MPI.

Business Case Study MPI-4, Inv 423838 for \$7,098.59; Inv 427677 for \$980.08; Inv 431616 for \$2,720.29; and Inv 438632 for \$437.57 to MPI.

Merger Study – Partial Rel Retention to CRA for \$15,550.79.

The motion carried 3-0.

i. Confirmation of December Payments

On a motion by Mr. Carr, seconded by Mr. Collareno, the Board approved the December payments for Bethlehem Park Phase III, Est No. 1 for \$17,152.61; and Est #2 for \$20,000.00 to CMH. The motion carried 3-0.

Deputy Commissioner Fiegl addressed the Board regarding the approval of payments. Mr. Fiegl's research indicated that this item should be moved to a Receive and File Item. This will allow the division to process payments within the contract times for payments. Mr. Fiegl recommended that the payment item be moved to Miscellaneous & Informational Items. The Board members agreed unanimously. The Secretary was directed to move this Item No. 6 Miscellaneous and Informational Items.

b. Approval for Compliance Hearing

On a motion by Mr. Carr, seconded by Mr. Balcarczyk, the Board approved a Compliance Hearing for the property at 29 Greene Street, for failure to correct the violation of a missing mushroom cap. The motion carried 3-0.

ITEM NO. 5 – OLD BUSINESS

a. Notice of Petition – ISG Lackawanna LLC and Tecumseh Redevelopment Corporation – Bethlehem Steel – Article 78

Mr. Carr outlined two issues with the Bethlehem Steel Article 78. He updated new Board member, Mr. Balcarczyk that the assessed value challenge by Tecumseh was resolved, by the court. The Court Settlement resulted in a charge of \$700,000 to the District. This settlement was paid and Erie County granted an interest-free 10-year loan to District No. 6 for re-payment to the County. Mr. Carr also reported that the parcel charge is the only item still outstanding on the

ISG Lackawanna LLC and Tecumseh Redevelopment Corporation. The matter is being handled in Court, and we will be back in court in May. Mr. Carr will keep the Board updated on this issue.

b. Confirmation for Approval of Corrected Clerical Error on 271 Resolution.

Mr. Carr explained that due to a "Scrivner's Error" (clerical error) the percentages from the June 2011 approval of the 271 Resolution were incorrect. The corrected percentages were discussed with the 2011 Board of Managers and approved by phone poll. He also explained that this is an informational item only.

ITEM NO. 6 - MISCELLANEOUS / INFORMATIONAL ITEMS

a. Operational Report

Mr. Canestrari gave a brief update to the Board as follows:

- Provided materials for replacing 100 sanitary and 61 storm manhole frames and covers
- Replaced 39 catch basins for the 2011 city paving project.
- Prepared to pipe patch a sinkhole in the parking lot of Don's Auto
- Open cut a sinkhole in front of 1456 Electric caused by leaking joints in the sanitary main

b. Pretreatment Report

i. FOG Program Report

Mr. Carr gave a brief update on the Division's FOG Program. 29 businesses were inspected, and 4 were found to be non-compliant.

c. Construction Report

Mr. Carr reported that the Bethlehem Park Phase III is completed. The backyard sewers and the cross sewers have been either replaced or lined. The contractor is now in the process of restoration.

i. Replacement of Sanitary Sewer Manhole at 271 South Shore Blvd.

Mr. Carr presented a typical homeowner letter to residents when construction in that area. It was noted, for the Board, that there were two sewer reaches lined on South Shore. The project received an odor complaint from the house at 371 South Shore Blvd. which is located approximately 1000 feet downstream of the lining project. This home owner had

not received our letter or the contractor's handout of the CIPP process. Consequently the homeowner contacted National Fuel (N.F.). N.F. then shut off the gas to the house until the basement was free of odors. The gas was turned back on the next day.

d. Kennedy Pump Station – Replacement of Dead Shrubs

A copy of a letter to Mr. Geyer, Dept. of Public Works, was distributed to the Board stating that the contractor who installed the bushes removed and replaced the dead bushes on October 21, 2011.

e. Workers Safety Program

i. Clear Waters Article

A copy of the Clear Waters Article was distributed to the Board. Two of our workers, James Lavelle and Chris Baldwin, had written articles that were published in the statewide publication.

f. Clean Water Advocate – October/November 2011 and December 2011/January 2012.

The two above mentioned publications were distributed to the Board.

g. Compliance Hearing Premium Assessments

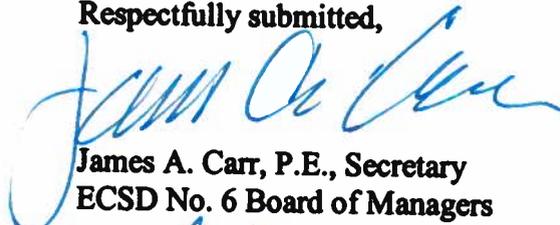
- Kelley McCulle, 149 Cleveland Ave, Violation Found: Connect laundry tray/tub to the sanitary sewer; replace broken solid cap on clean out.
- Bath Liberty LLC, 98 Floss Ave, Violation Found: Disconnect sump pump from sanitary sewer.
- Jarrett Capodicasa, 73 Pacific Ave, Violation Found: Raise low lying vent 6 inches above grade and install mushroom cap.

The above three properties are still in violation and have been assessed. The owners have been notified of the premium assessment, which will remain with the property until the violations have been corrected. Mr. Fiegl explained that these properties have reached the 'fine' stage.

ITEM NO. 7 – ADJOURNMENT & NEXT MEETING

On a motion by Mr. Collareno, seconded by Mr. Balcarczyk, the meeting was adjourned at 4:00 p.m. The motion carried 3-0.

Respectfully submitted,



James A. Carr, P.E., Secretary
ECSD No. 6 Board of Managers

MOTION TO APPROVE AS

CONDUCTED BY J. BALCARCZYK
2ND A. COLLARENO
APPROVED 3-0

ERIE COUNTY SEWER DISTRICT NO. 6
BOARD OF MANAGERS MEETING
JUNE 26, 2012
LACKAWANNA CITY HALL

MEMBERS PRESENT: James Balcarczyk, James Carr, and Anthony Collareno
OTHERS PRESENT: Steve Canestrari, Joseph Fiegl, Lawrence Krug, and Mary Sweet

ITEM NO. 1 – CALL MEETING TO ORDER

Mr. Balcarczyk opened the meeting at 3:18 p.m.

ITEM NO. 2 – APPROVAL OF MINUTES OF PREVIOUS MEETING

Mr. James Carr stated that there was a correction in the April Board of Managers Meeting. Minutes corrections were made and on a motion by Mr. Collareno, and seconded by Mr. Balcarczyk, the Board voted to approve the minutes as corrected from the April 10, 2012 meeting. The motion carried 3-0.

ITEM NO. 3 – ITEMS FROM THE PUBLIC

A letter was received from the City of Lackawanna requesting of assistance for the repair of a catch basin within the City's parking lot. After much discussion the Board and County agreed to provide a backhoe and operator for the catch basin repair in the City Hall parking lot. The City would provide supervision and be responsible for all sub-surface utility locations, restorations, etc. The Board also recognized the City's commitment to correct a subsidence on Electric Avenue that was the result of a broken sewer pipe. The Board directed the Secretary to respond in writing to Commissioner Love.

ITEM NO. 4 – NEW BUSINESS

a. 2013 Budget (Handout)

Mr. Fiegl began the discussion with the Board members that due to the New York State 2% Property Tax Cap law, there is less flexibility in this year's budget than in the past. However, Mr. Fiegl commented that he believes this draft budget is a responsible plan to protect the assets and ratepayers of ECSD No. 6.

Overall, the ECSD No. 6 appropriations or expenses are budgeted in 2013 to increase approximately \$131,000. When considering water use charges, the typical ECSD No. 6 ratepayer will have annual sanitary and storm sewer charges that will be approximately 4.7% higher than fiscal year 2012.

Reviewing the detailed summary for ECSD No. 6, the vast majority of the appropriations increase in 2013 is due to employee costs. In addition to contractual raises for the District's

“blue collar” staff, there were two (2) vacant positions that were filled with an employee in a higher “step” and eight (8) employees that received longevity increases. All told, this resulted in an \$87,000 increase in the ECSD No. 6 personal services budget when considering additional fringe benefit costs. Debt service has an increase approximately \$24,000. On the revenue side, user charges are budgeted to increase based primarily on a proposed increase on the water usage charge. The use of fund balance has increased approximately \$53,000 when compared to 2012. Observing recent trends on amount available and amount used, it is believed that this additional allocation of fund balance is prudent.

As stated previously, the estimated impact to the typical ratepayer (single family home) in ECSD No. 6 for both storm and sanitary sewer services is an increase of \$23.

Fringe benefits for employees are at this point not anticipated to spike sharply this year. Expected increases in pension and medical insurance are not projected to be as high in past years, while items such as workers comp and unemployment are expected to decrease slightly.

The 2013 equipment line items represent \$152,200 of the ECSD No. 6 budget. The major items include the replacement of the Step III digester recirculation pump, the replacement of one vehicle, and the ECSD No. 6 standard unanticipated replacement item. It is noted that there has not been a vehicle replacement in ECSD No. 6 in the last two years.

Mr. Fiegl presented additional details from the various accounts. Overall, the ECSD No. 6 budgeted appropriations have increased approximately 2.6%.

It is proposed that ECSD No. 6 contribute a total of \$75,000 to its capital reserve fund. This fund will be utilized to pay “cash” for future capital work in the sewer district.

Fund balance usage as an offsetting revenue is budgeted at 55% of available balance. The available district fund balance at 12/31/11 represents approximately 3.4 months of 2013 budgeted appropriations. After several years where the ECSD No. 6 fund balance was lower than desired, it is believed that this fund is now at a healthy level to protect the ratepayers of the district.

It is recommended for the 2013 Budget that the parcel charge remain unchanged at \$88.00 per parcel and the water use charge in ECSD No. 6 be increased to approximately \$2.87 / 1,000 gallons.

The Board asked several questions during the Budget presentation that were subsequently addressed to the Board’s Satisfaction.

On a motion by Mr. Carr, seconded by Mr. Balcarczyk, the Board approved the 2013 Budget. The motion carried 3-0.

i. 271 Resolution (Handout)

On a motion by Mr. Carr, seconded by Mr. Collareno, the Board approved the 2013 Budget Resolution. The motion carried 3-0.

b. Confirmation of Telephone Poll (Handout)

1. A reconfirmation of the telephone poll on April 19, 2012 to retain outside council for the several legal challenges issue by Arcelor Mittal and the Windmill companies on the former Bethlehem Steel site

2. Mr. Carr reported that the County retained Hodgson Russ and that they would be representing the Board members involved in the lawsuit. Mr. Carr stated that he would update the Board when new information comes about.

On a motion by Mr. Carr, seconded by Mr. Balcarczyk, the Board approved the telephone poll. The motion carried 3-0.

ITEM NO. 5 – OLD BUSINESS

a. Notice of Petition – ISG Lackawanna LLC and Tecumseh Redevelopment Corporation – Bethlehem Steel – Article 78

Mr. Carr told the Board that there was nothing new on updates. Hodgson Russ will issue formal responses on behalf of the County.

ITEM NO. 6 - MISCELLANEOUS / INFORMATIONAL ITEMS

a. Operational Report

Mr. Canestrari gave a brief summary mentioning the following items:

- 1456 Electric Ave – contractor fixed sewer main
- Ingham Ave is ready to be paved by the City. The County has completed the necessary work ahead of time.

b. Pretreatment Report

Nothing new to report.

c. Construction Report

Mr. Carr gave the following updates:

- Contract No. 44Sa Bethlehem Park Phase III is now complete. The contractor made one repair of collapsing sewer on Electric Avenue on June 21, 2012. The project will be closed out.

d. Payments

Mr. Carr stated that payments to CMH for the Bethlehem Park Phase III Project of \$110,129.19 and \$22,014.72 were made. Payments to Malcolm Pirnie of \$2,454.90, \$2923.71 and \$472.54 were also made.

e. NYS Sewerage Right to Know Act

Mr. Fiegl discussed the NYS Sewerage Right to Know bill which was recently passed by the NYS Assembly and Senate. The Governor now needs to sign the bill. Once law takes effect, the DEC will promulgate new rules and regulations.

f. SEOR – Lead Agency – City of Lackawanna – Welded Tube USA Manufacturing Facility

Mr. Carr stated that we received a request by the City to be the lead agency for a project from Welded Tube USA Manufacturer facility in the Tecumseh Business Park. Mr. Fiegl stated the County did not object to the City being the lead agency.

Mr. Balcarczyk moved, seconded by Mr. Carr to receive and file the informational handouts under item 6. The motion carried 3-0

ITEM NO. 7 – ADJOURNMENT & NEXT MEETING

On a motion by Mr. Balcarczyk, seconded by Mr. Carr, the meeting was adjourned at 4:30 p.m. The motion carried 3-0.

Respectfully submitted,

James A. Carr, P.E., Secretary
ECSD No. 6 Board of Managers

Motion - Jim Balcarczyk
2nd - A. Collbran
Approved 3-0
10/9/2012

ERIE COUNTY SEWER DISTRICT NO. 6
BOARD OF MANAGERS MEETING
OCTOBER 9, 2012
LACKAWANNA CITY HALL

MEMBERS PRESENT: Mr. James Carr, Mr. Anthony Collareno, and Mr. James Balcarczyk

OTHERS PRESENT: Messrs Richard Rehac, Joseph Fiegl, & Lawrence Krug, and
Ms. Laurie Gier

ITEM NO. 1 – CALL MEETING TO ORDER

Mr. Balcarczyk opened the meeting at 3:15 p.m.

ITEM NO. 2 – APPROVAL OF MINUTES OF PREVIOUS MEETING - (Handout)

On a motion by Mr. Balcarczyk, and seconded by Mr. Collareno, the Board voted to approve the minutes from the June 26, 2012 meeting. The motion carried 3-0.

ITEM NO. 3 – ITEMS FROM THE PUBLIC

There were no items from the public.

ITEM NO. 4 – NEW BUSINESS

a. **2013 Meeting Schedule – (Handout)**

The 2013 Meeting Schedule was and reviewed. On a motion by Mr. Carr, seconded by Mr. Balcarczyk, the Board voted to approve the schedule.

b. **User Charges**

i. **Notice of Public Hearing – (Handout)**

A public meeting was held on August 16, 2012 to present the proposed 2013 User Charge Rates and to offer the public an opportunity to comment on the proposed charges.

Item 2

ii. Minutes from Public Hearing (Handout)

The Minutes from the meeting were reviewed by the Board and it was noted that no comments were received from the public.

iii. Approval of Resolution – (Handout)

On a motion by Mr. Carr, seconded by Mr. Balcarczyk, the Board approved the User Charge Resolution. The motion carried 3-0.

ITEM NO. 5 – OLD BUSINESS

a. Notice of Petition – ISG Lackawanna LLC and Tecumseh Redevelopment Corporation – Bethlehem Steel – Article 78

Mr. Fiegl explained to the Board that discussions are still going on with regard to the Tecumseh Redevelopment project, but the focus for the court right now is on the First Winds Lawsuit, which will likely have an impact on Tecumseh.

b. First Winds Lawsuit

Mr. Fiegl informed the Board that the court date for the First Winds Lawsuit has been postponed until November 1, 2012.

ITEM NO. 6 - MISCELLANEOUS / INFORMATIONAL ITEMS

a. Operational Report

Mr. Rehac stated that outside of the typical operation and maintenance tasks, there was work done and completed on manhole structures on Ingham Avenue in conjunction with the City's road project.

Mr. Balcarczyk inquired about the traffic cones located at a catch basin on South Park at Arnold. Mr. Rehac said he will look into the matter. (Note: the District recently completed the catch basin repair and the cones have been removed).

b. Pretreatment Report

Mr. Carr reported:

- Industrial - Tecumseh Redevelopment Inc. was issued an Industrial Wastewater Discharge Permit, effective July 1, 2012, for pretreatment and discharge of contaminated groundwater from their remediation site located on the former Bethlehem Steel site. The project is being managed by

Turnkey Environmental Restoration Inc. The site will start discharging around November 1, 2012.

- **Dental Amalgam Program** - There are ten (10) dental offices in the district. Seven (7) of the ten (10) were inspected. Of those inspected, 100% are in compliance with having an amalgam separator installed. The remaining three (3) offices were sent a letter on 9/25/2012, requesting that they schedule an inspection.

c. **Construction Report**

i. Contract 44SA Bethlehem Park Rehabilitation Phase III is complete. However, there are still some restoration issues to be resolved.

d. **Payments – (Handout)**

Mr. Carr reported that there is a payment to CMH for Bethlehem Park Phase III in the amount of \$34,668.36. He stated that there will be one more payment when the project is closed out.

e. **Legislature Letter – 2013 Assessment Rolls-Notice of Public Hearing – (Handout)**

The Board reviewed a copy of the Notice of Public Hearing (2013 Levy). The hearing will take place on November 2, 2012 in the Legislature Chambers and is a requirement of New York State County Law. This allows the public opportunity to comment on the method by which the properties are assessed.

f. **Letter to City of Lackawanna – Response to City’s Request for Assistance – (Handout)**

A copy of the letter sent to the Commissioner of Public Works from Secretary Carr dated July 2, 2012 was distributed to the Board regarding the City of Lackawanna’s request for assistance to repair of a catch basin in Lackawanna City Hall’s parking lot. Mr. Carr reported that the work was coordinated with the City’s Public Work’s Department has been completed.

g. **SPDES Permit Status Update – (Handout)**

Mr. Fiegl reported that after years of negotiations, Erie County and NYSDEC have agreed to terms on a new SPDES permit for the Lackawanna WWTP. Although the permit is restrictive, it was much more so when discussions started. Mr. Fiegl noted that there are more stringent limitations throughout, particularly the chlorine residual and ammonia removals. The chlorine and ammonia changes are a function of the reclassification of Smokes Creek. The Board was informed that there could be substantial costs to the District for many of the changes, particularly those associated with ammonia removal.

The elimination of the Lackawanna Wastewater Treatment Plant may be the best solution for the district ratepayers through an agreement with the Buffalo Sewer Authority. Mr. Fiegl explained that more work will have to be done before that can take place, along with buy-in by the NYSDEC.

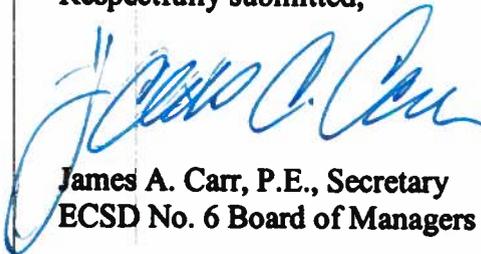
Mr. Balcarczyk asked Mr. Fiegl how optimistic he was that the NYSDEC would allow additional sanitary flows into the Buffalo Sewer Authority's system (BSA). Mr. Fiegl responded that the BSA's Long Term Control Plan (LTCP) has been submitted to the NYSDEC for review. The NYSDEC would not provide formal comments on the Lackawanna WWTP elimination study while the LTCP had not been approved.

On a motion by Mr. Carr, seconded by Mr. Collareno, the Board voted to receive and file the informational handouts on the agenda. The motion carried 3-0.

ITEM NO. 7 – ADJOURNMENT & NEXT MEETING

On a motion by Mr. Balcarczyk, seconded by Mr. Collareno, the meeting was adjourned at 3:45 p.m. The motion carried 3-0.

Respectfully submitted,



James A. Carr, P.E., Secretary
ECSD No. 6 Board of Managers

Moved By: J. Balcarczyk

Seconded By: T. Collareno

Approved / ~~Disapproved~~: 3-0

Date: 2/12/2013