

**Erie County Fiscal Stability Authority
Minutes of Board of Directors Meeting held October 22, 2007**

The meeting was called to order at 1:00 p.m. in the auditorium of the Buffalo & Erie County Main Library in downtown Buffalo. Present were: Vice Chairman Robert Glaser, Secretary Stanley Keysa, Director Kenneth Kruly, Director John Johnson and Director Joseph Goodell

Vice Chair Glaser: “Good morning, this is a meeting of the Erie County Fiscal Stability Authority. I welcome my fellow Board members, public officials, community members and the press in attendance. Today is October 22, 2007. Our first order of business is to approve the minutes.”

Secretary Keysa: “I hope that everyone got their e-mail this morning. It should have been in your e-mail this morning and if not I see it is available in your folder here on the left hand side. I think Mr. Vetter said that we should call these the hours from now on.”

Director Kruly moved to approved, Director Goodell seconded. Without further discussion the board voted unanimously to approve the following resolution:

Resolution No. 07-91

APPROVING MINUTES AND RESOLUTIONS FROM SEPTEMBER 28, 2007 MEETING

BE IT RESOLVED that the Erie County Fiscal Stability Authority approves the minutes of its September 28, 2007 meeting and ratifies and affirms four resolutions numbered 07-87, 07-88, 07-89 and 07-90 that were approved on September 28, 2007.

This resolution shall take effect immediately.

Director Goodell: “Mr. Keysa, I would like to recognize that the finance committee minutes are minutes not hours.”

Secretary Keysa: “Yes, I think there are 28 pages. I finished reviewing those at 1:00am.”

Director Goodell: “I got up at 2:30am to read them.”

Chair Glaser: “The next order of business is contracts that were forwarded to us from Erie County. Mr. Vetter, could you take us through them?”

Executive Director Vetter: “Yes, Mr. Vice Chairman, the contract matrix that is in your packet has eight contracts that have been listed out in your packet. There are seven on page one and one on page two. I would suggest at this point that we take these a little bit out of order because we have a couple of people here to speak. I would suggest first that we take the 6th item on the first page. The one for emergency roof repair on Ralph Wilson Stadium Field house bills for \$120,000. I would ask Commissioner Loffredo to speak to that for a moment.”

Commissioner Loffredo: “Good Afternoon. The field house was built around 1995 for about \$12.5 million. It has survived a lot of wind storms but I think over the years it has loosened things up to the point that there might be some weak spots up there and one of the them showed up a couple of weeks ago when a section of the roof sheeting was blown off. It was as section about 12-14 feet wide by about 30-40 feet long. We immediately declared it an emergency and the County Executive issued an order to hire a contractor under \$50, 000 to make immediate repairs; seal it up for the time being and get a reasonable idea of what it would cost to fix it. That did happen and the cost we found out is actually \$120,000. So while we want to get the field house roof repaired and back in order before this winter. So they are asking for your consideration of approving this emergency declaration. There is no bidding. We selected a contractor that is familiar with the structure, that we have confidence in and that is who we would like to go with.”

Director Goodell: “Mr. Vice Chairman I have only one question, it seems from your description that the Bills have played better with a leaky roof, maybe we should just leave it leak.”

Commissioner Loffredo: “You could draw that conclusion.”

Secretary Keysa: “This is the windward corner and I am sure you are aware of that. Are you going to have more fasteners to hold this thing down?”

Commissioner Loffredo: “We are going to try and do a better job with this although it did last a number of years, however we will button it up a little tighter.”

Director Kruly: “I think that we should attach a condition that Trent Edwards will be the starting quarterback.”

Secretary Keysa: “Mr. Vice Chair I am assuming we are going to vote on all of these together or are we taking this out of order?”

Executive Director Vetter: “Yes Mr. Vice Chair, I would suggest that a couple of these be taken into consideration individually and there are two contracts that were tabled at the last meeting that we will have to treat differently because we will have to bring them back on the table. So if I could suggest that with these two items and the first one that that we just discussed be considered separately, then there are three items and an item an item on the second page that should go together. So the Bills item separate and the items for the Commission of Corrections be treated separately.”

Glaser: “Could I have a motion?”

Secretary Keysa moved to approved, Director Goodell seconded. Without further discussion the board, voted unanimously to approve the following resolution:

Resolution No. 07-92

**APPROVING CERTAIN CONTRACT SUBMITTED BY THE
ERIE COUNTY DEPARTMENT OF PUBLIC WORKS**

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, the ECFSA first imposed a control period upon the County of Erie (the “County”) by adopting Resolution 06-49 on November 3, 2006; and

WHEREAS, incident to and in furtherance of the imposition of the control period, the ECFSA adopted Resolution 06-51, which authorized a process for approving contracts, settlements, or other obligations binding or purporting to bind the County (“contract approval process”), on November 3, 2006; and

WHEREAS, in adopting Resolution 07-04 on January 11, 2007, the ECFSA renewed and continued the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA has adopted Resolution 07-10, which replaces and supersedes the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA must review and approve any contract, settlement, or other obligation, valued at greater than \$50,000, that binds or purports to bind the County or a covered organization, before it takes effect; and

WHEREAS, the County Executive or a “Responsible Official,” as defined in Resolution 07-10, has duly submitted a request for review of the contract on the attached document; and

WHEREAS, the ECFSA Executive Director, after consultation with the ECFSA Staff, has recommended approval of said contract via written correspondence to each ECFSA Director;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA approves the contract submitted by the Erie County Department of Public Works for emergency roof repair at the Ralph Wilson fieldhouse.

Department	Description	Amount
Erie County Public Works	Construction Contract – approved vendors – Emergency roof repair – Ralph Wilson Fieldhouse	\$120,000 – capital funds

This resolution shall take effect immediately.

Chair Glaser: “Thank you, Commissioner Loffredo.”

“Executive Director Vetter: “There is another item on the matrix; it is number seven on the first page, to replace non-security windows with steel security windows as required by the NYS Commission of Corrections. Commissioner Loffredo, this is an item that came in very late, my understanding is that if this does not occur that the State Commissioner’s office has suggested prisoners will have to be transferred?”

Commissioner Loffredo: “That is correct. That facility was opened up a year ago with an agreement from the State that we upgrade the windows to prison-grade and they are not now. They gave us to December 1st to do that. That has not been done

for various reasons which I won't get into, I could get into but I won't, and now we are under the gun. If they withdraw that variance, we will have to house 93 prisoners some place else at the amount of \$120.00 a day which amounts to about \$10,000 a day. We would get reimbursed from the State but not at \$120.00, it would be somewhere near \$40.00 so it is a real losing proposition. In conversations with the State we were hopeful that once this passes the control board that they will see it is as positive step and might continue that variance beyond December 1st."

Secretary Keysa: "The net figure, if I am doing my math correctly is about \$7,000 to \$8,000 a day which would give us \$210,000 - \$240,000 a month additional cost to the County if they are not housed there?"

Commissioner Loffredo: "Yes."

Director Goodell: "Is this included in the roughly \$50 million capital budget that we have talked about for some months or is this in addition to that?"

Commissioner Loffredo: "We were able to cobble together funds from the different accounts but in compliance so this is from funds that are available."

Executive Director Vetter: "It is in the current budget."

Secretary Keysa moved to approved, Director Goodell seconded. Without further discussion the board voted unanimously to approve the following resolution:

Resolution No. 07-93

APPROVING CERTAIN CONTRACT SUBMITTED BY THE ERIE COUNTY DEPARTMENT OF PUBLIC WORKS

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority ("ECFSA") to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to "oversee [Erie] County's budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;" and

WHEREAS, the ECFSA first imposed a control period upon the County of Erie (the "County") by adopting Resolution 06-49 on November 3, 2006; and

WHEREAS, incident to and in furtherance of the imposition of the control period, the ECFSA adopted Resolution 06-51, which authorized a process for approving contracts, settlements, or other obligations binding or purporting to bind the County ("contract approval process"), on November 3, 2006; and

WHEREAS, in adopting Resolution 07-04 on January 11, 2007, the ECFSA renewed and continued the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA has adopted Resolution 07-10, which replaces and supersedes the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA must review and approve any contract, settlement, or other obligation, valued at greater than \$50,000, that binds or purports to bind the County or a covered organization, before it takes effect; and

WHEREAS, the County Executive or a “Responsible Official,” as defined in Resolution 07-10, has duly submitted a request for review of the contract on the attached document; and

WHEREAS, the ECFSA Executive Director, after consultation with the ECFSA Staff, has recommended approval of said contract via written correspondence to each ECFSA Director;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA approves the contract submitted by the Erie County Department of Public Works for replacement of non security windows with steel security windows as required by the NYS Commission of Corrections.

Department	Description	Amount
Erie County Public Works – Construction Contract – Flower City Glass	Replace non-security windows w/ steel security windows as required by NYS Commission of Corrections	\$646,142 – capital funds

*EC- Erie County

This resolution shall take effect immediately.

Executive Director Vetter: “Mr. Vice Chairman, if I could, going back to items 1 and 2 on page 1 these are items that have been considered before for furniture for 45 Oak and other ECC locations as well as duct work. When it was originally forwarded there were some questions about the lease of the building and the status thereof. Since those questions have been addressed, these items were on that table from a previous meeting, staff is suggesting two actions on this. One that they brought back from the table and two that they are suggested for approval.”

Secretary Keysa moved to remove the first two items on the matrix from the table, Director Goodell seconded and the board voted unanimously to approve.

Executive Director Vetter: “Mr. Vice Chairman, now that these items are off the table, staff would make a recommendation for approval of those two items related to 45 Oak now that we have been able to resolve some of the questions.”

Director Goodell moved to approve contract related to ECC, Director Johnson seconded and the board voted unanimously to approve.

Resolution No. 07-94

APPROVING CERTAIN CONTRACTS SUBMITTED BY ERIE COMMUNITY COLLEGE

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, the ECFSA first imposed a control period upon the County of Erie (the “County”) by adopting Resolution 06-49 on November 3, 2006; and

WHEREAS, incident to and in furtherance of the imposition of the control period, the ECFSA adopted Resolution 06-51, which authorized a process for approving contracts, settlements, or other obligations binding or purporting to bind the County (“contract approval process”), on November 3, 2006; and

WHEREAS, in adopting Resolution 07-04 on January 11, 2007, the ECFSA renewed and continued the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA has adopted Resolution 07-10, which replaces and supersedes the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA must review and approve any contract, settlement, or other obligation, valued at greater than \$50,000, that binds or purports to bind the County or a covered organization, before it takes effect; and

WHEREAS, the County Executive or a “Responsible Official,” as defined in Resolution 07-10, has duly submitted a request for review of the contracts on the attached document; and

WHEREAS, the ECFSA Executive Director, after consultation with the ECFSA Staff, has recommended approval of said contracts via written correspondence to each ECFSA Director;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA approves the contracts listed on the attached document.

Department	Description	Amount
Erie Community College	Purchase Contract – Integrity Furniture – Provide furniture for 45 Oak and other ECC campus locations	\$300,000 – all college funds
Erie Community College	Purchase/Service Contract – Lovejoy Metals – Ductwork for 4 rooftop AHU’s per SMACNA standards	\$70,000 – all college funds

This resolution shall take effect immediately.

Executive Director Vetter: Mr. Vice Chair, there is one last slate on the matrix and they are all related to 45 Oak Street. They are items 3, 4, 5 on page one and the only item on page two. Now that the issue of 45 Oak has been adequately addressed that those items be considered as a slate and we would recommend them for approval.

Secretary Keysa moved to approved, Director Kruly seconded.

Chair Glaser: “Any discussion?”

Director Goodell: “We saw some of these items before but I do not remember seeing the stand-by power generator. Why does 45 Oak need a stand by power generator?”

Executive Director Vetter: “Mr. Goodell, I believe Mr. William Reuter is here. Could Mr. Reuter like to come to the podium please?”

William Reuter: “Good afternoon and thank you. That will provide a back-up power source and it will be linked to all three of our campuses. What we have right now is various

software and hardware at South campus and this would allow, in case South Campuses power goes down, and at both North and South Campus we have received a number of power disruptions, so we are trying to set up a process where we have back-up power for all three of our campuses, trying to link the power supply. That will address those issues of accountability for our students, registration, payroll, purchasing, etc.”

Director Goodell: “Is it normal for a college to have a standby power back-up?”

William Reuter: “I can’t address whether it is standard at other colleges but I know in our case that at North and South Campuses we have at least two to three power problems where we lose power on an annual basis and we need to have that back-up system so we can adjust when the power goes out. At North campus we lost power for several days from the October storm. At South campus if we have an electrical power strike, that is where unfortunately all of our systems have to continue to run. We have a lot of equipment like the air conditioning needs to be maintained. I am not sure about normal operating procedures but as far as our facilities it is standard for us and it has been used quite a bit unfortunately.”

Vice Chair Glaser: “Is this a stand alone decision or is this part of an overall risk assessment that the college does?”

William Reuter: “Overall it is trying to provide duplicate back-up systems college- wide so even without 45 Oak Street we would be coming to you with another location for the back-up generator. We have a small one at south campus for our main computer infrastructure out there but all of our systems run and we are trying to put them all in just one in case one of the systems goes down as far as the backup that we can provide at the other campuses.”

Vice Chair Glaser: “Is it mission-critical in terms of having to determine what the best use of these funds should be?”

William Reuter: “Well, it is part of our overall plan, but I would say that we are so reliant on information and technology so any kind of communication for instance between students and staff, we rely on the phone system, the computer system, we rely on technology to contact our students so in the case of an emergency and the power goes down we still want the ability to contact our students and staff and alert them to the emergency. Part of the New York State alert system that SUNY is rolling out and that would give us instantaneous communication but we still need to have the power to run that.”

Director Goodell: “A lot of businesses and enterprises have the same need but have a difficult time justifying the cost of emergency backup generators so that their telephone system works. I am perplexed here. Maybe Commissioner Loffredo can tell us where emergency stand-by power systems are used in offices or similar facilities.”

Commissioner Loffredo: “We have back up power generators for the holding center and we have back up power for 120-135 West Eagle and they do have back-up power at the Rath Building however they extended the back-up powers to the office buildings so it is a lot less to keep those emergency functions going; the heating system, the emergency lights where everything is going but it is not a full fledged power

system where everything is attached except the holding center; there we have to keep everything going.”

William Reuter: “Just to piggy-back on what Commissioner Loffredo said, I would like to address our operations. Our doors are open six days a week from 7:00am to around 10:00pm; that is when classes are running. So we need to maintain some lighting, emergency lightening; any type of emergency communication systems to maintain safety levels while students are in the building. I would urge you to consider this contract. We have had a history of power outages, more at North and South Campuses, but City Campus has also been hit by power outages. We have a large investment in our technology and infrastructure, computers systems, heating lighting so this would provide some safeguards.”

Secretary Keysa: “Sure I can see in a number of these areas, record-keeping in particular, you done want to lose. Is there a regular practice right now to back that up? Where you don’t have to physically move it, I suppose, but actually to back up one system to another site daily.”

William Reuter: “Every single day we run a back up and the tapes are kept off site.”

Secretary Keysa: “Good, the tapes are taken off site.”

Director Goodell: “Computer systems that I am familiar with variably have a process, as I remember one time that was called a controlled degradation, when a power outage occurred. Is there any reason for me to believe that your computers are any different?”

William Reuter: “Any time the power goes off you have to sometimes re-image every single computer and we are talking about well over 2,000 computers at the college including academic labs, classrooms, libraries, lab tops we have, so obviously that is a huge amount of time that you would have to spend re-imaging all those computers so that is when the power goes out the back up generators do kick in and again we have had countless occasions at South and North Campus were the power has gone down.”

Director Goodell: “When the power is out for several seconds before the generator comes back on computers and laptops also go down?”

William Reuter: “The generators are made to kick in immediately upon power failure.”

Director Goodell: “Immediately has a definition when you are talking about computers. Immediately is a matter of seconds. I am somewhat familiar with how generators come on, and the situations that I am familiar with, the fact that the computers still go down because a second or two or three goes by.”

Secretary Keysa: “Are you using APC’s?”

William Reuter: “I’m not sure.”

Secretary Keysa: “Where there is a battery at the computer?”

William Reuter: "No."

Secretary Keysa: "That would be a wise investment."

Vice Chair Glaser: "Just want to make sure I have heard you correctly. This is the back-up for the entire downtown?"

William Reuter: "No, is this for Flickenger and the Main Post Office campus, so that is 330,000 square feet between Flickenger Athletic and the post office and then 45 Oak Street is another 2,000 square feet."

Vice Chair Glaser: "May I ask if this was approved unanimously by your Board or were you given some kind of confirmation?"

William Reuter: "The Board does not do individual contracts; our Board approves a certain dollar amount to be used for 45 Oak Street. They are not in the business of approving individual purchase orders. This is a purchase order for over \$50,000 thus it comes in front of you. They have given us the go ahead for 45 Oak Street and the dollar amount to spend down. The goal was September classes; now obviously, it is January classes. We were hoping to have at least 500 students in that building come January when classes start as well as 100 staff members that will be shifting from other campuses, as well as expanding the numbers of students, specifically nursing. I'm not sure, Mr. Vetter, if you have the simulators as a contract, that is part of what we are trying to bring downtown; additional health science students, specifically nursing. We are hoping to double the number of students in our nursing program downtown from 60 students to 120 students."

Secretary Keysa: "First of all is this tying in or do you know if the Central Police Services Building downtown, a block away from this, does that tie into this or is that a separate system?"

William Reuter: "It is not tied into our system, so I assume it is a separate system. That building was done as the phase one, Mr. Keysa, before what was going to happen with 45 Oak Street was even figured out or decided on."

Secretary Keysa: "I recognize, this from a personal standpoint, that it is unusual to have generators but certainly when I was at the Town of Lancaster, we had our town hall generator, the court house was under a generator and the highway department had a generator and it makes sense that the emergency services building has a generator. They have those in case of a snow storm and the threat of power outages. I was one of those that pushed for the Water Authority to install generators at the pumps. I was quite disappointed to discover that, 30 years after I had recommended that, they still hadn't done it. I might add that, in the Town of Lancaster, we are looking now to see that any future traffic lights are going to require equipment to switch to a generator. Further I have seen them more not only in public buildings but in homes as well. I think there are reasons to have these and the expense, well when the emergency occurs, it pays for itself."

Director Goodell: "I agree with some of the applications for an emergency generator like the jail and some of the applications you talked about but just for lighting, heating and

communications system it certainly nice to have but I have hear nothing to indicate that the uses are anywhere near as critical as what you just described, Mr. Keysa.”

Secretary Keysa: “I understand that and I also understand that when an emergency occurs, as you are aware, a number of times around here, snow storms or other weather related situations, if you are going to end up with thousands of people in your facilities, you’ll probably want them to stay in those facilities until the rough weather abates. You will really need to provide them with some degree of warmth and some degree of communications and that this would be appropriate.”

William Reuter: If I could echo on Mr. Keysa’s statements, our enrollment, as of today in the downtown campus is 3,123, at any given time there are over 1,000 students as well as staff members in our buildings. Our emergency operations plan is contingent upon communicating to the people that are in the building as well as outside the building. Any opportunity that we can communicate is like a form of insurance; you never want to use it. You never want to use an emergency generator, but you pay for it to have just in case. I think this is one of the just in cases and I would ask you for your consideration.”

Vice Chair Glaser: “Do you have or could you discuss this with the County, at this standpoint, for any coordination with other downtown sites, is there anything that could be done to share a generator?”

William Reuter: “This is sized for the college.”

Executive Director Vetter: “Mr. Vice Chair since there are questions on this item, I would suggest from the staff level that consideration be given to items numbered 3 and 4 on page one which seem to have no issue and item one on page two be voted on as a slate.”

Without further discussion the board voted unanimously to approve the following resolution:

Resolution No. 07-95

APPROVING CERTAIN CONTRACTS SUBMITTED BY ERIE COMMUNITY COLLEGE

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, the ECFSA first imposed a control period upon the County of Erie (the “County”) by adopting Resolution 06-49 on November 3, 2006; and

WHEREAS, incident to and in furtherance of the imposition of the control period, the ECFSA adopted Resolution 06-51, which authorized a process for approving contracts, settlements, or other obligations binding or purporting to bind the County (“contract approval process”), on November 3, 2006; and

WHEREAS, in adopting Resolution 07-04 on January 11, 2007, the ECFSA renewed and continued the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA has adopted Resolution 07-10, which replaces and supersedes the contract approval process authorized by Resolution 06-51; and

WHEREAS, the ECFSA must review and approve any contract, settlement, or other obligation, valued at greater than \$50,000, that binds or purports to bind the County or a covered organization, before it takes effect; and

WHEREAS, the County Executive or a “Responsible Official,” as defined in Resolution 07-10, has duly submitted a request for review of the contracts on the attached document; and

WHEREAS, the ECFSA Executive Director, after consultation with the ECFSA Staff, has recommended approval of said contracts via written correspondence to each ECFSA Director;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA approves the contracts listed on the attached document.

Department	Description	Amount
Erie Community College	Purchase Contract – O’Connor Mechanical – HVAC Units for computer room – 45 Oak St.	\$99,900 – all college funds
Erie Community College	Purchase Contract – Building Controls & Services – To extend existing energy management system from city campus to 45 Oak St.	\$69,614 – all college funds
Erie Community College	To purchase simulation manikins and related software to be housed at 45 Oak Street.	\$157,096 – all college funds

This resolution shall take effect immediately.

Vice Chair Glaser: “Is item number five an item we should table until we get some more information on that or this mission critical to anything that is being done in the next two weeks?”

William Reuter: “The next two weeks, no we can delay until you feel more comfortable. Although I am not sure what you would like me to provide to give you more comfort. If it’s only a two-week delay, then that is fine.”

Vice Chair Glaser: “I’ll have Mr. Vetter get in touch with you and until than could we table this until the next time the board gets together.”

Secretary Keysa moved to table, Director Goodell seconded. Without further discussion the board voted unanimously to table the ECC Purchase Contract with Industrial Power and Lighting.

Vice Chair Glaser: “Thank you very much Mr. Reuter.”

William Reuter: “Thank you.”

Chair Glaser: “The next item of business is just the finance committee report. Mr. Goodell would you like to speak to that?”

Director Goodell: “Thank you. The finance committee has met twice. The first meeting was to consider some efficiency grant requests and as a result of that we are

recommending that the board approve a request from the County in the amount of \$25,000 which will enable them to get started on looking at how to manage safety and workers compensation. We had trouble with the whole proposal because we did not feel that whoever it was that was going to be taking these actions with the workman's compensation had sufficient authority to make a big difference. The County will come back to us with further information on the training needed also a job description for this proposed position. So at this time I would ask the board to approve that efficiency grant request for risk management."

Director Kruly moved to approved, Director Goodell seconded. Without further discussion the board voted unanimously to approve the following resolution:

Resolution No. 07-96

APPROVING AN EFFICIENCY GRANT FOR RISK MANAGEMENT GAP ANALYSIS

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority ("ECFSA"), to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to "oversee [Erie] County's budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;" and

WHEREAS, Section 3957(a) of New York State Public Authorities Law provides that, subject to appropriations during State fiscal years 2006-07 through 2010-11, the ECFSA shall provide grants to the County of Erie (the "County") to support activities that achieve savings through innovations and reengineering; and

WHEREAS, the Commissioner of the Department of Personnel submitted an efficiency grant application to the ECFSA on July 16, 2007, as amended by a "Scope of Work" document submitted on September 25, 2007, seeking funding to support an audit of all current risk management policies and procedures as well as training not included in the New York State Department of Labor Occupational Safety and Health Training and Education Grant; and

WHEREAS, pursuant to this application, the Department of Personnel issued a Request for Proposals ("RFP") for a certified consultant to conduct a review of existing risk management policies, procedures and practices, to identify deficiencies in the program, to make recommendations to correct deficiencies and to provide related risk management training;

WHEREAS, the County has selected Great Lakes Environmental & Safety Consultants, Inc., from the respondents to its Request for Proposals ("RFP"); and

WHEREAS, the ECFSA Finance Committee met on August 14, August 30 and October 10 to discuss the County's efficiency grant application for a safety and risk management-related audit and training; and

WHEREAS, on August 30 the ECFSA Finance Committee requested that the County amend it's application to put more of a focus on training and further explore the thought of where the individual in charge of risk management policies and procedures sits in the organization and his/her power to implement change; and

WHEREAS, on October 10 the ECFSA Finance Committee voted unanimously to recommend to the ECFSA Board that \$25,000 in efficiency grant funding be made available to the County to be used solely for a gap analysis as delineated by the "Scope of Work" document received on September 25, 2007, provided that the study include an examination of safety, reengineering in the workers compensation program and a job description for the individual who will be in charge of risk management with detailed responsibilities and where they will sit in the organizational structure of the County; and

WHEREAS, the ECFSA anticipates that the reengineering of the County's safety policies and procedures and workers compensation program will lead to the County performing tasks it is required to perform in a more efficient and effective manner resulting in cost savings;

NOW, THEREFORE, BE IT RESOLVED based on the recommendation of the ECFSA Finance Committee, the ECFSA hereby grants up to \$25,000 to the County in efficiency grant funding to be used for the sole purpose of a gap analysis as delineated by the "Scope of Work" document received on September 25, 2007, provided that the study include an examination of safety, reengineering in the workers compensation program and a job description for the individual who will be in charge of risk management with detailed responsibilities and where they will sit in the organizational structure of the County; and

BE IT FURTHER RESOLVED that the gap analysis be submitted to the ECFSA upon completion; and

BE IT FURTHER RESOLVED that the ECFSA Executive Director send, via first-class mail, copies of this resolution to the County Executive; the County Comptroller; the Chair, the Majority Leader, the Minority Leader, and the Clerk of the County Legislature; and the Governor, the Comptroller, the Senate Majority Leader, and the Speaker of the Assembly of the State of New York.

This resolution shall take effect immediately.

Director Goodell: "The second item that occurred at the finance committee meeting today and the purpose of that was to review and approve the staffs recommendations regarding engaging services for financial advisors, bond counsel and bond underwriters. I think we should vote on these separately because the bond underwriters are handled differently than they have been before. The proposal for financial advisors is very clear, that from a cost standpoint, the firm that we are working with now is superior in cost structure and also has the experience needed. I would like to ask the board to approve hiring Capital Markets Advisors for one year as our financial advisors."

Director Kruly moved to approved, Director Johnson seconded. Without further discussion the board voted unanimously to approve the following resolution:

Resolution No. 07-97

APPROVING ENGAGEMENT OF FINANCIAL ADVISOR

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority ("ECFSA") to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to "oversee [Erie] County's budget, financial and capital

plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, Section 3954(4) of New York Public Authorities Law grants the ECFSA the power to make and execute contracts or agreements necessary or convenient to carry out its purposes; and

WHEREAS, the ECFSA issued a request for proposals for financial advisory services in September 2006 and, upon receiving responses to the request, a selection committee of ECFSA Directors and staff evaluated proposals received and selected Capital Markets Advisors, LLC as the most capable of providing financial advisory services to the ECFSA on an as-needed basis for a period of one year; and

WHEREAS, Capital Markets Advisors, LLC has performed their duties to the full satisfaction of the ECFSA; and

WHEREAS, the one-year agreement with Capital Markets Advisors, LLC expired on October 1, 2007; and

WHEREAS, the ECFSA re-issued a request for proposals for financial advisory services in September 2007; and

WHEREAS, through Resolution 07-87 the ECFSA Board extended the agreement with Capital Markets Advisors for a reasonable period of time, but no later than December 1, 2007, in order to evaluate proposals received in response to its request for financial advisory services; and

WHEREAS, upon receiving responses to the request, a selection committee of ECFSA Directors and staff evaluated proposals received and selected Capital Markets Advisors to provide financial advisory services to the ECFSA on an as-needed basis for a period of one year;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA engage Capital Markets Advisors to provide financial advisory services on an as-needed basis as requested by the Chairman for a period not to exceed one year from this date; and

BE IT FURTHER RESOLVED that such services shall be undertaken for such amounts and on such terms as agreed upon by the Chairman, ECFSA Director or the Executive Director; and

BE IT FURTHER RESOLVED that this resolution shall supersede any previous resolutions of the ECFSA with regard to contracting for financial advisory services.

This resolution shall take effect immediately.

Director Goodell: “The second advisor we discussed was engaging the services of bond counsel. We had proposals from our current bond counsel which is Phillips Lytle, and a proposal from Harris Beach. The Phillips Lytle proposal appeared to be somewhat less expensive than Harris Beach and also we are quite comfortable with what Philip Lytle has done for us in other areas and therefore the committee recommends that we engage Phillips Lytle as our bond counsel.”

Chair Glaser moved to approved, Director Kruly seconded. Without further discussion the board voted unanimously to approve the following resolution:

Resolution No. 07-98

APPROVING ENGAGEMENT OF BOND COUNSEL

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, Section 3954(4) of New York Public Authorities Law grants the ECFSA the power to make and execute contracts or agreements necessary or convenient to carry out its purposes; and

WHEREAS, the ECFSA issued a request for proposals for bond counsel in September 2006 and, upon receiving responses to the request, a selection committee of ECFSA Directors and staff evaluated proposals received and selected Phillips Lytle, LLC as the most capable of providing bond counsel to the ECFSA on an as-needed basis for a period of one year; and

WHEREAS, Phillips Lytle, LLC has performed their duties to the full satisfaction of the ECFSA; and

WHEREAS, the one-year agreement with Phillips Lytle, LLC expired on October 19, 2007; and

WHEREAS, the ECFSA re-issued a request for proposals for bond counsel in September 2007; and

WHEREAS, upon receiving responses to the request, a selection committee of ECFSA Directors and staff evaluated proposals received and has selected Phillips Lytle, LLC to provide financial advisory services to the ECFSA on an as-needed basis for a period of one year;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA engage Phillips Lytle, LLC to act as bond counsel on an as-needed basis as requested by the Chairman for a period not to exceed one year from this date; and

BE IT FURTHER RESOLVED that such services shall be undertaken for such amounts and on such terms as agreed upon by the Chairman, ECFSA Director or the Executive Director; and

BE IT FURTHER RESOLVED that this resolution shall supersede any previous resolutions of the ECFSA with regard to contracting for bond counsel.

This resolution shall take effect immediately.

Director Goodell: “The third area where we have recommendations from the committee for the board is in the area of underwriters and rather than do what we have done in the past to approve the underwriter, the staff has suggested that we follow the model that has been used in Nassau and some other places and that is to pre-approve a list of four to six underwriters and then they will be asked to submit bids at time of financing. Again, I think this is an item that the committee thought was a good idea. There were five that we put on the list of being pre-approved

underwriters; they are Roosevelt and Cross, KeyBanc, Loop Capital, Merrill Lynch and Alexandra and James. Raymond James responded but their response was not consistent with the RFP. So committee recommends that the board approves those five firms as potential underwriters, should there be a financing, for one year.

Director Johnson moved to approved, Director Kruly seconded. Without further discussion the board voted unanimously to approve the following resolution:

Resolution No. 07-99

PREQUALIFICATION OF FIRMS TO PROVIDE UNDERWRITING SERVICES

WHEREAS, Chapter 182 of the New York Laws of 2005 created the Erie County Fiscal Stability Authority (“ECFSA”) to serve as a corporate governmental agency and instrumentality of the State of New York, and as a public benefit corporation to “oversee [Erie] County’s budget, financial and capital plans; to issue bonds, notes or other obligations to achieve budgetary savings and to finance short-term cash flow or capital needs; and, if necessary, to develop financial plans on behalf of the County if the County is unwilling or unable to take the required steps toward fiscal stability;” and

WHEREAS, Section 3954(4) of New York Public Authorities Law grants the ECFSA the power to make and execute contracts or agreements necessary or convenient to carry out its purposes; and

WHEREAS, the ECFSA issued a request for proposals for underwriting services in September 2006 and, upon receiving responses to the request, a selection committee of ECFSA Directors and staff evaluated proposals received and selected Roosevelt & Cross, Inc. as senior managing underwriter and Keybank Capital Markets as co-managing underwriter for the ECFSA to be used on an as-needed basis for a period of one year; and

WHEREAS, the one-year period for contracting with Roosevelt & Cross, Inc. and Keybank Capital Markets expired on October 19, 2007; and

WHEREAS, the ECFSA re-issued a request for proposals for underwriting services in September 2007; and

WHEREAS, upon receiving responses to the request, a selection committee of ECFSA Directors and staff evaluated proposals received;

WHEREAS, the selection committee has determined that it is in the best interest of the ECFSA to pre-qualify a pool of underwriting firms for use on an as-needed basis for a period of one year;

NOW, THEREFORE, BE IT RESOLVED that the ECFSA pre-qualify Roosevelt & Cross, Inc., Loop Capital, Merrill Lynch and Alexandra and James as senior managing underwriter and co-managing underwriter and Keybank Capital Markets as co-managing underwriter to provide underwriting services on an as-needed basis as requested by the Chairman for a period not to exceed one year from this date; and

BE IT FURTHER RESOLVED that such services shall be undertaken for such amounts and on such terms as agreed upon by the Chairman, ECFSA Director or the Executive Director; and

BE IT FURTHER RESOLVED that this resolution shall supersede any previous resolutions of the ECFSA with regard to contracting for underwriting services.

This resolution shall take effect immediately.

Vice Chair Glaser: “If there is no other business to come before us, this meeting is adjourned.”

Secretary Keysa: “Mr. Vice Chair, we have to take a vote on that.”

Director Johnson made a motion to adjourn. Director Kruly seconded. Without further discussion the board, voted unanimously to adjourn.

Respectfully submitted,

Stanley J. Keysa
Secretary