

**WAYNE COUNTY WATER AND SEWER AUTHORITY
BOARD MEETING MINUTES**

Meeting of: October 25, 2016

Location: Wayne County Water & Sewer Authority Operations Center, Walworth, New York

Present: Rick Stevens, Robert Hutteman, Mark Graf, David Scudder, Dan LaGasse, Mark Humbert

Absent: David Lyon, Jean Johnson, LaVerne Bliet

Advisors Present: Michael Howard, General Counsel

Staff Present: Martin J. Aman, Executive Director
Jason Monroe, Director of Operations
Demaris Verzulli, Secretary of the Meeting
Sheryl LaDelfa, Accounting Manager (Financials portion only)

In the absence of Chairman Lyon, Mr. Howard called the meeting to order at 4:00 p.m.

I. Chairman's Report

Adoption of Minutes: Mr. Stevens moved, Mr. LaGasse seconded and all members present unanimously approved the following resolution:

RESOLVED, that the minutes of the September 27, 2016 meeting of the Wayne County Water and Sewer Authority be accepted with no changes.

Correspondence: None

II. Treasurer's Report

Ms. LaDelfa presented the warrant and bills.

After due discussion and deliberation, Mr. Hutteman moved, Mr. Scudder seconded and all members present unanimously approved the following resolution:

RESOLVED, that the following statements are hereby authorized and directed to the Treasurer for payment: Water Authority Operational – (includes all) vouchers 16-1301 to 16-1431 totaling \$378,797.46.

Ms. LaDelfa presented the Financial Statements for the month of September. After due discussion and deliberation, Mr. Stevens moved, Mr. Hutteman seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Wayne County Water and Sewer Authority's Monthly Financial Statements for September 2016 be approved and accepted.

III. Agenda Items

Audit Committee Report

Mr. Stevens reported on the Audit Committee meeting at which the members present reviewed the Annual Report on Water and Sewer System Operations, including the Report on Applying Agreed-Upon Procedures and Statement of Forecasted Sources and Uses of Cash and proposals from Raymond F. Wager CPA, P.C. for preparation of the 2017 audit and for 2017 non-audit services. While the Committee was unable to take formal action due to the lack of a quorum, the members present recommended approval and adoption by the Authority Board. Mr. Howard confirmed that the full board could proceed to take action on the report and the audit and non-audit service proposals based on the Audit Committee's informal recommendation. After due discussion and deliberation, Mr. Stevens moved, Mr. Hutteman seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Annual Report prepared for the Bond Trustee as required by the Authority's Series 2011 System Revenue (Refunding) Bonds, including the Report on Applying Agreed-Upon Procedures and Statement of Forecasted Sources and Uses of Cash be approved and filed, effective as of October 14, 2016 (copy attached.)

After due discussion and deliberation, Mr. Hutteman moved, Mr. Graf seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board award the contract for conducting Audit Services for the year ended December 31, 2016 for the Authority to Raymond F. Wager, CPA, P.C. for an amount not to exceed Thirteen Thousand dollars (\$13,000.00) as set forth in the Engagement Letter for Accounting Services dated October 12, 2016 (copy attached.)

After due discussion and deliberation, Mr. LaGasse moved, Mr. Hutteman seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board engage Raymond F. Wager, CPA, P.C. to prepare the 2017 Report on Applying Agreed-Upon Procedures and Statement of Forecasted Sources and Uses of Cash for an amount not to exceed \$1,550.00 and to provide other non-audit services according to the terms set forth in the Quotation for Agreed-Upon Procedures dated October 12, 2016 (copy attached.)

Mr. Humbert entered the meeting.

Finance Committee Report

Mr. Hutteman reported that at the Finance Committee meeting of October 20 the committee resolved to recommend that the board adopt the proposed 2017 rate schedules and 2017 Combined Authority Budget.

2017 Budget Discussion

Mr. Aman presented the Proposed 2017 Combined Budget and 2017 Water and Sewer Rate Schedules. Discussion ensued. At 4:45 p.m. Mr. Scudder moved, Mr. LaGasse seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board adjourn into Executive Session for discussion with counsel in regard to specific employee salaries.

The board returned to open session at 5:25 p.m. Mr. Monroe presented the 2017 Vehicle and Construction Equipment Budget. Discussion continued. After due discussion and deliberation, Mr. Humbert moved, Mr. Hutteman seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Director of Operations be authorized to purchase a new trailer-mounted Vac-Tron Vacuum Excavation System, Model LP573 STD, from Vermeer Corporation, under NJPA Landscape Equipment Contract #070313-VRM for \$74,144 (Seventy four thousand one hundred forty four dollars); and a 2016 E-55 T4 Bobcat Compact Excavator from Bobcat of the Finger Lakes under NYS Contract #PC67141 for \$55,225.60 (Fifty five thousand two hundred twenty five dollars and sixty cents.)

After due discussion and deliberation, Mr. Hutteman moved, Mr. Graf seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board adopt the 2017 Water and Sewer Rate Schedules, copies of which are attached to these minutes.

Mr. LaGasse requested that a line item be added to the 2017 budget for public education about the Authority. It was the consensus of the board that this should be called Marketing/Public Education, and \$3,500 be moved from the Contingency Fund into the new account. After due discussion and deliberation, Mr. Stevens moved, Mr. Scudder seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board adopt the 2017 Authority Budget as amended, a copy of which is attached to these minutes.

After due discussion and deliberation, Mr. Hutteman moved, Mr. LaGasse seconded and all members present unanimously approved the following resolution:

RESOLVED, to authorize and approve the Executive Director's recommended salary adjustment for the Accounting Manager effective as of November 1, 2016.

Mr. Hutteman left the meeting.

Marion Water Projects

Mr. Monroe remarked that he will report on the Southeast Quadrant Project in his Monthly Report.

Port Bay Sewers Update

Mr. Aman reported that there is not anything new to report.

Town of Wolcott Discussion

Mr. Aman reported that there will be an information meeting held next week on a possible Wheeler Road area water district.

Town/Village of Macedon Update

Mr. Aman reported that the bills for the town capital charges went out and many phone calls resulted. He will be at the Macedon Town Board meeting Thursday to help provide information on the charges to attendees if needed.

Village of Red Creek Sewers

Mr. Aman reported that the South Street project has gone to bid.

Regional Water Storage Tank Update

Mr. Aman reported that today he spoke with Arcadia Supervisor Jon (Chuck) Verkey who has arranged a meeting with the owner of the second tank site under consideration. The meeting will be Thursday at the Palmyra tank so the owner can see what a tank on the property will look like. Mr. Aman raised the possibility of offering an option to purchase, which would be credited toward the purchase price if the property is purchased, or forfeited if the deal fails. Mr. Howard counseled that an option should include a purchase price, which locks the price and prevents it from creeping up. Therefore the Authority should obtain an appraisal before offering an option. It was the consensus of the board that the option idea is acceptable at some point. It is unknown why the owner of the first site considered changed his mind after preliminary discussions seemed to be going very well. The first site is definitely preferable; the second site is projected to cost considerably more to develop. It was suggested that the board may wish to approach the owner of the preferred site with an offer when an appraisal amount for the similar land of the second site has been obtained.

Operations Center Building Expansion

Mr. Aman reported that there will be a meeting Thursday with the architects to discuss how to achieve the least disruption of Authority business during the building of the new part of the building and remodeling the existing building. He and Mr. Monroe have met with the Walworth Building Inspector to discuss the procedure for obtaining the appropriate permits.

Canandaigua Lake Water Restriction

Mr. Aman reported that the mandatory water conservation restriction in the City of Canandaigua supply area has been lifted. The Authority's 63 Temple Road vicinity customers in this supply area will be notified of the lifting of the restriction by door hanger.

Monthly Report

Mr. Monroe presented his monthly report. In the Marion Southeast Quadrant Project, most driveways and road crossings have been paved and a substantial amount of hydroseeding has been done. In the eastern area, master meter pit maintenance was done and a low pressure sewer tap was made for Cayuga County Water & Sewer Authority on Ingersoll Road. In Palmyra, preparation is being made for a pump replacement at the water plant and fall sewer flushing is being done. In Macedon, there was a control repair at the Cedar Creek Pump Station and the sludge press at the plant was repaired. There were several manhole frame and cover and curb box repairs done in Lyons. Twenty-four new water services were installed, 15 of them in the Marion project. There were two major repairs, both in the western area, on Wilson Road in Macedon and at Route 350 and Evergreen Circle in Walworth.

There being no further business to come before it, upon a motion by Mr. Stevens, seconded by Mr. LaGasse, the meeting was adjourned at 6:28 p.m.

Attachments:

1. Annual Report of Water and Sewer System Operations
2. Raymond F. Wager, CPA, P.C. – Engagement Letter for Accounting Services
3. Raymond F. Wager, CPA, P.C. – Quotation for Agreed Upon Procedures
4. 2017 Water Rate Schedule
5. 2017 Sewer Rate Schedule
6. 2017 Combined Authority Budget

Respectfully submitted: _____
Demaris Verzulli, Secretary of the Meeting