

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

Meeting of: June 27, 2017

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

Present: LaVerne Blik, Jean Johnson, David Scudder, Dan LaGasse, Mark Humbert, Rick Stevens, William Hammond

Absent: Robert Hutteman, Kelley Allen

Advisors Present: Michael Howard, General Counsel

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

Visitors: None

Chairman LaVerne Blik called the meeting to order at 4:00 p.m.

I. Chairman's Report

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

RESOLVED, that the minutes of the May 23, 2017 meeting of the Wayne County Water and Sewer Authority be accepted with no changes.

Correspondence: None

II. Treasurer's Report

Ms. Johnson presented the warrant and bills. .

After due discussion and deliberation, Mr. Scudder moved, Mr. Stevens 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 17-826 to 17-1015 totaling \$584,376.12.

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

RESOLVED, that the Wayne County Water and Sewer Authority's Monthly Financial Statements for May 2017 be approved and accepted.

Mr. Aman distributed information about alternative ideas for investments that Lyons National Bank has offered, and asked the board members to review these alternatives and be prepared to discuss them at the next meeting.

Mr. Humbert entered the meeting.

Mr. Aman noted that three Certificates of Deposit are up for renewal. The options are to put the funds into a money market account until the new investment products have been reviewed or to simply renew the CDs. Mr. Howard distributed and reviewed a draft policy for managing operating funds and capital reserve. This proposed policy enhances the Authority's present financial review procedures; he expects input from the auditors and bond counsel before it is adopted at a future meeting. After due discussion and deliberation, Mr. Scudder moved, Mr. Hammond seconded and all members present unanimously approved the following resolution:

RESOLVED, that the two expiring twelve-month Certificates of Deposit for \$500,000 with Lyons National Bank be renewed for six months at the current rate of 0.05%, with the interest rolled over, and the expiring six-month Certificate of Deposit for \$500,649.31 with Lyons National Bank be renewed for six months at the current rate of 0.05%, with the interest rolled over.

III. Agenda Items

Insurance Renewal

Mr. Aman reported that the Authority's annual insurance policy with NYMIR is up for renewal. He distributed a 2016 and 2017 comparison of the Authority's insurance costs. He noted that the cost is based on the Authority budget, and that taking on the Town of Sodus will be reflected in the next year's renewal. After due discussion and deliberation, Mr. Humbert moved, Mr. LaGasse seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board authorize the Executive Director to renew the Authority's insurance contract with NYMIR, through Eastern Shore Associates Insurance Agency, for the total amount of \$105,941.88 for the policy term of May 31, 2017 to May 31, 2018.

Update on Building Expansion

Mr. Aman reported that discussions with the winning bidder, Building Innovation Group, Inc., have clarified some of the specifications and project details. He described some of the features of the building expansion. A proposed fuel management system will use the employee key fobs and result in better accounting of fuel use. The alarm system will be expanded to remotely monitor for fires and break-ins. The budget was constructed to cover these items. Now it is necessary to authorize Bernard P. Donegan, Inc. to proceed with the financial consulting in connection with the bonding for the building expansion and the improvements at the Red Creek Regional Wastewater Facility. Interest rates and terms will be discussed later. This financial consulting is estimated to cost \$50,000 and will be based upon the schedule as provided by BPD. After due discussion and deliberation, Mr. Stevens moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that the firm of Bernard P. Donegan, Inc. is hereby designated financial consultant to the Wayne County Water and Sewer Authority; and said firm shall be compensated for its services in connection with the Authority's Operations Center Building Expansion and improvements at the Red Creek Regional Wastewater Facility, to be rendered in accordance with its letter of services dated June 12, 2017 (attached to these minutes); and the Executive Director is hereby authorized to execute and deliver said letter of services.

Regional Water Storage Tank Update

Mr. Aman reported that the intermunicipal cooperation grant (IMG) application was submitted to the EFC, including letters of support from State Senator Pamela Helming; Assemblyman Robert Oaks; Sheryl Robbins, NYS Department of Health; George Bastedo, County Director of Emergency Management; and Brian Pincelli, County Director of Economic Development. The application is for \$4 million out of a \$10 million project; the balance will hopefully come from a USDA loan. Mr. Howard reported that he worked with four town attorneys and bond counsel to craft a Memorandum of Understanding (MOU) a precursor to an Intermunicipal Agreement (IMA). All six supervisors signed off on the MOU. The NYS Office of Historic Preservation (SHPO) reviewed the SEQR and there are no significant archeological concerns; at the July meeting the board can hopefully move to issue a negative declaration. Mr. Aman reminded the board that the Authority has until February 2018 to exercise the option on the property on Brantling Hill.

Regional WWTP Feasibility Study Update

Mr. Aman reported that there was a progress meeting the previous evening, attended by representatives from the towns of Macedon and Marion and both the engineering firms involved. A grant application and engineering study must be done by July 28. The grant for this project would be a Water Quality Improvement Grant (WQIP) through NYSDEC. Mr. Aman will obtain letters of support. All the involved agencies have received legal notice that the Authority has stated its intent to be lead agency. Mr. Howard reported that the draft MOU will be ready by the end of the week. This is close to the structure of the MOU for the Regional Water Storage Tank and is intended to show commitment to the project. If there is positive feedback from the funding entities, the next step would be an IMA. He distributed a diagram of the structure of the Service Agreement, under which the customers would be billed by the participating municipalities for the capital costs, the municipalities would pay the Authority for these costs, and the Authority would bill the customers directly for O & M charges. There was discussion of the existing \$7 million 0% loan already made to the Village/Town of Macedon for upgrading that wastewater plant and how this might be incorporated into the proposed project. After due discussion and deliberation, Mr. Humbert moved, Mr. Stevens seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Executive Director be authorized to sign a Memorandum of Understanding with the Towns of Macedon and Marion and the Village of Palmyra to include, but not be limited to, expressing the intent of the towns and village to participate *pro rata* in the financing of the Proposed Western Regional Wastewater Treatment Project by means of a Service Agreement with the Authority and the intent of the Authority to administer and finance the project and own, operate and maintain the plant, collection mains, pumping stations and additional improvements. The MOU shall be a preliminary agreement, subject to more definitive future Intermunicipal Agreements, compliance with SEQR and other conditions and shall be subject to the review and approval of Authority attorney Michael Howard.

A motion is also necessary to approve the application for funding and indicate support for the project, including authorizing Mr. Aman to sign any necessary paperwork. Ms. Johnson moved, Mr. Hammond seconded and Mr. Blik called for a roll call vote on the following resolution:

RESOLVED, that the Board of Directors of the Wayne County Water and Sewer Authority is supportive of the Proposed Western Regional Wastewater Treatment Project and authorizes the Executive Director to proceed with applications for funding and be authorized to execute the funding applications and any other forms and documents as necessary to complete the application process with NYSDEC, EFC and other funding agencies.

After due discussion and deliberation, the question of the adoption of the foregoing Resolution was duly put to vote on roll call, which resulted as follows:

Mr. Scudder	VOTING	Aye
Ms. Johnson	VOTING	Aye
Mr. Stevens	VOTING	Aye
Mr. Humbert	VOTING	Aye
Mr. LaGasse	VOTING	Aye
Mr. Hammond	VOTING	Aye
Mr. Blied	VOTING	Aye

The Resolution was thereupon declared duly adopted.

Arcadia WD #12 Construction Project

Mr. Monroe reported that 12,916 feet of main has been installed and the directional drills are complete. The plan is to do the cleanup and restoration on Old Lyons Road next in order to be finished with the high-traffic road. The crew will then move to Bauer-VanWinkle and then Van Auken Road, where there is the possibility of installing a conduit for fiber-optic line along with the main to assist the county in its IT initiative. There are still details to be worked out. Mr. Howard informed the board that installing this conduit is incidental to the installation of a water main, and thus is defensible as being under the powers of the Authority. It is advantageous for the Authority to install the conduit so that its location near the main can be controlled.

Bunker Hill Tank Painting Project

Mr. Ceratt reported that the painting of the inside of the tank has been completed. The big equipment that generated complaints about noise has been removed and the painting of the outside of the tank should be finished in two weeks.

Port Bay Sewers Update

Mr. Aman reported that some progress has been made on obtaining easements, but 30 critical easements are still outstanding, without which the project can't proceed. Some 40 outstanding easements only to the homeowner's advantage are still outstanding as well; without this easement the homeowner will not receive a grinder pump. The project is still tentatively scheduled to go to bid by late summer and construction to start in the fall, pending resolution of necessary easements.

Village of Red Creek Sewers

Mr. Monroe reported that the South Street Sewer Project is substantially complete and the inspector sent out a final punch list this morning. Mr. Aman reported that the Canada Street Project will probably begin next year.

Village of Red Creek Water Operations

Mr. Aman and Mr. Monroe reported that there have been a number of challenges dealing with this neglected system. The riveted steel tank needs to be sealed; this will be done with beeswax. The tank has been drained and operator Seth Galek is confident that he can run the system without it as it

is being sealed. The water rate has not been realistic for many years and to bring the system into satisfactory operating condition would likely entail a considerable rate increase.

Town of Sodus Update

Mr. Aman reported that the operation is going fairly well, although a large number of unpaid bills have resulted in over 180 door hangers being issued. The turn off date has been pushed out two weeks to give customers more time to pay during this first turn-off cycle. Mr. Ceratt reported that a payment box has been installed in the municipal parking lot behind the police department where there are security cameras. Scott Snyder and/or Mr. Ceratt will convey payments regularly from Sodus to the Authority office in Walworth.

Town of Macedon Water Project Update

Mr. Aman reported that there was a progress meeting last week. The Route 31 water main is completely installed and most of it is tested. Three borings across Route 31 have been completed, all the water services on the south side of the road have been transferred to the new main, and the services on the north side are scheduled to be pushed under the road starting next week. The initial plan to keep a main on the north side of the road in service was changed; when the north side services are connected to the new main, the old one will be abandoned, as will the old main on the south side. Mr. Aman remarked that the contractor, D E Tarolli, had a good even-tempered attitude during the challenging project.

NYS Comptroller's Office Audit

Mr. Aman reported that the auditors have not given him a lot of feedback but might be finished in the next few weeks. The industrial control systems portion of the audit has resulted in extra expenses to the Authority because of the many questions the auditors had for the Authority's IT consultant Michael Klimchuk and SCADA provider James Colacino. At the next meeting, Mr. Aman will present some alternatives from Mr. Klimchuk for enhanced services, such as an hourly rate or a managed service.

Monthly Report

Mr. Monroe presented his monthly report. The Town of Lyons is preparing to grind three streets and the crew is preparing manholes and valve boxes for that project. The methane recovery system at the Macedon Wastewater Plant is in need of new components and he and Mr. Ceratt are analyzing the options. Eight new water services were installed in Sodus and five valve repairs made. There are currently eight summer employees with one dedicated to mowing. Hydrant repair and maintenance has started in Marion, with painting to be done when the weather is better. Hydrant flushing and painting in Lyons will start tomorrow.

Mr. Aman distributed information on a new NYS Paid Benefits Law, which is mandatory for private employers but optional with municipalities. He asked the board to review it for discussion at a future meeting.

There being no further business to come before it, upon a motion made by Mr. Humbert and seconded by Mr. Hammond, the meeting was adjourned at 5:45 p.m.

Attachment: Bernard P. Donegan, Inc, Letter of Services, June 12, 2017

Respectfully submitted: _____
Demaris Verzulli, Secretary of the Meeting