

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

Meeting of: February 27, 2018

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

Present: LaVerne Blik, Jean Johnson, Robert Hutteman, David Scudder, Mark Humbert, Donald Ross

Absent: Rick Stevens, Dan LaGasse, William Hammond

Advisors Present: Michael Howard, General Counsel

Staff Present: Martin J. Aman, Executive Director
Jason Monroe, Director of Operations
Derek Ceratt, Technical Director
Demaris Verzulli, Secretary of the Meeting
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. Hutteman moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that the minutes of the January 23, 2018 meeting of the Wayne County Water and Sewer Authority be accepted with no changes.

Correspondence: Mr. Aman reported that he had received a letter from the DEC requesting a walk-through of the 200-acre Red Creek Regional Wastewater Plant property. Apparently this has something to do with a nearby landfill.

II. Treasurer's Report

Ms. Johnson presented the warrant and bills.

After due discussion and deliberation, Mr. Scudder moved, Mr. Hutteman 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: Vouchers 18-193 to 18-372 totaling \$789,104.12.

Mr. Humbert entered the meeting.

Ms. Johnson presented the Financial Statements for the month of January.

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

RESOLVED, that the Wayne County Water and Sewer Authority's Monthly Financial Statements for January 2018 be approved and accepted.

Ms. LaDelfa pointed out that a \$500,000 certificate of deposit at Lyons National Bank is maturing on February 28 and asked the board what they would like to do about reinvesting it. After due discussion and deliberation, Mr. Scudder moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that the \$500,000 certificate of deposit maturing on February 28, 2018 at Lyons National Bank be renewed for nine (9) months at the interest rate of 0.15%.

III. Agenda Items

Finance Committee Report

Mr. Bliet, Chairman of the Finance Committee, reported on the meeting of the Committee. Mr. Howard described the changes the committee recommends making to the Investment Guidelines, adding a section on new investment options and raising the deposit limit at any one financial institution. After due discussion and deliberation, Mr. Hutteman moved, Mr. Humbert seconded and all members present unanimously approved the following resolution:

WHEREAS, the Authority is required by Public Authorities Law §2925 to adopt and annually review and approve comprehensive investment guidelines which detail the Authority's operative policy and instructions to officers and staff regarding the investing, monitoring and reporting of funds of the Authority; and

WHEREAS, the Authority has adopted comprehensive investment guidelines ("Investment Guidelines") and has reviewed the Investment Guidelines as required by statute; it is therefore

RESOLVED, that the Guidelines are hereby ratified and approved in their amended form; and it is further

RESOLVED, that a copy of the Authority's Investment Guidelines adopted pursuant to Public Authorities Law §2925 be distributed to the Authority's officers, members and administrative staff as required by statute; and it is further

RESOLVED, that the Authority Staff are hereby authorized and directed to implement the Guidelines in accordance with their terms.

Mr. Bliet reported that there were no changes to the Procurement Policy other than companies' names on the blanket purchase order list that had changed due to acquisition. After due discussion and deliberation, Mr. Hutteman moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

WHEREAS, the Authority is required by General Municipal Law §104b to adopt policies and procedures for purchases for which competitive bidding is not required by statute and to annually review such policies and procedures; and

WHEREAS, the Authority has adopted a Procurement Policy in conformance with the state finance law ("Policy") and has reviewed the Policy as required by statute; it is therefore

RESOLVED, that the Policy is hereby ratified and approved in its current form; and it is further

RESOLVED, that a copy of the Authority's Procurement Policy adopted pursuant to State Finance Law §§ 139-j and 139-k be distributed to the Authority's officers, members and administrative staff as required by statute; and it is further

RESOLVED, that the Authority Staff are hereby authorized and directed to implement the Policy in accordance with its terms.

Water Billing Adjustment Discussion

Mr. Aman explained to the board that the Authority has an unwritten policy for making adjustments to water or sewer bills, like those resulting from errors. Authority staff has historically followed a policy like Monroe County Water Authority's of allowing a one-time reduction of an unusually excessive bill, charging the customer their normal usage at the regular retail rate, and the overage at the wholesale rate. A situation has arisen in which a much larger amount of water is involved. A farm property inactive for a period of time was re-occupied without notifying the Authority. The farmer called when he did not receive a bill, and a meter was installed. Unfortunately, the meter was one of a shipment of Sensus meters in which the registers were not set up properly, and it did not report the correct amount of water that the meter was registering. After a number of months, the farmer called and reported that he had a large herd of cows and it didn't seem that he was being billed for enough water. The meter was discovered to have the wrong register and the actual water used would result in a bill in excess of \$20,000. Sensus is sending a representative to replace the incorrect registers of the meters still in stock. Discussion ensued. After due discussion and deliberation, Mr. Humbert moved, Mr. Ross seconded and all members present unanimously approved the following resolution:

RESOLVED, to adjust the water bill for account 4-43932 pursuant to standard procedures and bill the customer for the overage at the wholesale rate.

Comptroller's Audit Update

Mr. Aman reported that he had received a draft report of the audit by the Comptroller's office, although it will not be official until after he meets with the auditors on March 6. After the March 6 exit interview, he will prepare a response to the audit and would like to have the Audit Committee review it before March 16, when the response is due. After due discussion and deliberation, Mr. Hutteman moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that there be a special meeting of the Audit Committee scheduled for Friday, March 9 at 11 a.m. to discuss the Comptroller's audit and the Authority's response.

Update on Building Expansion

Mr. Ceratt reviewed the progress on the expansion. Employees have moved into the completed offices in the new portion of the building, and others have moved into temporary quarters while the deconstruction and renovation of the existing building area are taking place. The plan is to take possession of the completed project in mid-April. Mr. Aman expects to have the next month's board meeting in the new conference room, as the existing room will be divided into offices. Access control continues to be installed and will soon be complete.

Mr. Ceratt reported on the fuel management system progress. He has gotten quotes from several vendors and La Valley Brothers of Wolcott is the lowest bidder. When the weather breaks, a concrete island will be poured and the equipment installed. Mr. Scudder and Mr. Humbert know this company and highly endorsed the owners and their work. Mr. Aman reported that the Town of Sodus is using a program under which employees can get state bid price at any pump. It was the consensus of the board that investigating this system would be a good idea.

Eastern Regional Wastewater Treatment Plant Roof Replacement

Mr. Aman reported that the Notice of Award has been issued and he is waiting for a meeting with MRB Group and the material supplier to be sure they are using the correct material. The project is anticipated to start in a month or so.

Regional Water Storage Tank Update

Mr. Aman reported that all the necessary actions prior to purchase of the tank site had been completed, such as resolving a boundary dispute, geotech report, etc. and it was then possible to exercise the option to purchase and close on the property within the specified time. After due discussion and deliberation, Mr. Humbert moved, Mr. Hutteman seconded and all members present unanimously approved the following resolution:

RESOLVED, that the exercise of the option to purchase the Brantling Hill Regional Water Storage Tank Site as of February 2, 2018 and the acquisition of the site on February 9, 2018 by payment of the balance of the purchase price in the amount of \$40,118.83 and the closing costs of \$4,284.00 be ratified and confirmed by the Board of Directors of the Wayne County Water and Sewer Authority.

Mr. Aman reported that it is necessary to file a SEQR notice in regard to the proposed Water Lateral Restrictions Policy. After due discussion and deliberation, Mr. Scudder moved, Mr. Hutteman seconded and all members present unanimously approved the following resolution:

WHEREAS, the Wayne County Water & Sewer Authority is planning to adopt a “Lateral Restriction – Conditions on Future Service” Resolution in connection with the Wayne County Regional Water Storage Tank Project (“Project”); and

WHEREAS, by resolution adopted on July 25, 2017, the Board of Directors declared that it would serve as Lead Agency in connection with the Project; and

WHEREAS, the Board of Directors, in its capacity as Lead Agency, has caused to be prepared an environmental assessment of the significance of and potential environmental impact of the proposed adoption of Lateral Restrictions in connection with the Project; and

WHEREAS, the Board of Directors has considered the Environmental Record prepared for this action and the proposed Negative Declaration;

NOW THEREFORE BE IT RESOLVED, the Board of Directors declares that based on the Environmental Record which has been prepared, the adoption of the proposed Lateral Restrictions will not result in any large and important impacts, and therefore, will not have a significant adverse impact on the environment. A Negative Declaration under SEQR is therefore issued with respect to the adoption of the Lateral Restrictions, and the Executive Director is hereby authorized and directed to prepare and issue, on behalf of the Wayne County Water and Sewer Authority, the form entitled “Negative Declaration Notice of Determination of Non-Significance.”

Mr. Aman requested that the board adopt the Lateral Restrictions Resolution that had been discussed at several previous meetings. After due discussion and deliberation, Mr. Humbert moved, Mr. Scudder seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Wayne County Water and Sewer Authority hereby adopts the Lateral Restrictions Policy in connection with the Regional Water Storage Tank Project in the form attached hereto and further authorizes and directs the filing of a copy thereof, certified by the Secretary of the Authority, as required by PAL §1199-ee(21).

Western Regional WWTP Feasibility Study Update

Mr. Aman reported that he attended a positive meeting with the project participants, representatives from the towns of Marion and Macedon and the Village of Palmyra, all of whom appear to be committed to the project. This week on Friday there will be a conference call with the EFC to discuss the use of the hardship funding obtained by Macedon. Mr. Howard advised a meeting with bond counsel to discuss the proposal that the Authority finance, own and operate the system and plant.

Port Bay Sewers Update

Mr. Aman reported that he has not heard officially if there had been a call for a referendum, so it appears the main construction contract can be awarded and the project could start in May of this year. The construction is anticipated to take at least a year and a half.

Village of Red Creek Water Operations

Mr. Monroe reported that under the management of Seth Galek, the operation has been running smoothly.

Miscellaneous Meetings Report

Mr. Aman reported he received an email from the Village of Fair Haven, which is proposing that the Authority purchase water for the small Ingersoll Drive Service Area directly from the village instead of through the Cayuga County Water and Sewer Authority. He will be attending a meeting on March 7 regarding the possible sale of the Butler Correctional Facility. The Authority owns wastewater treatment equipment at the facility that the Authority is obligated to sell as opposed to giving it away. Mr. Aman will begin discussions at the March 7 meeting.

Water Main Pipe Bid

Mr. Monroe reported that he had received seven bids for 32,000 feet of 8-inch water main pipe. Pipe prices have gone up substantially since late 2015, when the Authority last purchased pipe. The lowest responsible bidder is Core & Main (formerly HD Supply Waterworks) at \$6.65 per foot. He noted that the bid had excluded National Pipe, since in last year's Arcadia 12 project, using National Pipe, there had been three failed sections of pipe in a 300-foot stretch that required digging up front yards after restoration had been done. After due discussion and deliberation, Mr. Humbert moved, Mr. Hutteman seconded and all members present unanimously approved the following resolution:

WHEREAS, the Members of the Authority, in accordance with Article 8 of the Authority's Procurement Policy, make the following determinations: (i) the proposed awardee has been found to be responsible; (ii) the proposed awardee has complied with the Authority's Procurement Policy; (iii) the proposed awardee has disclosed all information required by the Authority's Procurement Policy; and (iv) the procurement process did not involve conduct that is prohibited by the Public Officers Law and the Authority's Procurement Policy.

THEREFORE, BE IT RESOLVED, that the bid be awarded to the lowest responsible bidder, Core & Main, for 32,000 linear feet of 8-inch water main pipe at \$6.65 per linear foot.

Monthly Report

Mr. Monroe presented a verbal monthly report. Most work being done is moving furniture and relocating staff, and focusing on leak detection. Leaks have been repaired in Sodus, Lyons and Marion, with one scheduled for repair the next day in Marion. General maintenance is continuing at the wastewater plants, and the crews are gearing up for the year's construction projects.

Personnel Discussion

At 5:25 p.m., after due discussion and deliberation, Mr. Hutteman moved, Mr. Scudder seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board adjourn into Executive Session for discussion with counsel about the employment history of particular persons.

At 5:37 p.m., after due discussion and deliberation, Mr. Hutteman moved, Mr. Humbert seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board return to Open Session.

There being no further business to come before it, upon a motion made by Mr. Humbert, seconded by Mr. Hutteman, the meeting was adjourned at 5:38 p.m.

Attachment: Lateral Restrictions Resolution/Policy

Respectfully submitted: _____
Demaris Verzulli, Secretary of the Meeting

**WAYNE COUNTY WATER AND SEWER AUTHORITY
REGIONAL WATER TANK PROJECT**

LATERAL RESTRICTIONS RESOLUTION

WHEREAS, the Wayne County Water And Sewer Authority (“Authority”) has developed plans for the construction of a two-three million gallon water storage tank on Brantling Hill Road in the Town of Arcadia as well as supporting water transmission improvements (collectively, the “Regional Water Storage Tank Improvement Project”) for the express purpose of improving water system reliability in the Towns of Arcadia, Sodus, Huron, Marion, Williamson and Lyons; and

WHEREAS, part of the land area needed for the project is located within Wayne County Agricultural District No. 1; and

WHEREAS, the Authority has filed a “Notice of Intent to Undertake an Action Within an Agricultural District” (“NOI”) to evaluate the impact of improving the reliability of the public water system within this area on lands within an agricultural district; and

WHEREAS, the New York State Department of Agriculture and Markets (“Department”) has expressed concern about the potential adverse impact that said public water system improvements could have on agriculture within the agricultural district,

NOW, THEREFORE, BE IT RESOLVED, that the Authority, in recognition of such concerns, hereby adopts the “Lateral Restriction - Conditions on Future Service” as recommended by the Department as follows:

Lateral Restriction - Conditions on Future Service

The Authority hereby imposes the following conditions on the management of the Authority’s water system located within the service area of the proposed Regional Water Storage Tank Improvement Project within an agricultural district, as shown on the map attached hereto as Exhibit “A”:

- (1) The only land and/or structures that will be allowed to connect to any portion of the Regional Water Storage Tank Improvement Project located within an agricultural district will be structures existing at the time of construction, future agricultural structures and land and structures that have already been approved for development by the local governing body prior to the filing of the NOI by the Authority.

Land and structures that have been approved for development refer to those properties/structures that have been brought before a local governing body where approval (e.g., subdivision, site plan, and special permit) is needed to move forward

with project plans and the governing body has approved the action. If no local approval is required for the subdivision of land and/or the construction of structures, the Authority accepts the limitation under Public Health Law §1115 that defines a "subdivision," in part, as "any tract of land which is divided into five or more parcels . . . for sale or for rent as residential lots or residential building plots" and determines that "a tract of land shall constitute a subdivision upon the sale, rental or offer for sale or lease of the fifth residential lot or residential building plot therefrom within any consecutive three year period ." Water service will not be extended to more than a total of four residences, buildings and/or structures on any tract of land which has been divided into parcels after the date of filing of the NOI where no local approval is required and the land is located within a Wayne County adopted, State certified agricultural district.

- (2) If a significant hardship can be shown by an existing resident, the lateral restriction to the resident's property may be removed by the Authority upon approval by the Department. It is the responsibility of the resident landowner to demonstrate that a hardship exists relative to his or her existing water supply system and clearly demonstrates the need for public water service. The Authority has developed a form of a hardship application that is to be completed by the resident landowner and must be filed with the Authority, approved by the Wayne County Department of Health, and agreed to by the Department. (A copy of such hardship application is attached hereto as Exhibit "B".
- (3) If it can be demonstrated to the Department's satisfaction that the landowner requested Wayne County to remove his or her land from an agricultural district at the time of district review and the Wayne County Board of Supervisors refused to do so, lateral restrictions may be removed by the Authority if the Department determines that the removal of the restriction for the subject parcel(s) would not have an unreasonably adverse effect on the agricultural district.
- (4) If land is removed from a Wayne County adopted, State certified agricultural district and the district has been reviewed by the Wayne County Board of Supervisors and certified by the Commissioner for modification, lateral restrictions imposed by the Authority are no longer in effect for the parcels of land that have been removed from the agricultural district.