

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

**Meeting of:** September 25, 2018

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

**Present:** LaVerne Blik, Jean Johnson, David Scudder, Dan LaGasse, Mark Humbert, William Hammond, Donald Ross, Lori Furguson

**Absent:** Robert Hutteman

**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 4:04 p.m.

**I. Chairman's Report**

Mr. Blik introduced Lori Furguson of Wolcott, the new board member filling the remainder of Rick Stevens' term.

**Adoption of Minutes:** Ms. Verzulli informed the board that Mr. Howard had suggested some changes to the wording of his report on the progress of the Western Regional WWTP Project. Ms. Johnson moved, Mr. Ross seconded, and all members present unanimously approved the following resolution:

RESOLVED, that the minutes of the August 28, 2018 meeting of the Wayne County Water and Sewer Authority be accepted with the suggested changes.

**Correspondence:** Mr. Aman reported that he had received an email from Senator Pam Helming in regard to the award of grants for the Western Regional WWTP and the Regional Water Storage Tank projects.

Mr. Humbert entered the meeting.

**II. Treasurer's Report**

Ms. Johnson presented the warrant and bills. Mr. LaGasse excused himself from the meeting prior to the discussion of the warrant.

Mr. Aman reported that Mr. LaGasse had provided written notice of a potential conflict of interest that had recently come to his attention with regard to the submission of an invoice for several small repairs that LaGasse Works had completed for the Lyons WWTP. Mr. Aman noted that LaGasse Works had developed specialized knowledge and expertise and had previously performed similar work prior to the lease of the treatment plant to the Authority, including fabrication of one of the parts that was recently repaired.

Mr. Howard advised that under the Authority's Code of Ethics, an interested Director (or employee) with a conflict of interest (or the appearance of a conflict of interest) is required to disclose the existence of the conflict (as Mr. LaGasse has done) and to abstain from participating in either Board deliberation or voting on the matter giving rise to the conflict. Under the Authority's code, a conflict of interest exists where the financial or personal interests (whether direct or indirect) of a Director or employee come into actual or perceived conflict with his/her fiduciary duty to the Authority, including situations in which a Director or employee has a financial interest in a transaction, agreement of any other arrangement in which the Authority participates. In addition, language in the Authority's enabling legislation confirms that neither a board member nor an employee should have interest in a contract with the Authority.

Following discussion, there was a consensus to pay this invoice but prevent further work requests being sent to any company in which a Director or employee has a direct or indirect personal or financial interest, unless reviewed and approved in advance by the Authority's Ethics Officer and Governance Committee, with advice of counsel. Mr. Scudder moved, Mr. Ross 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 18-1407 to 18-1552 totaling \$357,247.94.

Mr. LaGasse rejoined the meeting. Ms. Johnson presented the Financial Statements for the month of August.

After due discussion and deliberation, Mr. Hammond 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 August 2018 be approved and accepted.

### **III. Agenda Items**

#### **Set Finance Committee Date**

The Finance Committee meets in October several days before the regular board meeting to review the annual budget and fee schedules. After due discussion and deliberation, Mr. Humbert moved, Mr. LaGasse seconded and all members present unanimously approved the following resolution:

RESOLVED, that a meeting of the Finance Committee be scheduled at 9 a.m. on Friday, October 19, 2018.

#### **Set Audit Committee Date**

The Audit Committee normally meets in October ahead of the board meeting, to review the Annual Report of Water and Sewer Operations prepared by MRB Group in compliance with the Authority's bond requirements, to review the Statement of Forecasted Sources and Uses of Cash report, and to discuss the proposals from the Authority's auditor, Raymond F. Wager, CPA, for the 2019 audit. After due discussion and deliberation, Mr. Scudder moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that a meeting of the Audit Committee be scheduled at 3:30 p.m. on Tuesday, October 23, 2018, ahead of the regular Board meeting.

### **Eastern Regional WWTP**

Mr. Ceratt reported that the roofing project is nearing completion with only the snow guards remaining to be installed. The on-site inspection is pending. On the new overhead projector, he displayed several photographs of the new roofs on the buildings for the board.

### **Western Regional WWTP Project Update**

Mr. Aman reported that he and Mr. Howard had met the day before with attorneys David Falvio and Art Williams to review the draft IMA, which Mr. Howard presented to the board. Mr. Howard expects to have the IMA finalized and distributed to the board members before the October meeting, along with a revised schedule of events. Mr. Aman expects the involved parties to be approving the IMA at their respective October meetings. Mr. Howard reported that he is also working on a control agreement that ties together the existing agreements the Authority has with the Town of Macedon and Village of Palmyra regarding the operation of their existing plants. Mr. Howard described the structure of the transaction whereby the Authority would provide a service and the towns and village would pay for that service by charging the users in a fashion that would allow a relevy of the capital cost component of the service fee to the county if not paid. The assurance of payment by the county with its good credit rating is the guarantee that the bonds can be issued at a favorable rate and the debt would be paid. This is a new type of arrangement for some of the participants but progress has been made in getting them comfortable with the structure with the support of bond counsel. Mr. Howard also noted that there will be a companion agreement between the Town and Village of Palmyra regarding the town residents who utilize the village wastewater collection and treatment system.

### **Regional Water Storage Tank Update**

Mr. Aman reported that the WWTP project has consumed so much time recently, not a lot of time has been able to be spent on the storage tank project, but he has continued to be in touch with Charles Schachter, the Authority's bond counsel and will have a report at the next meeting.

### **Non-Revenue Water Analysis/Audit Response**

Mr. Aman reported that at the TIFFT Symposium he recently attended, he saw a presentation by a Georgia company, Cavanaugh & Associates, about its analysis of a large amount of non-revenue water in Asheville, NC. He was impressed with the presentation and spent some time talking with Steve Cavanaugh about the Authority's system and challenges in assessing and controlling the amount of non-revenue water. Mr. Cavanaugh made a proposal for a Phase 1 service, basically gathering of data, examining the validity of the data collection variables, and running statistical analyses. This would be at a cost of \$26,500. Mr. Aman would like to put an allowance in the 2019 budget for such a project. Further phases would examine such things as the economic feasibility of rigorous leak detection, evaluation of current practices and design of a water loss management program.

### **Update on Building Expansion**

Mr. Ceratt urged the board members to look at the signage on the building, with which he is very pleased. He reported that the fire departments will be taking a tour of the building to familiarize them with the layout. He is working with the Code Enforcement Officer to define room occupancies. The Authority is still holding the retainage funds.

### **Port Bay Sewers Update**

Ms. Ferguson reported that the project is moving along and MRB Group, the engineers, are pleased but she feels it may be a bit behind schedule. Mr. Monroe reported that a grinder pump installation class for all the parties involved has been scheduled with Siewert Equipment, the supplier. Mr. Aman reported on Phase 2 of the project, the installation of an equalization tank and additional pump at the Wolcott pump station/former treatment plant. Authorization to do this work has been approved and by the end of next year it should be completed and on line.

### **Miscellaneous Water Projects**

Mr. Aman reported that he had just signed the substantial completion document for the South Geneva Road project. Mr. Monroe projected a map of the Sodus Water District 11 project and reported that almost 12,000 feet have been installed, with about half of that awaiting water test results and the balance ready to start testing. The crew will move to another area until the drilling contractor completes the drill under Salmon Creek. The crew expects to encounter rock near Joy Road and will rent an excavator with a rock hammer if needed.

Mr. Scudder inquired about the culvert replacements the county is doing in Huron. Mr. Aman described the difficult search for the PVC water main that replaced a ductile section under third Creek; it was eventually determined that the PVC was not likely to be in the way of the culvert work.

Mr. Aman reminded the board that Arcadia supervisor Chuck Verkey is pushing for a November start on the Arcadia Water District 17 project and Mr. Monroe is preparing to go to bid for the materials. There are other future construction projects: Huron held a public meeting for a district including North Huron and Lummisville Roads, which they will establish by petition, an additional Huron district, and a Wadsworth Road project in Wolcott.

### **CGI Video Discussion**

Mr. Ceratt reported that the video shoot was completed on August 30 and the first edit copy will be available in October. It may be possible to include the new building signage in the video although it was installed a day late.

### **Village of Red Creek Water Operations**

Mr. Monroe reported that some repairs are scheduled for this week and the monitoring and audit for the automatic chlorine feed at the well house will be installed as well.

### **Miscellaneous Meetings Report**

Mr. Aman reported that he met in Arcadia about a future water district 16, and Mr. Howard reported on upcoming meetings with the financial advisors and NYMIR the insurance carrier about the new projects that are starting.

### **Employee Handbook Review**

Mr. Aman reported that Scott Mooney of Boylan, Code is working on updating the employee handbook and should be ready for the board to accept at the November or December meeting. A draft was sent to the board members and Mr. Aman asked them to review it. The handbook needs to be updated with changes in laws and the increased focus on social media. The plan is to distribute it to all employees in January, 2019.

**Monthly Operations Report**

Mr. Monroe gave a verbal report. Construction remains the focus with two crews working on the Sodus water projects. One crew breaks off to install water services as needed. There were a couple of service leaks repaired and the 6" water main installation on Kent Street in the Village of Palmyra was completed in a joint project with the Town. Sometime has been spent on exploring asset management software. Mr. Ceratt reported that the fuel management system is working well. Mr. Scudder would like to consider including funds for commodity bins in the 2019 budget.

**Audit Committee**

Mr. Aman noted that Rick Stevens had been a member of the Audit Committee, and Ms. Furguson, having been appointed to finish his term, should be appointed to the Audit Committee. After due discussion and deliberation, Mr. Scudder moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that Lori Furguson be appointed as a member of the Audit Committee of the Wayne County Water and Sewer Authority.

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

Respectfully submitted: Demaris Verzulli  
Demaris Verzulli, Secretary of the Meeting

