

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

Meeting of: January 26, 2016

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

Present: David Lyon, Raymond Walvoord, Jean Johnson, LaVerne Blied, Mark Graf, David Scudder, Dan LaGasse

Absent: Rick Stevens, Robert Hutteman

Advisors Present: Michael Howard, Boylan Code

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)

Visitors: None

Chairman David Lyon called the meeting to order at 4:00 p.m.

I. Election of Officers: Mr. Lyon turned the meeting over to Mr. Howard for the annual election of officers.

Mr. Howard asked for a motion to extend the terms of office of the current officers for one year. Mr. Scudder moved, Mr. LaGasse seconded, and all members present unanimously approved the following resolution:

RESOLVED, that the terms of office of the current officers David Lyon, Chairman; Raymond Walvoord, Vice Chairman; Jean Johnson, Treasurer; Laverne Blied, Secretary be extended for one year.

Mr. Howard then turned the meeting over to the Chairman, Mr. Lyon.

II. Chairman's Report

Adoption of Minutes: Mr. Walvoord moved, Mr. Blied seconded and all members present, except Mr. LaGasse, who abstained, approved the following resolution:

RESOLVED, that the minutes of the December 22, 2016 meeting of the Wayne County Water and Sewer Authority be accepted with no changes.

Correspondence: None

Designate WA Official Newspapers for 2016

It was agreed that the Authority will continue in 2016 to use The Times of Wayne County and Lakeshore News as the legal papers for the Authority. Mr. Blied moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Wayne County Water & Sewer Authority is directed to designate the legal papers as the Times of Wayne County and the Lakeshore News for the year 2016. Ms. VanDame is to be directed to notify the papers and place an ad to notify the public.

2016 Meeting Schedule

Mr. Lyon asked all members what their preference was for the regular Board meetings for the upcoming year. All members present agreed to keep the 4th Tuesday of each month at 4:00 p.m. for the scheduled meetings. Mr. LaGasse moved, Mr. Scudder seconded and all members present unanimously approved the following resolution:

RESOLVED, that the regular Board meetings of the Wayne County Water & Sewer Authority will take place on the 4th Tuesday of each month at 4:00 p.m. Ms. VanDame is to be directed to notify the public with an ad in the legal papers.

Mr. Graf entered the meeting.

Discuss Committees & Committee Assignments

Mr. Lyon reviewed the committees of the Authority for Mr. LaGasse. Mr. Aman reminded the board that there is still a vacancy on the Governance Committee. After due discussion and deliberation, Mr. Blik moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that Dan LaGasse be appointed to the Governance Committee.

After due discussion and deliberation, Mr. Blik moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that the memberships of the board members in the Audit, Finance and Governance Committees be extended for one year.

Review/Adopt Engineering Services Rate Schedule

Mr. Aman presented to the Board the Standard Hourly Rate Schedule from MRB Group, the Authority's engineering firm. After reviewing the schedule, Mr. Blik moved, Mr. Graf seconded and all members present unanimously approved the following resolution:

WHEREAS, the Authority has determined that it is in the best interest of the Authority to continue its engagement of the firm of MRB | group, Engineering, Architectural, Surveying, P.C. ("MRB Group") for engineering consulting it is therefore

RESOLVED, that the Executive Director of the Authority is hereby authorized and directed to accept the Standard Hourly Rate Schedule (a copy of which is attached hereto) providing for engineering services for 2016 with MRB Group as engineering consultants to the Authority.

Review/Adopt Legal Services Agreement

Mr. Aman presented the board with a letter clarifying and confirming the terms and conditions of Boylan Code's engagement as legal counsel to the Authority. After due discussion and deliberation, Mr. Scudder moved, Mr. Walvoord seconded and all members present unanimously approved the following resolution:

WHEREAS, the Authority recognizes the need to enter into written agreements for professional services including those of its legal counsel in order to determine the applicable contract period, the services to be provided and the basis for compensation of those services; and

WHEREAS, the Authority has determined that it is in the best interest of the Authority to continue and renew its contract with the firm of Boylan Code, LLP on the terms set forth in the Retainer Agreement (a copy of which is attached hereto); it is therefore

RESOLVED, that the Executive Director of the Authority is hereby authorized and directed to execute the Retainer Agreement providing for legal services for 2016 with Boylan Code, LLP as General Counsel to the Authority.

Review/Adopt Systems Integrator Services Proposal

Mr. Aman presented to the Board a Services Proposal from Colacino Industries (Newark Electric), the Authority's designated professional SCADA/control system service provider, for related maintenance services. After due discussion and deliberation, Mr. Bliet moved, Mr. Scudder seconded and all members present unanimously approved the following resolution:

WHEREAS, the Authority has determined that it is in the best interest of the Authority to continue its engagement of the firm of Colacino Industries as SCADA/control system service provider, including related maintenance services, it is therefore

RESOLVED, that the Executive Director of the Authority is hereby authorized and directed to accept the 2016 Services Proposal, including hourly rates (a copy of which is attached hereto) from Colacino Industries for miscellaneous SCADA maintenance services.

Review/Adopt New Water Service Application and Associated Fees

Mr. Aman presented an updated rate schedule for water service application fees for various sizes of services and meters. Specific Marion water projects begun in the years 2014 – 2016 will be exempted from the increased rates for a specified period of time. After due discussion and deliberation, Mr. LaGasse moved, Mr. Walvoord seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board adopt the schedule of Application Fees for Water Authority Customers, effective January 1, 2016, with specific exemptions for Town of Marion projects that began in the years 2014 – 2016, copy attached.

III. Treasurer's Report

Ms. Johnson presented the warrant and bills.

After due discussion and deliberation, Mr. Scudder moved, Mr. Graf 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 16-01 to 16-149 totaling \$341,201.36.

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

RESOLVED, that the Wayne County Water and Sewer Authority's Monthly Financial Statements for December 2015 be approved and accepted.

Adopt Schedule A

At 4:38 p.m., after due discussion and deliberation, Mr. Walvoord 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 salaries of particular persons.

At 4:49 p.m., after due discussion and deliberation, Mr. Scudder moved, Mr. Bliet seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board return to Open Session.

Mr. Scudder moved, Mr. Walvoord seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board adopt Schedule A, the Authority salary schedule for 2016, a copy of which shall be placed on file in the office of the Executive Director.

IV. Agenda Items

Finance Committee Report

Mr. Lyon, Chairman of the Finance Committee, reported on the meeting of the Committee and described the resolution the Committee recommends that the Board make for the Investment Guidelines, to which no changes were necessary at this time. After due discussion and deliberation, Ms. Johnson moved, Mr. LaGasse 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 current 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. Lyon reported that there were no changes to the Procurement Policy. After due discussion and deliberation, Mr. Bliet moved, Mr. Graf 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.

Audit Committee Report

Mr. Bliet, Chairman of the Audit Committee, reported on the meeting of the Committee wherein Michael DeBadts from the office of Raymond F. Wager, CPA described the procedures that will be used for the Authority's 2015 audit. After due discussion and deliberation, Mr. Walvoord moved, Ms. Johnson seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Board accept the report of the Chairman of the Audit Committee.

Marion Water Projects

Mr. Aman reported that the pipe for the Marion Southeast Quadrant Project and stock for 2017 projects is being delivered. Heavy plastic has been purchased to cover the pipe stockpiled for 2017 so that it will not bleach. Although the supplier has advised that faded color does not affect the quality of the pipe, the appearance is important for customer confidence during installation. Each piece of pipe is covered on each end to ensure cleanliness during transportation and storage. Mr. Monroe is reviewing the plans and expects to go to bid for the appurtenances soon.

Mr. Aman reported that the North Main Street water main replacement project has begun with pipe having been installed across the road. The goal is to complete the crossing of Stanton AG Services' parking lot at 3393 North Main Street before spring. Mr. Monroe will meet with Mr. Bliet to update him on the project.

Blind Sodus Bay Sewers Update

Mr. Aman reported that the project is up and running but he doesn't expect a lot of hook-up activity until spring.

Port Bay Sewers Update

Mr. Aman reported he and Mr. Lyon met with Lynn Chatfield, the new supervisor of Wolcott, and found him to be supportive of the project and moving key decisions through the Wolcott board. He and Mr. Howard have met with the attorneys of both Wolcott and Huron to discuss the three contracts that must be executed. The first is the Facilities Agreement between the towns and the Authority regarding funding, responsibility for administrative work, cost sharing and other matters. He hopes to be able to recover some of the Authority's legal expenses. Although the Board previously authorized him to sign this contract, work on the two operating agreements caused some minor language changes to the Facilities Agreement. Huron and Wolcott will be holding hearings on their respective operating agreements on February 2. After due discussion and deliberation, Mr. Walvoord moved, Mr. LaGasse seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Executive Director be authorized to sign the revised Facilities Agreement and the Operating Agreements with the Town of Huron and the Town of Wolcott, contingent on the approval of the Authority's attorney Michael Howard.

Canandaigua Road Bridge Replacement Project

Mr. Monroe reported that the connection of the water main to the directional drill under the canal was completed the day before, but the pipe has not been watered up yet. During the next warm spell the crew will pressure test and disinfect the line all the way north to Quaker Road. This portion of main has not been in use for approximately fifteen years due to the broken section beneath the canal. This crossing is important for redundancy, since it is one of only three in Macedon and it is in a good location for moving water in the area between the two Macedon water tanks.

Town of Lyons Update

Mr. Aman reported that the town assisted in moving former village records in over 50 boxes to the town hall basement where they can be sorted out. He is planning on applying for a records management grant to help with this serious storage situation. Hopefully the dissolution aspect of the situation will give the Authority's application more substance. Repairs continue to be frequent; the gradual replacement of water mains will begin as the town applies for grants. Soon the staff will be able to get on line to obtain water meter readings daily with the Badger Beacon system and customer leaks may be able to be detected more quickly. A drop box for customers to use for payments has been installed at Dobbins Drugs in Lyons and this is working out well.

Village of Wolcott Sewers and Water

Mr. Aman reported that sewage flows from the village are up with the recent wet weather. He still hopes to meet with the village to examine the as-built plans for the treatment plant conversion. Mr. Aman reminded the board that the village attorney had notified the Authority that the village does not intend to renew the contract to supply water to the Authority when it expires in 2017. The current contract specifies that the village will sell surplus water, and thus the mayor is unwilling to run the water plant outside of normal operating conditions if the Authority is in need of extra water. This situation occurred when Kreher's Eggs had a leak and used over a hundred thousand gallons one weekend. It was necessary to open valves and take supplemental water from the Town of Rose. In the second week of February a meeting is planned with the Town of Sodus, Arcadia, Lyons, Ontario, Williamson and Marion to discuss the possibility of a regional water storage tank in a central location near Brantling Hill. This would help make it possible to more easily supply water from western suppliers to the eastern part of the county.

Town/Village of Macedon Update

Mr. Aman reported that there were enough signatures obtained to force a second vote on dissolution of the village. This will happen at the March 15 general election, where a mayor will also be elected. Mr. Aman also reported that the Environmental Facilities Corporation (EFC), which has offered a \$7 million no-interest hardship loan to the village and town for upgrading the wastewater plant, requested a phone conference with the involved parties to ascertain what progress has been made on this project. It was not possible to schedule a time when all parties would consent to meet. Mr. Aman feels time is of the essence if the town and village are not to lose the opportunity for the EFC funding. Discussion ensued. Mr. Howard suggested that the board approve the contract with the commencement date pushed back to June 1, 2016 from April 1. After due discussion and deliberation, Mr. Scudder moved, Mr. Blied seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Executive Director be authorized to sign the revised Lease Agreement by and among the Wayne County Water and Sewer Authority, the Town of Macedon and the Village of Macedon, contingent upon (i) revision of the Commencement Date to June 1, 2016; (ii) execution of the Agreement by a majority of the Boards of the Town and the Village on or before February 25, 2016; (iii) receipt by the Authority on or before April 1, 2016 of information from the Town and the Village necessary for the Authority to complete the Exhibits to the Agreement, set rates and establish the Funding Thresholds for capital improvements; and (iv) the approval of the Authority's attorney Michael Howard.

Copies of the Agreement will be sent to each town councilman and village trustee. Mr. Aman will schedule a meeting with town and village representatives to review the checklist of Authority talking points and required information.

Monthly Report

Mr. Monroe presented his monthly report. As reported previously, the operations crews have started work on the North Main Street water main replacement in Marion and completed the connection to the directional drill under the canal on Canandaigua Road. At the Regional Plant, the operators have constructed a repair bench to use in repairing the E-One sewer pumps in-house instead of sending them to Siewert Equipment. SPDES permits for the Regional Plant and Lyons plant have been submitted for renewal. In the Village of Palmyra, a leak in the wet well at the wastewater plant has been sealed. The operators continue to work with MRB on the corrosion control necessitated by the high corrosiveness of Canandaigua Lake water. Ten new residential water services were installed and six water service applications made. A water main bell joint and a service saddle were replaced in Marion, and two services and a leaking valve were repaired in Lyons.

There being no further business, upon a motion by Mr. Bliet, seconded by Mr. LaGasse, the meeting was adjourned at 6:13 p.m.

Attachments to these minutes:

1. MRB Group Standard Hourly Rate Schedule for 2016
2. Letter from Boylan Code clarifying and confirming the terms and conditions of Boylan Code's engagement as legal counsel to the Authority for 2016
3. Colacino Industries Services Proposal for 2016
4. Schedule of Water Service Application Fees for Water Authority Customers

Action Items:

1. Publish notice of Authority's legal newspapers
2. Publish notice of Authority's meeting schedule

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