

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

Meeting of: March 22, 2016

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

Present: David Lyon, Jean Johnson, LaVerne Blied, Mark Graf, Robert Hutteman, David Scudder, Dan LaGasse

Absent: Raymond Walvoord, Rick Stevens

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 4:10 p.m.

I. Chairman's Report

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

RESOLVED, that the minutes of the February 23, 2016 meeting of the Wayne County Water and Sewer Authority be accepted with no changes.

Correspondence: None

II. 2015 Year End Financial Reports

Mr. Blied reported that the Audit Committee had reviewed the 2015 Financial Statements with Thomas Lauffer of Raymond F. Wager CPA and recommends that the Board accept the Statements. Mr. Scudder requested that the Corrective Action Plan be added to the agenda for the next board meeting. After due discussion and deliberation, Mr. Scudder moved, Mr. Hutteman seconded and all members present unanimously approved the following resolution:

RESOLVED, to accept the recommendation of the Audit Committee and approve the 2015 Financial Statements, including the Executive Summary and the Internal Control Communication as prepared by Raymond F. Wager CPA, and following such approval and certification by the Chief Executive Officer/Chief Financial Officer of the Authority, such documents be filed with the Authority Budget Office and other designated recipients as required by the Public Authorities Accountability Act.

III. Treasurer's Report

Ms. Johnson presented the warrant and bills.

Mr. Graf left the meeting.

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: Water Authority Operational – (includes all) vouchers 16-280 to 16-414 totaling \$366,023.95.

Ms. Johnson presented the Financial Statements for the month of February. Ms. LaDelfa described the new format for the reports. After due discussion and deliberation, Mr. Hutteman moved, Mr. Blik seconded and all members present unanimously approved the following resolution:

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

IV. Agenda Items

Marion Water Project – North Main Street Water Main Replacement

Mr. Monroe reported that the good weather has permitted fast progress on the project. The main has been replaced up to the pressure regulating vault, and the main from the south to the creek crossing has been pressure tested and samples have been taken. Door hangers were distributed notifying the forty-five customers that their services will be transferred to the new main soon and they should consider replacing the private part of the service at this time. The transfer work may start the first week of April.

Marion Water Project – Southeast Quadrant Project

Mr. Aman reported that the Department of Health has not yet approved the Southeast Quadrant project, but it is hoped that will be received by the beginning of May. Mr. Monroe reported that four bids were received for the directional drilling in the project, with Turner Underground the apparent low bidder. After due discussion and deliberation, Mr. Scudder 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 pending Department of Health approval of the project, the bid for Directional Drilling for the Marion Southeast Quadrant Project be awarded to the lowest responsible bidder, Turner Underground Installations of Henrietta for the price of \$52.00 per foot to bore and pull back approximately 1,545 linear feet of 8" HDPE in earth and for the price of \$165.00 per foot to bore and pull back 8" HDPE in rock, should that be necessary, for an assumed total of \$80,340.00

Mr. Aman reported that because the USDA requires it, the Authority has been dealing with Van Parys Associates for performance bonds. They give the Authority a preferred rate, but because this is a big project the cost will be approximately \$14,000. The construction proposal has not been submitted to the Town of Marion yet since the DOH has not yet approved the project. There will be other contract documents to be signed and hopefully this will happen before the next board meeting. After due discussion and deliberation, Mr. Hutteman moved, Mr. Scudder seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Executive Director be authorized to prepare a construction proposal and enter into and sign the documents for an agreement with the Town of Marion for the construction of the Marion Southeast Quadrant Project; and be it further

RESOLVED, that the Executive Director be authorized to execute any bonds, sureties or other documents as required for this project, pending approval of such documents by the Authority attorney Michael Howard.

Port Bay Sewers Update

Mr. Aman reported that there is nothing to report about this project this month.

Canandaigua Road Bridge Project - Macedon

Mr. Aman reported that in watering up the section of main north of the canal under the CSX railroad tracks, a leak was discovered under the tracks. This main had been out of service for years and has no customers attached to it. The main is in a casing under the tracks, so for the leak to surface in the middle, both the main and the casing would need to be compromised. The material of the main and casing is unknown. The Authority may need a permit from CSX, but allegedly CSX is proactive about doing this replacement and hopefully will expedite a permit since the leak is under the tracks. CSX may require that any abandoned main be filled. If the main is bored twenty feet under the tracks, a casing will not be required. Test borings for the bridge project found no hard substrate; that ground is muck and marl, and there is no reason to believe under the tracks is any different. With three tracks with a gap between two through tracks and a spur, and a steep slope, the entire length of a bore could be about 300 feet. This may be the prudent way to go, with 12-inch pipe as under the canal. If there is a problem in the future, a smaller pipe can be slipped through the 12-inch. Mr. Monroe is in the process of getting estimates from the drilling contractors for a replacement. Their business is slow now and he is getting good numbers. After due discussion and deliberation, Mr. Scudder moved, Mr. LaGasse seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Director of Operations be authorized to contract with a directional drill contractor to replace the water main on Canandaigua Road underneath the CSX railroad tracks, at an expense not to exceed \$34,000.

Town of Lyons Update

Mr. Aman reported that since the past board meeting, it was decided that there was not enough time to prepare an acceptable records grant application. Therefore, staff has been slowly going through the boxes of records from Lyons. Next year might be a better time to apply for a multi-community grant with Macedon included. He also reported that there have been several water main repairs made in the former village and some progress is being made. One of the new trucks purchased has gone to Lyons to be a service truck with a plow. Tools have been furnished within budgeted amounts. Todd Guerin has been training Tom Gowan in leak detection. Mr. Aman would like to set up a meeting on March 28 with Supervisor Brian Manktelow to discuss updates to the wastewater treatment plan, including the SCADA.

Village of Wolcott Sewers Update

Mr. Aman reported he and Mr. Lyon had a meeting with the Mayor and the Village Board, the first meeting to include the board members. The mayor has continued to maintain that the cost of producing water is higher than the rate the Authority is paying. Mr. Aman would like to offer a

temporary nominal rate increase of ten cents per thousand, to be revisited after one year and attendant upon increased cooperation on the current and pending sewer projects. After due discussion and deliberation, Mr. Bliet moved, Mr. Hutteman seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Executive Director be authorized to offer a one-year, ten cent per thousand increase in the water rate paid to the Village of Wolcott by the WCWSA, effective March 1, 2016, such increase to be offered in the form of a letter, not an amendment of the current Amended and Restated Water Supply Agreement.

Town/Village of Macedon Update

Mr. Aman reported that at the election held March 15, the Village dissolution plan was approved and a new mayor, Bill Murray, was elected. Since then he and Mr. Lyon have had a meeting with town and village board members. Since the village signed the operations contract on March 9, past the "drop dead" date of February 25, the contract is probably not valid as executed. The different ways of addressing this were discussed. Time is of the essence because there is an April 15 deadline for parties to apply for a 25% grant to be applied against the \$7 million 0% loan from the Environmental Facilities Corporation (EFC) to upgrade the Wastewater Treatment Facility. Mr. Aman and Mr. Howard would like to be able to move quickly on re-signing the operations contract for this reason. After due discussion and deliberation, Mr. Scudder moved, Mr. Bliet seconded and all members present unanimously approved the following resolution:

RESOLVED, that the Executive Director be authorized to re-sign the amended and re-dated operations contract with the Town and Village of Macedon, pending attorney Michael Howard's approval.

Mr. Aman also reported that the capital charge, intended to be included on the January tax bills, would probably need to be included on usage bills for the balance of 2016. These bills may have to be issued using the Village billing system, as was done in Lyons. He also reported that the village opened bids on the water main replacement project for Route 31 (Main Street) and some side streets. The bids were favorable and the contractor, D. E. Tarolli, is a good one. The project includes replacing many of the water services from the main to the property line, a timely decision given that there may be some lead lines. Since the main will be upsized to 12-inch, the Department of Health is examining the possibility of decommissioning the village water tank, which may have interior leaded paint and/or primer.

Mr. Aman reminded the board that the operations contract pending now only pertains to the sewer system and treatment plant. When the village is dissolved and the water system belongs to the town, it may be practical to make an addendum to the town lease to include the (former) village system.

Sewer Use Rules

Mr. Aman reported that Mr. Howard is making progress on these rules and has a good working draft. MRB Group has taken the lead on significant industrial user (SIU) permits. Mr. Howard reiterated that there will be one set of rules and each SIU will be covered by a rider or annex to the rules, thus making it very flexible. Three SIU permits need to be updated almost immediately.

Regional Water Tank Update

Mr. Aman reported that he is preparing for a second Regional Water Tank meeting on April 8 with representatives from the Towns of Ontario, Williamson, Lyons, Arcadia, Marion and Sodus. David Doyle of MRB has submitted a proposal for an analysis on tank sizing, location, cost sharing and an associated hydraulic analysis. As this is an expensive project and the last time a regional tank was

discussed the discussion was dropped, Mr. Aman will wait to see how the towns want to take action before he brings this proposal to the board. There would be a formula for sharing the cost, probably based on customer numbers. Mr. Aman also reported that Livingston County Water and Sewer Authority has requested Rural Development to amend its policy of not allowing authorities to apply for funding. He had a meeting with RD last week and submitted information toward this end. It may be possible to obtain funding directly from RD and have the towns involved collect and remit to the Authority their share of the project debt. The USDA is favorable toward the idea of a regional tank. Mr. Aman also reported that he and the supervisors of Ontario, Williamson and Sodus had a meeting with the Monroe County Water Authority (MCWA) to discuss MCWA's purpose for building the large water plant just over the county line. MCWA representatives reasserted their purpose of building the plant on land it has owned since the 1950's to balance the MCWA system. MCWA cannot come into Wayne County without the permission of the Authority and/or towns and the county board of supervisors, but surplus water is available if needed. This discussion assuaged the concerns of the Ontario and Williamson supervisors.

Lead Testing in Schools Discussion

Mr. Aman reported that although the Authority does not currently test water in schools, he has visited all the schools in the Authority's service area to discuss the current focus on lead in water in school buildings. He will recommend to these schools to get proposals from some area laboratories for sampling. The Authority will not be in the chain of custody or take samples. The level of lead in the water the Authority purchases and supplies is below the maximum contaminant level; lead in the schools is likely caused by lead in the plumbing leaching into the water in the buildings. Mr. Scudder suggested that a sheet of talking points be developed so that the Authority will be ready in case customers have questions. Mr. Aman has such a document from AWWA. Very few people have called about this issue.

Monthly Report

Mr. Monroe presented his monthly report. The staff at the Regional Plant has made a lot of repairs to E-One pumps. A lot of sewer infiltration and inflow was detected as the snow melted, and corrective actions have been set in motion. In preparation for the Port Bay sewer project, a Solar Bee bubbler mixing system has been installed in the Furnace Road pump station wet well for a free 90-day trial in keeping grease and oil in suspension so it can be pumped out of the wet well and doesn't build up on the surface. In the Village of Palmyra, he and the plant operators met with the mayor and a trustee and made the decision to install a new distribution pump in the water plant. It was a slow month for installations (2) and repairs (4), all in the western service area.

Mr. Scudder suggested that some action be taken to formally end the investigation into solar installations proposed by Ram Shrivastava.

There being no further business to come before it, upon a motion by Ms. Johnson, seconded by Mr. Hutteman, the meeting was adjourned at 6:07 p.m.

Attachments to these minutes:

2015 Financial Statements, Executive Summary and Internal Control Communication

Respectfully submitted:

Demaris Verzulli, Secretary of the Meeting