

**Meeting Minutes of the  
Audit Committee  
Onondaga County Water Authority  
April 14, 2010**

A meeting of the Audit Committee of the Board of the Onondaga County Water Authority convened on April 14, 2010 at 12:45 pm at the office of the Authority located at 200 Northern Concourse, Town of Salina, New York. Present were the following Committee Members:

Ferdinand L. Picardi, Chairperson  
Robert F. Tomeny  
Eileen Gilligan  
Susan Miller

Ferdinand L. Picardi served as Chairperson of the Meeting.

Also in attendance were the following staff persons:

Michael E. Hooker, Executive Director  
Anthony J. Geiss, Jr., Deputy Executive Director  
Terry R. Pickard, Legal Counsel  
Laurie Khazadian, HR Administrator  
Geoffrey G. Miller, Executive Engineer  
Curtis R. Marvin, Finance Department

Laurie Khazadian served as Secretary for the Committee.

Mr. Picardi introduced Mr. Marvin who reviewed the Quarterly Investment Report for the period ending March 31, 2010. Among other things, Mr. Marvin noted the following:

1. Portfolio increased by \$1.9 million due to increase in Debt Service Reserve
2. Funds invested in US Treasuries
3. Average yield increased by 7/100<sup>th</sup> of one percent

Mr. Marvin then reviewed the 2009 Procurement Report for the Board. This includes a list of vendor contracts for 2009 reported to the NYS ABO.

The Chairman noted that OCWA has a new Procurement Policy in effect.

It was also noted that of the four large water authorities in New York State, only OCWA is filing this report.

On motion made by Mr. Tomeny, seconded by Ms. Miller, the Quarterly Investment Report for the period ending March 31, 2010, and the 2009 Procurement Report was approved and recommended to the full Board.

Mr. Marvin indicated that Demody, Burke & Brown reported that it would provide auditing services for Federal ARRA funds in connection with the Western Reservoir Project for a cost of between \$5,000 and \$6,500. On motion made by Mr. Tomeny, seconded by Ms. Miller, it was unanimously resolved that Demody, Burke & Brown be authorized to proceed with the federal audit.

Mr. Marvin indicated that he has received a recommendation from Key Bank to call and refinance certain 2001 bonds, approximately \$5,000,000 of which are outstanding. Due to lower interest rates, approximately \$50,000 per year could be saved. In addition, Mr. Hooker requested that if there is a new issue, then an additional \$1.6 million be added to the issuance for the Northern Concourse roof and siding. Mr. Marvin noted that Fiscal Advisors and Hiscock & Barclay had acted of behalf of OCWA in the 2001 bond issue and recommended that they be retained to work on the refinancing project.

Thereupon, on motion duly made by Mr. Tomeny and seconded by Ms. Miller, it was approved (three in favor, one sustaining):

It was resolved that the Authority waive the provisions of the Procurement Policy regarding Request for Proposals for Professional Services in this matter; and it was further

Resolved, that the Executive Director be authorized to enter into contracts with Fiscal Advisors and Hiscock & Barclay on terms to be negotiated by the Executive Director; and it was further

Resolved, that the Authority move forward with the preparation of a Request for Proposals for underwriting services.

Mr. Picardi disclosed for the record that he retired from the law firm of Hiscock & Barclay, and will excuse himself from the vote.

There being no further business to come before the Audit Committee, the meeting was adjourned at 1:45 pm.

Respectfully submitted

April 14, 2010

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Laurie Khanzadian  
Acting Secretary