

DRAFT

The Onondaga County Water Authority met in regular session on November 18, 2009. Members of the Authority present were R. Tomeny, F. Picardi, C. Incaudo and W. Simmons.

Others present: M. Hooker, A. Geiss, T. Pickard, L. Khanzadian, and G. Miller.

I. R. Tomeny called the meeting to order at 12:35pm.

II. Minutes of the meeting of October 29, 2009 were approved by all Members on Motion by F. Picardi, duly seconded by C. Incaudo.

III. M. HOOKER REPORTED:

- Reviewed his Executive Director's report.
- Reported a correction, made to previous production reports for 2009 due to an over reporting error with Southern Branch water usage, which resulted in an increase in our metered ratio.
- Reported that the Village of Marcellus has not yet voted on the lease. In addition, the Village has raised new items for review, specifically asked to maintain their own hydrants, questioned the cost of water to be used at their sewer plant, and the replacement of the watermain on Reed Street. Reviewed for the Board, the pricing for wholesale water vs. retail water. Following the discussion it was concluded that negotiations will continue and OCWA will offer payment for 50 % of the replacement of the watermain on Reed Street. If this is acceptable a lease agreement will be developed. In the interim OCWA will sell water to Marcellus at the Wholesale rate.

On Motion by F. Picardi duly seconded by C. Incaudo the Board authorized the development of a lease and access agreement with a provision that OCWA will pay 50% of the Reed Street watermain repair and upgrade, and the Town will provide OCWA with winter access to the Limeledge Pump Station and Village Tank.

- Reported that the complete pandemic flu preparedness plan is in place and distributed to staff.
- Reported that OCWA has been advised that ARRA funding, for the Western reservoir covered tank, is currently allocated, as principal forgiveness, at \$3,186,455 and could go as high as \$6.2 million. Thanked the effort of staff members at OCWA who worked hard to make this happen.
- Provided an update on the proposed change in credit card companies in order to eliminate annual fees. Requesting approval to change from American Express to Visa through M&T bank. Also expand the number of users to eliminate the need for expenditure reimbursement.

On Motion by W. Simmons duly seconded by F. Picardi the Board authorized the credit card changes as outlined.

- Discussion continued regarding a proposed 2010 rate structure revision. Customers would be billed two components: an Equivalent Dwelling Unit (EDU) charge and a water usage charge. The Equivalent Dwelling Unit (EDU) basis is made up of debt service and fixed costs. Additional costs beyond the EDU cost would be based upon variable costs. There would be no minimum water usage charge; rather customers would be billed for all water used. Reported that C. Marvin is currently attending a seminar on rate structure development and updates. Will provide an outline of the rate

structure proposal at the December meeting after C. Marvin returns with recommendations.

- Reviewed the Industrial and Wholesale rates and requested a Motion to approve the Industrial and Wholesale rates for 2010 using the current rate structure.

On Motion by F. Picardi duly seconded by C. Incaudo the Board approved the Industrial and Wholesale rates as outlined (Mike, I need some documentation, I think).

- Reviewed the financial reports distributed and reported that although revenues continue to lag our budget is projected to end favorable due to the reduced interest rate on the short term financing for the reservoir projects and cost-cutting measures in all departments. Both items are due to the diligent efforts of OCWA staff.

IV. A. GEISS REPORTED:

- Reviewed his Chief Engineer's Report.
- Reported the lake level at +3.00 at the time of the report and have since opened the gate an additional 5" to allow the level to fall.
- The annual dam inspection has been completed and a report will follow.
- Attended the most recent meeting of the Otisco Lake Preservation Association.
- Reported that at the Western tank, Natgun has completed the concrete placement of half of the roof and will be discontinuing construction work in the next couple of weeks for the winter.
- Reported that at the Eastern, DYK will have completed concrete placement of 4 out of 9 sections as well as work on the pipeline through the end of December before discontinuing construction work for the winter.
- G. Miller provided an update of the Water Treatment Plant work indicating that the chemical systems are close to completion.
- Filter #4 has been rehabilitated and put back into service.
- Carbon has been removed from filter #3. Existing filter under drain is being removed from filter #3 and the new system will be installed. Distributed and reviewed Change Order #9. Reviewed the details and pricing of the nine items outlined in the change summary totaling \$35,389.06 and also discussed and reviewed the balance of contingency funding available. Evaluation and recommendations for possible project additions are being made to utilize the remaining funds.

On Motion by W. Simmons duly seconded by C. Incaudo the Board authorized the Change Order #9 as outlined for the Water Treatment Plant Upgrade.

- G. Miller informed the Board of an upcoming Change Order #10 for approximately \$90,000 for various modifications and additions at the WTP.
- A. Geiss reported on an upcoming change order for the Eastern Tank project for approximately \$10,000.00 for asbestos pipe removal.

V. LEGAL REPORT

- T. Pickard reviewed his Legal Report.
- Counsel distributed and reviewed a proposed update to the Procurement Guidelines. Counsel requested that the Board review the proposed guideline for discussion at the December meeting.

- Discussed the status of enabling legislation to allow OCWA to serve water to Granby and Constantia.

VI. HUMAN RESOURCE REPORT

- L. Khanzadian reviewed report
- Advised the Board that the next Teamster negotiation session is scheduled for November 19, 2009.
- Reviewed the proposed schedule of Board Meetings for 2010. Finalize at December 2009 meeting.

On Motion by F. Picardi, duly seconded by W. Simmons the Board agreed to adjourn the regular Board meeting to convene to Executive Session at 2:50pm.

VII. EXECUTIVE SESSION

- T. Pickard reviewed NYS Office of the State Comptroller audit of Board Member Compensation.

On Motion W. Simmons, duly seconded by C. Incaudo the Board agreed to adjourn the Executive Session and return to the regular Board meeting at 3:00p.m.

VIII. NEW BUSINESS:

- T. Geiss reviewed Bids 16-21.
- T. Geiss reviewed in detail the 2010 Annual Construction and Maintenance bids (#16) received. Reviewed the bid comparison sheets for four bidders and recommended awarding to the lowest responsible bidder.

On Motion by F. Picardi, duly seconded by W. Simmons the Board agreed to award the 2010 Annual Construction and Maintenance to the recommended lowest responsible bidder, DE Tarolli, Inc.

- T. Geiss presented and reviewed information on bid number 17 copper tubing, bid number 18 steel tapping sleeves, bid number 19 steel tapping sleeves. All of the information presented was in order and recommended award to the lowest responsible bidder.

On Motion by W. Simmons, duly seconded by F. Picardi the Board agreed to award bids numbered 17-19, as outlined, to the lowest responsible bidder. The companies are #17 – Martisco Corporation, #18 –Vellano Bros. and #19 – Bingham & Taylor.

- T. Geiss reviewed Bid #20 as outlined and recommended that “Got To Go Electric, Inc.” be rejected as a non-responsive bidder for failure to bid American made product. Recommended that the bid be awarded to the lowest responsible bidder.

On Motion by C. Incaudo, duly seconded by W. Simmons the Board agreed to the rejection of the non-responsive bid by, Got to Go Electric and award bid # 20 to the lowest responsible bidder, EJ Prescott as recommended by Engineering and Counsel.

- T. Geiss reviewed Bid # 21 as outlined and noted that Vellano Bros. voluntarily withdrew their bid recognizing a clerical error in their submission. In addition, it was recommended that the next lowest bid, “Got To Go Electric, Inc.” be rejected as a non-responsive for failure to bid an

American made product. Recommended that the bid be awarded to the next lowest responsible bidder.

On Motion by F. Picardi, duly seconded by W. Simmons the Board accepted as a clerical error the voluntary withdrawal of the bid of Vellano Bros.

On Motion by W. Simmons duly seconded by C. Incaudo the Board agreed to the rejection of the non-responsive bid of, Got to Go Electric for failure to bid American and award bid # 21 to the lowest responsible bidder, EJ Prescott as recommended by Engineering and Counsel.

- T. Geiss reviewed and distributed the 2010 Main Extension Cost breakdown and requested a motion for approval.

On Motion by C. Incaudo, duly seconded b F. Picardi the Board approved to set the Main Extension Cost at \$34.40/FT and the 2010 advanced benefit plan at \$1720.00

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- One Developer Main Extension(s) were presented for consideration.

On Motion by W. Simmons duly seconded by C. Incaudo, with all Members approving, the Board authorized M. Hooker to execute the following Main Extension Contract:

4090052 Jack Smolen 8" Ext., Brantford Park, Sec. 1 & 2

On Motion by F. Picardi duly seconded by C. Incaudo with all Members approving, the Board agreed to adjourn the meeting at 3:10p.m.

As there was no further business to come before the Authority, the meeting was adjourned. The next Authority meeting is scheduled for Friday, December 11, 2009 at 10:00 a.m.

Respectfully Submitted,

Laurie Khanzadian, Recording Secretary