

The Onondaga County Water Authority met in regular session on December 11, 2009. Members of the Authority present were R. Tomeny, F. Picardi, C. Incaudo, H. Rosenthal and W. Simmons.

Others present: M. Hooker, A. Geiss, T. Pickard, L. Khanzadian, C. Marvin, and C. Strickland.

I. R. Tomeny called the meeting to order at 10:00 a.m.

II. Minutes of the meeting of November 18, 2009 were approved by all Members on Motion by F. Picardi, duly seconded by H. Rosenthal.

On Motion by F. Picardi duly seconded by H. Rosenthal, the Board adjourned at 10:12a.m. to Executive session to discuss the condemnation of the right-of-way for water transmission mains over lands of Finger Lakes Railroad.

On Motion by F. Picardi, duly seconded by H. Rosenthal, the Board adjourned Executive Session at 10:30 a.m. and returned to the regular Board meeting.

III. M. HOOKER REPORTED:

- M. Hooker introduced C. Marvin to review the Quarterly Investment report for the period ending 9/30/2009.

On Motion by F. Picardi, duly seconded by W. Simmons, the Board adjourned the regular Board meeting at 10:35 a.m. and convened as the Audit Committee.

- C. Marvin reviewed the Quarterly Investment report for the quarter ending 9/30/2009. Interest rates continue to decline. Discussed reviewing other bank options, including local banks, to act as our Trustee. T. Pickard will investigate the procedure to change trustees and C. Marvin will investigate rates of other banks.
- Mr. Marvin indicated that the Investment Contract with M & T Bank had been terminated to avoid fees in view of the low amount of funds to be invested and low yields on investments. The chair, C. Incaudo, stressed the need to maintain liquidity to cover cash flow as reserves are low.

On Motion by R. Tomeny, duly seconded by F. Picardi, the Audit Committee agreed to accept the Quarterly Investment Report as distributed and discussed for the period ending 9/30/2009. There upon the Audit Committee meeting was adjourned. And the Board reconvened the regular meeting.

On Motion by W. Simmons, duly seconded by H. Rosenthal, the Board agreed to accept the recommendation of the Audit Committee's Quarterly Investment Report for the period ending 9/30/2009.

- M. Hooker reviewed the current rate structure and recommended that Commercial and Residential rates for 2010 remain as established and consider a rate structure review. C. Marvin presented an overview of the AWWA rate making seminar that he recently attended. He recommended that we consider doing a cost of service study and thoroughly evaluate the specific cost of services. Discussed rate increases since 2001. After Board discussion, it was recommended that OCWA look at local professional services available, specifically what services they offer and their fee

structure for rate studies and provide the information to the Board for further discussion.

On Motion by C. Incaudo, duly seconded by W. Simmons, the Board agreed to approve the rate increase of 12% for Commercial, Residential and hydrants and authorized OCWA management to advertise the revised rates as required by law.

- Reviewed his Executive Director's report.
- Reviewed and discussed the current production and sales up to 1994 and the impact of water conservation on OCWA sales. Reported on internal OCWA non-revenue meters being put in place to capture water used. OCWA is also tracking water used during flushing. Discussed theft of water and a recent arrest and prosecution.
- M. Hooker gave an overview of the potential increase in water use related to Crucible resuming production, Sunoco starting production at the former Northeast Biofuels facility in June 2010 and a slight increase in water use by Bristol Myers Squibb.
- Reviewed the November financial reports.
- Reported that we have no official word on the ARRA funding for the Western Reservoir.
- Reported that the Limeledge system is online including our first customers in the Town of Skaneateles.
- Reviewed the NYS Comptrollers pre-exit interview that was attended with C. Marvin. This pre-exit conference is the follow-up to the audit conducted at the end of 2008 and discussed two items requiring further clarification. Discussed the adoption of a comprehensive Procurement Policy. Discussed the request to document the regular business hours for Executive staff.
- Informed the Board that the legislation enacting NYS retirement Tier V has passed with an effective date of January 1, 2009.
- Informed the Board that members from OCWA's 7G Green Team will participate in a project with the Water Research Foundation entitled Vulnerability Assessment and Risk Management Tools for Climate Change.
- Establishing a meeting to review OCWA's participation through ARI for vehicle maintenance and determine if it is cost effective with savings. R. Tomeny requested to participate in the review meeting.
- Granby enabling legislation approved.
- R. Tomeny briefly discussed the Home Service Protection Insurance for water emergencies and requested that M. Hooker check on their authenticity through the State Insurance Department.

IV. A. GEISS REPORTED:

- Reviewed his Chief Engineer's Report.
- Provided an update on the Village of Marcellus Reed Street repair and indicated that Marcellus has a counter offer to provide a maximum of \$50,000 toward the project. Reviewed the estimate of work which has been reviewed by Engineers and is estimated to be approximately \$175,000.00. Discussed the related rights of way and tank access. Concluded that the Village of Marcellus needs to acquire the ROW, sign off on tank access and acquire ROW on Marcellus lines, schools etc. and OCWA will modify the lease agreement and accept the \$50,000.00 as offered.

On Motion by F. Picardi, duly seconded by C. Incaudo, the Board agreed to approve the lease modification as discussed, accepting the offer of \$50,000.00 toward the Reed Street repair project.

- Distributed a summary of transactions for the Western Tank dated 12/11/2009 and reported that the Contractor has prepared the tank for the winter and is off site until March. Although no active construction is taking place, the Contractor is responsible for checking and maintaining the site.
- Distributed a summary of transactions for the Eastern tank dated 12/11/2009. Reported that they have begun filling the open reservoir. Reviewed a modification to the previously accepted Change Order #1 resulting in a price reduction related to modifying the SWIPP work and the addition of asbestos pipe removal.

On Motion by F. Picardi, duly seconded by H. Rosenthal, the Board agreed to abandon the previously approved change Order #1 for the Eastern tank project and replace with the amended version of Change order #1 totaling \$164,334.88.

- R. Tomeny requested a summary report on the tank projects.
- T. Geiss, in G. Miller's absence, provided an update on capital projects:
  - °Reported that Madison County landfill project has not obtained stimulus money so the project will be scaled back with a phased approach. The first phase of the project is expected to serve the Hamlet of Clockville in the Town of Lincoln.
  - °Reported that the Town of Lenox is evaluating extending the water system northward along Rte. 13 to Rte. 31.
  - °Reported that a revised basis of design report was received from the Lamson Road Water District.
  - °Provided an update on the Northern Concourse/Fairmount security Project indicating that both locations are up and running well. Also reviewed a Change Order received from Huen which originally itemized 20 items totaling \$28,000.00 which was negotiated to seven items totaling \$18,065.00. Requested a Motion to approve.

On Motion by F. Picardi, duly seconded by W. Simmons, the Board approved the Security Change order as outlined for \$18,065.000.

°Reviewed in detail the upcoming Change Order #10 for the Water Treatment Plant Project. Seventeen items are outlined totaling approximately \$222,861.34. A balance of \$248,000 remains in the contingency fund following Change Order #10.

## V. LEGAL REPORT

- T. Pickard reviewed his Legal Report.
- Counsel reviewed the revised policy and procedures for the procurement of goods and services. Specifically reviewed the change requiring an RFP for professional services. M. Hooker commented that C. Marvin and J. Hartwell will work with department heads to achieve compliance.

On Motion by C. Incaudo, duly seconded by W. Simmons, the Board adopted the Procurement Policy & Procedure as outlined.

## VI. HUMAN RESOURCE REPORT

- L. Khanzadian reviewed report

- Advised the Board that the Teamster contract negotiation session was held on November 19, 2009 and requested an Executive Session to review the status.
- Discussed the proposed schedule of Board Meetings for 2010 and confirmed that there will be a meeting on January 20, 2010 at 12:30 p.m.

On Motion by F. Picardi, duly seconded by W. Simmons, the Board adjourned the regular Board meeting and convened in Executive Session at 2:50pm.

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

#### VIII. NEW BUSINESS:

- T. Geiss reviewed Bids as listed below:
  - #22 Copper Sulfate
  - #23 Hydrofluosilicic Acid
  - #26 Sodium Hypochlorite
  - #27 Sodium Chlorite
  - #28 Hydrochloric Acid
  - #29 Carbon Dioxide
  - #30 DIMJ Compact & DIMJ Full Body Fittings

All six bids were in order, recommend awarding bid to the lowest responsible bidder as outlined on the bid sheets dated Thursday, December 3, 2009:

- #22 Chemrite Inc.
- #23 Solvay Fluorides LLC
- #26 Surpass Chemical Co. Inc.
- #27 International Dioxide Inc.
- #28 PVC Chloralkali Inc
- #29 Carbonic Systems

On Motion by H. Rosenthal, duly seconded by C. Incaudo, the Board authorized awarding to the lowest responsible bidder.

Discussed bid #30 DIMJ Compact and DIMJ full Body Fittings.

One bidder failed to correctly tally the unit price to the extended price. Our bid process outlines that the unit price governs. Recommend consideration of unit price and award to the lowest responsible bidder, Martisco.

On Motion by F. Picardi, duly seconded by H. Rosenthal the Board considered the unit price and awarded to the lowest responsible bidder, Martisco.

- T. Pickard introduced equipment standardizations that required renewal and requested a resolution for continuing the current standardization. T. Geiss reviewed in detail the requested renewals of equipment standardizations as follows:
  - Micro Wave Data Systems (MDS), Manufacturers Micro Data radios.
  - Neptune Corporation and Sensus Corporation for the purchase of meters.
  - Bristol Corporation for the purchase of Bristol SCADA equipment.
  - Ross Valves for the purchase of valves.
  - Dell Corporation for the purchase of computer equipment.
  - SternPAC Corporation for the purchase of chemicals.

On Motion by H. Rosenthal duly seconded by F. Picardi the Board approved the resolutions to standardize the equipment purchases as outlined with the six named companies.

- Reviewed three companies that OCWA has requested to name as “sole source” for the purpose of specific purchases.
  - Fred’s Lock and Door Company for the purchase of keys and locks in numerous company locations.

On Motion by W. Simmons, duly seconded by C. Incaudo, the Board approved Fred’s Locksmith as a sole source for the purchase of services related to lock and key security in all OCWA locations.

- Beckner Enterprises for the purchase of communication equipment and services in maintaining radio towers. Board recommended that OCWA evaluate and secure bids in order to comply with Procurement guidelines.
- Cummins Northeast, Inc. and Penn Power Systems. Provides repair and service to Onan Generators and Detroit Diesel Generators. Board recommended that OCWA evaluate and secure bids in order to comply with Procurement guidelines.

- T. Pickard introduced the renewal of three chemical bids which are currently in place with a contractual one year renewal if OCWA chooses. T. Geiss outlined and reviewed the three chemicals agreements requiring the extension:
  - Carus Phosphates, Inc. - Phosphoric Acid – Pricing \$6.59 gal. Previous year at \$11.32 gal.
  - Calgon Carbon Corp. - Powdered Activated Carbon – Pricing \$1.28 Previous year \$1.02
  - Kemira Water Solutions - Alum Chloride – Pricing \$0.17.6 Previous year 0.16.7

On Motion duly made and seconded, the one year extension of the foregoing contracts were approved.

- M. Hooker discussed strategic planning and recommended requesting RFP’S for services. Will continue to review in upcoming Board meetings.
- One Right(s) of Way was presented for the Authority’s approval.

On Motion by H. Rosenthal, duly seconded by F. Picardi, with all Members approving, the Board authorized M. Hooker to execute the following Rights of Way.

4090023      Stephen P. Smith      E. Taft Road OCDOT Reconstruction

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

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

9003522      Rich & Gardner Const. Co. 8” Ext. & Bore & 4” FS to 5976 E. Taft Rd.

- R. Tomeny addressed the potential changes to the five Member OCWA Board and thanked the current Board for their dedicated service. In light of the upcoming changes, R. Tomeny nominated W. Simmons as Treasurer.

On Motion by R. Tomeny, duly seconded by F. Picardi, with all Members approving, the Board authorized W. Simmons to serve a Board Treasurer

- R. Tomeny nominated F. Picardi to serve as Asst. Treasurer.

On Motion by C. Incaudo, duly seconded by W. Simmons , with all Members approving, the Board authorized F. Picardi as Asst. Treasurer.

On Motion by W. Simmons, duly seconded by C. Incaudo, the Board adjourned to Executive Session at 1:30p.m.

On Motion by F. Picardi, duly seconded by W. Simmons, the Board recessed and agreed to reconvene the regular Board Meeting on Monday December 15, 2009.

- R. Tomeny called the Board Meeting to order on December 15, 2009 at 12:30p.m.
- T. Pickard presented and reviewed updated OCWA Employment Guidelines for Senior Management “specifically time and attendance is stated as “shall generally be in attendance during the regular 40-hour business week.....”

On Motion by F. Picardi, duly seconded by W. Simmons, the Board adopted the OCWA Guidelines for Senior Management as outlined and dated December 15, 2009

On Motion by F. Picardi, duly seconded by W. Simmons, the Board adjourned the regular Board meeting to Executive Session at 12:50p.m.

On Motion by H. Rosenthal, duly seconded by W. Simmons, the Board adjourned the Executive Session and reconvened to the regular Board Meeting at 1:20p.m.

On Motion by F. Picardi, duly seconded by H. Rosenthal, the Board agreed to implement a 10% health care premium contribution for OCWA Board members via payroll effective the first pay period in January of 2010.

On Motion by H. Rosenthal, duly seconded by W. Simmons, the Board authorized the Executive Director’s 2010 wage increase recommendation, as revised by the Board and outlined in a memo dated December 16, 2009, for non-bargaining personnel effective January 1, 2010.

On Motion by H. Rosenthal, duly seconded by F. Picardi, the Board authorized the revision of the Executive Director’s employment contract term as of January 1, 2010 to run January 1, 2010 – December 31, 2012 with automatic renewals each year thereafter unless cancelled by either party and the Deputy Executive Director’s employment contract term as of January 1, 2010 to run January 1, 2010 through December 31, 2011 with automatic renewals each year thereafter unless cancelled by either party. The contract for both the Executive Director and Deputy Executive Director will also be modified to reflect a 10% health insurance premium contribution effective the first pay period in January, 2010.

On Motion by W. Simmons, duly seconded by H. Rosenthal, the Board agreed to adjourn the meeting at 1:30p.m.

The next Authority meeting is scheduled for Wednesday, January 20, 2010 at 12:30 p.m.

Respectfully Submitted,

Laurie Khanzadian, Recording Secretary

