

The Onondaga County Water Authority met in regular session on March 20, 2009. Members of the Authority present were R. Tomeny, F. Picardi, H. Rosenthal, and W. Simmons.

Others present: M. Hooker, A. Geiss, T. Pickard, G. Miller, L. Khanzadian, C. Marvin, J. Hartwell, L. Ciarla, and J. Burke.

- I. R. Tomeny called the meeting to order at 9:40 a.m.
- II. Minutes of the meeting of February 11, 2009 and February 20, 2009 were approved by all Members by Motion of H. Rosenthal duly seconded by W. Simmons.

III. EXECUTIVE DIRECTOR'S REPORT

- M. Hooker introduced Lori Ciarla and Jack Burke from Dermody, Burke, & Brown to review the 2008 audited Financials. L. Ciarla reviewed the outlined Financial Statements of December 31, 2008 and 2007 and indicated that the review provides an "unqualified opinion" which is the highest that they can provide. Explained the net assets and the related increase as well as reviewed the new liability related to post-employment benefits.
- Jack Burke reviewed the Letter of Recommendations & Observations dated December 31, 2008 and specifically commented on the need to continue to set the "tone from the top". Provided positive comments on the overall audit and support and assistance provided from OCWA staff.

On Motion by F. Picardi, duly seconded by H. Rosenthal, with all Members approving, the Board convened as the Audit Committee at 10:00am.

- A copy of the Minutes of the Meeting of the Audit Committee is filed separately.

On Motion by W. Simmons, duly seconded by H. Rosenthal, with all Members approving, the Board agreed to adjourn the Audit Committee and reconvene to the regular Board meeting at 10:25am.

- The Board reviewed the recommendations of the Audit Committee and agreed to accept the recommendations.

On Motion by W. Simmons, duly seconded by R. Tomeny, with all Members approving, the Board agreed to accept the annual 2008 audit as distributed and presented by Dermody, Burke & Brown.

On Motion by H. Rosenthal, duly seconded by W. Simmons with all Members approving, the Board agreed to accept the annual PARIS report as presented.

- M. Hooker reported that the State Comptroller's office has contacted him regarding OCWA's exit interview. The interview is scheduled for April 1, 2009. M. Hooker and Board members are allowed to attend the meeting.
- IT is presently reviewing a change to the online bill payment processing.
- Provided an update on the OCWA Customer Service Surveys that are presently being distributed to OCWA customers. Explained the four-prong approach of gathering information from the web, through billing, follow-up to in-home visits and via customer phone contacts. The overall feedback is positive and the rate of return is good. Will provide a written report in May.
- Reviewed the letter from Mary Ann Coogan, Town of Camillus Supervisor, on the 2009 OCWA rate increase. The Board discussed and recommended a response to clarify and improve communication.
- Update on Anheuser Busch and their intention to pay on their account in thirty days versus their request for 120 days.

- Distributed the memorializing resolution for F. Strait Jr. Informed the Board that OCWA employees have planned to plant a tree at the Fairmount location along with a plaque in Rick's memory.

On Motion by F. Picardi, duly seconded by W. Simmons, with all Members approving, the Board agreed to accept the resolution memorializing Frederick Strait Jr.

- Reviewed the budget variance report that was distributed and commented that the delay in the rate increase to February 1 impacted the income. Also, low interest rates are impacting investment income.
- Distributed the 2008 OCWA Highlights Report as a draft and requested Board comments before finalizing.

IV. CHIEF ENGINEERS REPORT:

- A. Geiss reviewed the Engineering and Operations report.
- Reviewed the Southern Branch Pump station. Reported that the Thurber Station and the Seneca Pump Station are in much worse condition than originally believed and are in need of major repair. New pumps can take up to six months to deliver and in the interim these pumps will need emergency repairs. An assessment of the repair indicates that the cost will not exceed \$40,000.00 for both.

On Motion by H. Rosenthal, duly seconded by F. Picardi, with all Members approving, the Board authorized the emergency repair of the Thurber Street Pumping Station and the Seneca Street Pumping Station not to exceed \$40,000 as presented.

- Reported on a water main break near Rte. 174 and Rte. 20 in Marcellus. The break was in the water line providing water to the new Southern Onondaga system which caused a large loss of water from the tank. Due to this condition, a boil water order was issued. The order was rescinded in two days.
- Reported that the Eastern and Western reservoir tank projects are on track and moving smoothly.
- G. Miller reported on the Treatment Plant Project. Reviewed two change orders as outlined in the Water Treatment Plant Upgrades report.
- Outlined the change order #3 regarding the provision of new instrumentation and electrical lines needed for a proposed distributed I/O instrumentation system. The Contractor has proposed to complete this work on a zero cost basis.
- Discussed the change order #4 which incorporated several miscellaneous change orders related to the Water Treatment Plant project totaling \$35,816.74.

On Motion by F. Picardi, duly seconded by H. Rosenthal with all Members approving, the Board approved the outlined change order expenditures as outlined totaling \$35,816.74.

- Discussion of change orders and what requires Board approval. T. Pickard will review the trust indenture as it relates to change orders occurring on the Water Treatment Plant project.
- Provided information on two other change orders that OCWA is currently evaluating. Reviewing and evaluating information on unit heater replacement and HVAC repairs in the range of \$30,000-\$40,000. Also looking at replacement of chlorine piping, at a potential cost of \$70,000 to \$80,000.

V. LEGAL REPORT

- T. Pickard reviewed the Legal report.

VI. HUMAN RESOURCES/INSURANCE

- L. Khanzadian reviewed the HR/Insurance report.

VII. UNFINISHED BUSINESS

VIII. NEW BUSINESS:

A. One Right of Way was presented for consideration.

On Motion by W. Simmons, duly seconded by F. Picardi, with all Members approving, the Board approved the following:

4080059 F'Ville-Manlius CSD Main Repl. Wellwood School

B. One Developer Main Extensions was presented for consideration.

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

9003478 R.J. Ortleib Const. Co. 8" Reloc. NYSANG Bldg. #645

C. Bids

1. Carbon (GAC)
2. Carbon Dioxide
3. Sodium Hypochlorite
4. Sodium Chlorite
5. Hydrochloric Acid
6. Furnish & Deliver Stone
7. Furnish & Deliver Topsoil
8. 10 Ton Utility Trailer

- T. Geiss reviewed bids as presented.
Bid #1, Carbon, is pending further review.
Bid #3, Sodium Hypochlorite is rejected and will be rebid.

On Motion by F. Picardi duly seconded by W. Simmons with all Members approving, the Board authorized the rejection and rebid of Sodium Hypochlorite as presented.

- T. Geiss reviewed the remaining bids #2 Carbon Dioxide, #4 Sodium Chlorite, #5 Hydrochloric Acid, #6 Furnish & Deliver Stone, #7 Furnish & Deliver Top soil and #8 Ten Ton Utility Trailer and recommended accepting the lowest responsible bidder as outlined.

On Motion by W. Simmons duly seconded by H. Rosenthal with all Members approving, the Board authorized the acceptance of the lowest responsible bidder as presented.

D. 2008 Contract Extensions for 2009

- T. Geiss reviewed the extension of existing contracts as outlined and requested approval of extensions for an additional twelve months.
 1. Cornerstone Paving - Black top Agreement
 2. Ti-sales – Meters
 3. EJ Prescott – Meters
 4. MJ Pipe - Fittings

On Motion by F. Picardi duly seconded by W. Simmons with all Members approving, the Board authorized the extension of four existing agreements as indicated, Cornerstone Paving, TI-Sales, EJ Prescott, and MJ Pipe.

On Motion by H. Rosenthal duly seconded by F. Picardi with all Members approving, the Board agreed to adjourn the meeting at 12:10 pm.

As there was no further business to come before the Authority, the meeting adjourned at 12:10pm. The next Authority meeting is scheduled for Thursday, April 16, 2009 at 12:30pm.

Respectfully Submitted,

Laurie Khazadian,
Recording Secretary