

DRAFT

The Onondaga County Water Authority met in regular session on January 20, 2011.

Members of the Authority present were R. Tomeny, F. Picardi, E. Gilligan, S. Miller and J. Bianchini.

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

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

II. Minutes of the regular Board meeting of December 10, 2010, were approved by all Members on Motion by F. Picardi, duly seconded by E. Gilligan.

III. M. HOOKER REPORTED:

- M. Hooker reviewed his Executive Director's report.
- M. Hooker reviewed the distributed water sales report through December 31, 2010.
- Commented that OCWA's letter to the Editor regarding the Onondaga Citizens League Report "What Does it Mean to be Green" had factual errors related to OCWA. The OCL acknowledged the errors and agreed to correct them before final release of the report. The OCL also agreed to (and subsequently did) send a correction out to all parties that received an advance copy.
- Onondaga Citizens League, Executive Vice President, Sandra Bennett toured and met at OCWA on January 14, 2011.
- Discussed the water rate study conducted by Red Oak, specifically the Industrial rate schedule.
- Requested that OCWA Board members complete and submit Board self-evaluations for summary and submission to the Authority Budget Office.
- Reviewed the distributed Investment Report for the period ended December 31, 2010.

On Motion by F. Picardi, duly seconded by E. Gilligan, with all Members approving, the Board accepted the Fourth Quarter Investment Report as outlined.

- Commented on the preliminary budget variance as positive.
- Lawson Financial system update is on schedule and in the test phase.
- Auditors from Dermody, Burke & Brown will be onsite beginning January 24, 2011 to conduct the 2010 OCWA audit.

- Announced the merger of Natgun Corporation and DYK, both construct pre-stressed concrete storage tanks.
- Mentioned that Matt Millea recently made a presentation on the County's Green Wastewater infrastructure program at an environmental group meeting.
- Robert Antonnaci, County Comptroller, and audit staff from Onondaga County will review the Eastern and Western tank projects, specifically looking at certified payrolls.
- Commented that 6,310 meters were changed out in 2010.

IV. A. GEISS REPORTED:

- Reviewed the Chief Engineer's Report.
- Reviewed the most recent Otisco Weed meeting and discussed OCWA's assisting with the purchase of trash receptacles.
- Discussed the recent Water Purveyor meeting held on January 14, 2011 at MWB. There was a discussion of including the design improvements of Pump Station at the Terminal Reservoir on Rte. 31 as part of the Terminal Reservoir project. The Water Purveyor meeting includes a representative from OCWA, Metropolitan Water Board, City of Syracuse, Water Environmental Protection, as well as State and County Health departments.
- Distributed and reviewed the Eastern & Western Reservoir Projects budgets.
- Discussed the proposed Main Extension Fee for 2011, which has been reduced from 2009.
- Discussed the continued efforts of OCWA assisting Van Duyn and County Health Department in their investigation of the Legionella outbreak which occurred in 2010.
- Reported Otisco Lake level at -14.00 inches.
- Reviewed the need to establish a Sole Source Vendors for the following item:
 - Carus Calciquest Dry Phosphate. Allowing a sole source Provider of dry phosphate will eliminate the need for OCWA to run pilot studies and investigate various suppliers and product formulations. Carus Calciquest is a proprietary product that has proven effective in our water system.

On Motion by J. Bianchini, duly seconded by S. Miller, with all Members approving, the Board approved the designation of Carus Calciquest as a Sole Source Provider Dry Phosphate.

- Reviewed the need to standardize on Pratt Butterfly Valves & Duracyl Cylinder Actuator. A. Geiss indicated that standardizing on the Pratt Butterfly Valves & Duracyl Cylinder Actuator will allow OCWA to reduce the spare part inventory and technician equipment.

On Motion by F. Picardi, duly seconded by E. Gilligan, with all Members approving, the Board standardized on Pratt Butterfly valves & Duracyl Cylinder Actuator.

- Discussed Chromium 6 and the sampling that was done by OCWA November 2010 to establish a baseline database for future use.
- Discussed fluoride and the long standing levels recommended by the Health Department, which is a range of 0.8 – 1.2ppm with an optimal target of 1.0 ppm. Recent studies by CDC and EPA have indicated a lower range should be established nationally. With Health Department's concurrence, OCWA has lowered our level from 1.0 ppm to 0.85 ppm. The OCWA Board directed that the level be restored to 1 ppm until written confirmation related to the reduction to the 0.85 ppm level is received.

V. LEGAL REPORT

- T. Pickard reviewed his Legal Report.
- Reported that the Court decision remains pending on the Finger Lakes Railway condemnation case.
- Reviewed 2010 Public Authorities report requirements that are currently due.
- Reviewed the pending lawsuit from Eldan Homes on a Main Extension Contract in Harbor Heights.
- Discussed the Otisco Lake Properties outlined. Reviewed discussions with New York State Canal Authority regarding property ownership around Otisco Lake.

VI. HUMAN RESOURCES REPORT

- L. Khanzadian reviewed the Human Resource and Insurance/Risk Management report.
- Reviewed the Standard Workday Resolution requested by the NYS retirement system for M. Hooker and A. Geiss. Also included in the resolution is J. Bianchini's standard workday.

On Motion by S. Miller, duly seconded by E. Gilligan, with all Members approving, the Board approved the Standard Workday Resolution dated January 20, 2011 as outlined.

- Reviewed the verbal complaint presented by CSEA regarding the transition to the Excellus Health Plan effective October 1, 2010.
- Outlined the five Workers Compensation proposals received from Brown & Brown for renewal of OCWA's insurance effective January 1, 2011. The selected carrier was CNA.

On Motion by F. Picardi, duly seconded by J. Bianchini, with all Members approving, the Board approved the selection of CNA Insurance as OCWA's Worker's Compensation carrier for 2011.

VIII. NEW BUSINESS:

- A. Geiss reviewed the additional Engineering Services for concrete testing on the Western Tank. Recommend that the Board approve the additional amount of \$22,500.00.

On Motion by F. Picardi, duly seconded by E. Gilligan, with all Members approving, the Board, approved the recommendation of an additional \$22,500.00 for Engineering Services – Western Tank.

- Reviewed the bids received for the construction of the Eastern Tank – 20 MG. Recommended that the Board approve the lowest responsible bidder, Natgun Corporation.

On Motion by J. Bianchini, duly seconded by F. Picardi, with all Members approving, the Board, on recommendation by OCWA management awarded the contract to the lowest responsible bidder, Natgun.

- Reviewed the Engineering Contract outlined for the design and engineering services associated with the construction of the Eastern Tank – 20 MG. The proposal from Malcolm Pirnie is not to exceed \$926,333.00. OCWA management recommends approval as outlined and distributed.

On Motion by F. Picardi, duly seconded by S. Miller, with all Members approving, the Board, on the recommendation of OCWA management, approved the recommended not to exceed price of \$926,333.00 for engineering services from Malcolm Pirnie relating to the Eastern Tank – 20 MG.

- G. Miller reviewed the Westhill Pumping station project and indicated that upon completion, the new facility will allow OCWA to change from City of Syracuse water

to Otisco Lake water. Distributed proposals from four engineering firms to the Board Members and recommended the award to CDM.

On Motion by F. Picardi, duly seconded by S. Miller, with all Members approving, the Board, on the recommendation of OCWA management, awarded the engineering services contract to CDM.

- Distributed and reviewed the 2011 Construction Bond Cost Summary of projects for an amount not to exceed \$20,000,000.00, including the Short Form Environmental Assessment Form distributed to Board Members. After further discussion, the following Resolution was adopted:

WHEREAS, the County of Onondaga, as Lead Agency, previously analyzed the potential environmental impacts of the construction of certain covered storage tanks for the storage of potable drinking water at the Eastern Reservoir (“Project”); and

WHEREAS, said County did accept and adopt a Negative Declaration for the Project, which Negative Declaration was adopted by OCWA by Resolution dated July 16, 2008; and

WHEREAS, there is now before OCWA the proposed action to issue and sell certain 2011 Series A Water System Bonds in the sum not to exceed \$20,000,000 to fund the construction and financing costs of the Project, as well as certain other unrelated projects, including the renovation of two existing pump stations in the City of Syracuse, the construction of a West Hill pump station in the Town of Camillus, the rehabilitation of an elevated water storage tank in the Town of Camillus and the replacement of various existing water mains and completion of certain existing building modifications (the “Unrelated Projects”) (the proposed action to issue and sell the 2011 Series A Water System Bonds to fund the construction and financing costs of the Project and Unrelated Projects being referred to hereafter as the “Proposed Action”); and

WHEREAS, the Unrelated Projects are deemed too preliminary from a design standpoint to enable adequate SEQRA review at this juncture, but will be subject to SEQRA review when their respective designs so permit: and

WHEREAS, that pursuant to 6NYCRR Part 617, OCWA has conducted an uncoordinated environmental review in regards to SEQR and SERP for the Proposed Action; and

WHEREAS, OCWA, upon consideration of the Short Environmental Assessment Form has determined that the Proposed Action is an unlisted action and will not have a significant impact on the environment;

NOW, THEREFORE, on motion duly made by F. Picardi and seconded by J. Bianchini, it is

RESOLVED, that the Proposed Action is properly classified as an unlisted action and has been the subject of an uncoordinated SEQR review by OCWA; and it is further

RESOLVED, that OCWA hereby makes and adopts a Negative Declaration and finds that the Proposed Action will not have a significant adverse effect on the environment; and it is further

RESOLVED, that the Executive Director, or his designees are authorized to take action to comply with the requirements of SEQRA, including the execution of documents and the filing of the same, and any other actions to implement the intent of this Resolution.

Thereafter, the Board discussed the 2011 Series A Resolution.

On Motion by F. Picardi, duly seconded by J. Bianchini, with all Members approving, the Board, approved the 2011 Series A Resolution, not to exceed \$20,000,000.00, the full copy of which is filed with the Board Secretary.

- M. Hooker discussed the Water Rate Study Report from Red Oak Consulting and the comprehensive information that they provided. Reviewed the draft resolution to amend the customer rules, and the rates and charges. Discussed the elimination of the minimum rate.

On Motion by F. Picardi, duly seconded by J. Bianchini, with all Members approving, the Board, on the recommendation of OCWA management, approved the revised rate schedule to be implemented March 1, 2011.

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

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

9003550 Associated Fire Protection Install 4” F.S. 7332 Eastgate Cir, TSAL

- Three Right(s) of Way were presented for consideration.

On Motion by J. Bianchini, duly seconded by E. Gilligan, with all Members in the room approving, the Board authorized A. Geiss to execute the following Right of Way:

4100061 John E. Fisher 8” Ext., Shadow Hill @ Stonegate Heights, Sec. 3B

4100047 Combat Construction, LLC 8” Ext., Wallington Meadows, Sec. 7A

4100058 Combat Construction, LLC 8” Ext., Waterhouse Landing, Sec. 2

On Motion by S. Miller, duly seconded by E. Gilligan, the Board adjourned the regular Board meeting at 3:25pm and convened in Executive Session to discuss wage adjustments.

On Motion by F. Picardi, duly seconded by S. Miller, the Board adjourned the Executive Session and returned to the regular Board meeting at 3:50 p.m.

On Motion by F. Picardi, duly seconded by E. Gilligan, the Board approved the Executive Director’s recommendation for 2011 wage increases for non-bargaining staff and executive staff. Motion carried 4-1; with J. Bianchini opposing.

There being no further business to come before the Board, On Motion by F. Picardi, duly seconded by E. Gilligan, with all Members approving, the Board adjourned the regular Board meeting 3:45 p.m.

The next Authority meeting is scheduled for Thursday, February 17, 2011 at 12:30pm

Respectfully Submitted,

Laurie Khazadian, Recording Secretary