

The Onondaga County Water Authority met in regular session on January 20, 2010. Members of the Authority present were R. Tomeny, F. Picardi, W. Simmons, E. Gilligan and S. Miller.

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

I. R. Tomeny called the meeting to order at 12:30 p.m.

- Mr. Tomeny welcomed and introduced two new OCWA Board Members; Eileen Gilligan and Susan Miller.
- Mr. Tomeny gave a brief summary of the Board procedures and functions. He also mentioned that he believed OCWA is one of the best water purveyors which is a reflection on the dedication of OCWA employees. In addition, maintains good working relationships with Metropolitan Water Board, City of Syracuse, Onondaga County Health Department and other water entities.
- Reviewed and finalized the Board schedule for 2010.
- Reviewed the Board positions as outlined:
 - F. Picardi serves as Vice Chairperson of the Board and Chairperson of the Audit & Governance Committee
 - W. Simmons serves as Treasurer/Secretary of the Board.
- R. Tomeny recommended the following appointments to the OCWA Board which were unanimously approved without objection:
 - E. Gilligan named Assistant Treasurer of OCWA Board.
 - S. Miller named Assistant Secretary.
- R. Tomeny mentioned that he had met with Jim Rhinehart, Chairman of the County Legislature, and presented him with updated information on the water treatment plant and tank projects. Mr. Rhinehart has requested that we provide the same update to the Environmental Conservation Committee of the Legislature.

II. Minutes of the meeting of December 11, 2009 recessed to December 15, 2009 were approved by all Members on Motion by F. Picardi, duly seconded by W. Simmons.

III. M. HOOKER REPORTED:

- Reviewed his Executive Director's report.
- Reviewed the Water Sales Analysis report which compared 2009 usage to 2008 usage which revealed an overall decrease in sales largely related to efficiency by large industrial customers as well as the area wide loss and cut back in operations of industrial and commercial entities. Residential sales, on an average quarterly basis, were about the same.
- Provided an update on a potential Town of Clay lease arrangement and the continued interest in further exploring the prospective consolidation. Potential new customers are approximately 6,000 – 8,000.
- Reviewed the preliminary Budget variance report of December 2009 and year 2009 overall. Revenues were down but at the same time our overall expenses were down as well. In addition, due to OCWA's successful efforts in obtaining reduced rate financing through NYSEFC for large capital projects the interest expense for 2009 was greatly reduced. The net result was a favorable variance and a better than expected report for 2009.

- Reviewed the meter change out goal for 2010.
- Provided an overview of the Meter and Leak Detection program as outlined and distributed. Explained leak detection process and equipment that is used.
- Reviewed the credit card use by OCWA customers and the necessity to adhere to Payment Card Industry compliance. Due to the volume of credit card transactions, OCWA's compliance level has been elevated. The IT department is currently reviewing OCWA's processes for compliance.

IV. A. GEISS REPORTED:

- Reviewed his Chief Engineer's Report.
- Provided an update on taste and odor complaints received from customers located in the Eastern service area supplied by the Eastern reservoir. Reviewed for the Board the Eastern branch project and the need to drain the eastern reservoir in order to add new piping. The reservoir was refilled by MWB without cleaning, which caused a disturbance of sediment at the bottom of the reservoir. Combined with increased chlorine feed rate, taste and odor issues resulted. OCWA flushed approximately 7.9 million gallons of water from various locations in the system to resolve the problem. A letter has been sent to MWB regarding the water usage, together with a request for reimbursement. OT staff costs were also estimated and will be reviewed with MWB.
- Reviewed the boil water advisory issued last week due to a water main break near the Onondaga Hill Middle school. The break affected the school and 12 residences resulting in the school closing early on January 13, 2010. The school re-opened on January 14, 2010. Discussed the use of the OCWA web site for notifications. It was suggested that the notices posted on OCWA's website have a date and time on them.
- Provided an update on the Eastern and Western tank projects indicating work on the two projects has been suspended for the winter.
- Reviewed a request for a Change Order (#2), in the amount of \$19,880.34, for the western tank.

On Motion by F. Picardi, duly seconded by S. Miller, the Board approved Change Order #2 as outlined for the Western Storage tank project.

- Discussed the Terminal reservoir project that the Metropolitan Water Board is working on. A report was recently received from MWB outlining the five design options available for consideration. OCWA Engineers will review the report and schedule a meeting to make recommendations and provide assistance to MWB. R. Tomeny requested that he be notified of the meeting date.
- Reported that 410 leaks were repaired in 2009 with fifty percent of the leaks located by our leak detection crews before a problem occurred.
- G. Miller provided an update on Capital projects
- Provided an update on the WTP filters and the carbon installation. Filter A is not operating as well as filters 5, 6 or 3. Potential issues with the carbon supplied for filter #4 are being evaluated.
- Reported on issues being resolved by supplier of the rate of flow controller at the WTP.
- Distributed and reviewed items outlined in Change Order #10, for the WTP project dated January 15, 2010, totaling \$98,103.82. Provided an update on contingency funding included in the WTP project through EFC.

On Motion by F. Picardi, duly seconded by S. Miller, the Board approved Change Order #10 as outlined.

- Reviewed completion of the Van Buren elevated tank project and the finalizing of paperwork with the Contractor, Caldwell Tank and Engineers, Clough Harbour. Presented a deduct change order for the project totaling a credit amount of \$19,312.65.

On Motion by W. Simmons, duly seconded by F. Picardi, the Board approved the deduct Change Order for the Van Buren elevated tank as outlined.

- Reported on the status of the Northern Concourse roof and siding replacement project. The project is estimated around \$1.6 million. O' Brien & Gere is finalizing the design and financing options are being considered.
- Reviewed the ARRA funding for the Western Reservoir project, so any funds remaining in the NYSEFC ARRA fund after the other projects are funded are being applied to our project. Currently the amount is \$3.8 million which provides for up 50% principal forgiveness.

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V. LEGAL REPORT

- T. Pickard reviewed his Legal Report.
- Distributed to all Board members a Compliance Manual regarding the Public Authorities Accountability Act of 2005. Briefly outlined the policies included in the manual.
- Reviewed the recently approved Procurement policy.
- Announced the completion of the CSX railroad right-of-way purchase for \$170,154.00 to CSX Transportation, Inc. Right-of-way was recorded in the Office of the Clerk of Onondaga County on December 30, 2009.
- Reviewed the history of negotiations between OCWA and the Finger Lakes Railway Corporation. Trial to establish the valuation is set for May 13/14, 2010.
- Reviewed pending property sales of OCWA land on Otisco Lake to adjacent land owners. Discussed general liability insurance on Otisco Lake property owned by OCWA.
- Reviewed banking procedures and signature authorization on OCWA M & T accounts. Two signatures are required on checks and they include the following: M. Hooker, A. Geiss, G. Miller, T. Pickard and W. Simmons.

On Motion by F. Picardi duly seconded by S. Miller, the Board reviewed and accepted signature cards as outlined for M&T Bank.

- Reported on an easement granted by OCWA for Marcellus High School.

On Motion by F. Picardi duly seconded by S. Miller, the Board approved the Marcellus High School easement.

VI. HUMAN RESOURCE REPORT

- L. Khanzadian reviewed report.
- Reviewed recruitment activity for a Water maintenance Worker I
- Reviewed grievance and resolution of a complaint received regarding interpretation of OT pay in the IBT contract.

