

The Onondaga County Water Authority met in regular session on January 21, 2009. Members of the Authority present were R. Tomeny, F. Picardi, C. Incaudo, W. Simmons and H. Rosenthal.

Others present: A. Geiss, T. Pickard, G. Miller, C. Marvin and Christine Crowley (Fiscal Advisors).

- I. R. Tomeny called the meeting to order at 12:34 p m.
- II. Minutes of the meeting of December 12, 2008 were approved by all Members by Motion of W. Simmons duly seconded by C. Incaudo.
- III. EXECUTIVE DIRECTOR'S REPORT (Presented by B. Tomeny)
 - Wayne Simmons has been reappointed to the OCWA Board by the County Legislature.
 - Discussed the prospect of a joint project with Wayne County and Cayuga County to improve water service in Western Onondaga County, Wayne County and Cayuga County. A motion was presented to authorize OCWA to participate in an application to the NYS Department of State for a "shared services" grant to conduct a feasibility study.

Motion made by W. Simmons duly seconded by C. Incaudo, with all Members approving, the Board authorized OCWA to participate in the grant application and to pay one-third of the local share of the cost study (1/3 of \$5000.00)

- A roll call vote was requested with approvals by H. Rosenthal, W. Simmons, C. Incaudo and F. Picardi
 - H. Rosenthal mentioned that she had reservations about expanding our water system into new areas not consistent with Onondaga County's 2010 plan. A discussion ensued about the benefit of adding new customers to increase sales and keep costs down. H. Rosenthal requested that we requested that we "have a conscience" when we evaluate expanding into new areas.
 - A. Geiss provided information related to a request from Madison County to extend water to a proposed industrial park next to the Madison County Landfill.
 - A. Geiss presented and discussed a letter from Anheuser Busch relative to a request for a 120 day payment terms on water supply invoices. The Board indicated that payment terms are established by published tariffs.
 - Reviewed the revised schedule for Board Meetings for the year. Meeting schedule was accepted by all members.
- IV. CHIEF ENGINEERS REPORT:
 - A. Geiss reviewed the Engineering and Operations report.
 - Report indicates that the Otisco Lake level is at - 4", gates are open at 11" and water level is dropping.
 - Reported that the Nedrow connection has been completed. The System was turned on last week, however the City had problems with the Southern Branch and the new connection was temporarily shut down. It is now restarted.
 - Reported that Park Street Pump Station supply line work is nearly complete.
 - Reported that Community Hospital had a break late at night. They called several contractors for repair but had no luck finding anyone. This was causing problems with OCWA's system so Community contacted OCWA for help and OCWA agreed to respond under the emergency conditions.
 - Reported that A. Geiss, G. Miller, and T. Pickard met January 22nd, 2009 with the Town of Manlius relative to Storm Water Pollution Prevention Plan for the Eastern tank.

- A. Geiss provided information on calls and requests from John Byrnes relative to an ice jam on Otisco Lake.
- Reported on the follow up of the Town of Onondaga proposed improvements to improve water service on Onondaga Hill. R Tomeny had requested additional information. The improvements will benefit OCWA, the Town and developers. It was proposed to divide the cost of the work among the three entities.
- Reported on Taft Road /County Improvements from South Bay to Church Street, total replacement and the relocations. County will be reimbursing OCWA \$500,000.
- Reported that the Lakeland Tank and Geddes Tank were being removed the week of January 19th 2009.

V. LEGAL REPORT

- T. Pickard reviewed the Legal report.
- Reported that CSX has extended the right-of-way agreement for to June 30, 2009.

VI. HUMAN RESOURCES/INSURANCE

- R. Tomeny reviewed the HR/Insurance report.
- L. Khanzadian is working on the retiree prescription drug issue.

VII. UNFINISHED BUSINESS

- A. Review and Adopt 2009 Board Schedule
- B. 2009 Customer Rates – Bob summarized efforts to date on attempts to revise water rates. He presented proposed rate tables based upon a 15% increase for residential, commercial and wholesale customers and 9.9% for industrial customers. Additionally public and private fire protect rates will be increased 3.25%. Legal counsel, T. Pickard, advised that revisions to OCWA's Customer Rules are also part of the revised water rates.

On Motion to approve and publish revised customer rules, which include the new rate schedules effective February 1, 2009 by F. Picardi, duly seconded by H. Rosenthal, with all Members approving

- C. Establish policy for delinquent charges and leaking pipes and fixtures.

On Motion by W. Simmons duly seconded by C. Incaudo, with all Members approving, the Board authorized the Executive Director to make revisions to Customer's bills for good cause relating to delinquent charges or charges resulting from leaks or break.

- D. Tank Project Financing Alternatives and Bond Resolution

1. G Miller presented total estimated project cost of \$33,000,000 for the first two tanks and 20,000,000 for the third at a total cost of \$53,000,000. Compared this project bid to MWB's September 2006 Budget of \$56,220,000, which did not include financing. If financing is added, MWB's it is estimated that the project budget estimate would be \$69,000,000±

- a. Christine Crowley from Fiscal Advisors discussed financing options for short term and long-term financing with NYSEFC. Long term financing by way of sale of bonds by an underwriter. NYSEFC long term consists of two options: NYC Debt Service Reserve Fund or NYSEFC State Revolving Fund (SRF) funding. The NYC Debt Service Reserve option is a one-time opportunity in April 2009. NYS EFC has requested an update of OCWA's Moody's rating, which should be completed by February 6, 2009.

2. T. Pickard presented a supplemental resolution to proceed with, financing for up to \$38 million reserving the Authority's ability to issue and sell bonds to NYSEFC or others.

On Motion by F. Picardi duly seconded by H. Rosenthal, with all Members approving the supplemental bond resolution for \$38 Million for the storage tank projects was adopted.

VIII. NEW BUSINESS:

- A. Two Rights of Way were presented for consideration.

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

4080086 Paul F. & Marion M. Raineri 4" Ext. Mastriano Landing, Town of Sullivan

4080086 Dominick & Lyn A. Pisegna 4" Ext. Mastriano Landing, Town of Sullivan

- B. Two Developer Main Extensions were presented for consideration.

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

4080086 Michael Mastriano 4" Ext. Mastriano Landing, Town of Sullivan

4080080 V-1 Enterprises, Inc. 8"Ext., Brittany Hills, Sec. 11, Town of Onondaga

- C. Bids –A. Geiss reviewed bids from all that were submitted on the following projects:

1. Western Reservoir 20 MG Tank
2. Eastern Reservoir 30 MG Tank

There was a discussion held on the Type I and Type III Tanks

W. Simmons complimented the work that was done by OCWA's Engineering Department and Accounting Department relative to the Western Reservoir and Eastern Reservoir projects. Pending receipt of a firm commitment for funding it was decided to hold any actions on accepting the bids until the February board meeting.

IX. EXECUTIVE SESSION

- R. Tomeny requested that the regular Board meeting adjourn to Executive session to discuss Compensation topics for 2009.

On Motion by W. Simmons duly seconded by H. Rosenthal with all Members approving, the Board agreed to move to Executive Session at 3:18 pm.

On Motion by W. Simmons duly seconded by H. Rosenthal with all Members approving, the Board adjourned the Executive Session and returned to regular session Board meeting at 3:39 pm

On Motion by F. Picardi duly seconded by C. Incaudo with all Members approving, the Board agreed to the Compensation changes effective January 1, 2009 as outlined and discussed in Executive Session.

On Motion by F. Picardi duly seconded by C. Incaudo with all Members approving, the Board agreed to adjourn the meeting at 3:40 pm.

As there was no further business to come before the Authority, the meeting adjourned at 3:40 pm. The next Authority meeting is scheduled for Wednesday February 11, 2009 at 12:30pm.

Respectfully Submitted,
Laurie Khanzadian,
Recording Secretary