

The Onondaga County Water Authority met in regular session on November 18, 2021.

Members of the Authority present were J. Bianchini, K. Gardiner, M. Luber, B. Doran, and J. Dougherty

Others present: J. Brown, G. Miller, C. Marvin, L. Khanzadian, T. Frateschi, A. Weiss, and J. Shehadi, Fiscal Advisors.

I. Call to Order:

- J. Bianchini, Chair, called the meeting to order at 11:05 a.m.

On motion by M. Luber, duly seconded by K. Gardiner, with all Members approving, the Board approved the regular Minutes of October 27, 2021, as presented.

- J. Bianchini welcomed Timothy Frateschi, General Counsel to OCWA. Tim will provide legal assistance to OCWA as a part-time employee.
- J. Bianchini requested that Curt Marvin, Fiscal Officer, review the Bond Underwriting Proposals.

II. Bond Underwriting

- C. Marvin introduced John Shehadi, Fiscal Advisors & Marketing, Inc., to review the summary of Bond Underwriting proposals. J. Shehadi provided a summary analysis from eight underwriters that provided proposals to OCWA. A review indicates that Baird and FHN are the top two proposals with close pricing on average debt service and fee per bond per thousand. Fiscal Advisors recommends Baird for the upcoming transaction finding that they adhere very closely to their proposed pricing.

On motion by K. Gardiner, duly seconded by M. Luber, with all Members approving, the Board approved Baird as the underwriter and authorized proceeding with the Bond issue for an amount up to \$50M with a projected January 2022 closing. Additional details will be discussed at the December meeting.

III. EXECUTIVE DIRECTOR

- J. Brown reviewed the Executive Director's report.
- Mentioned that garage fire clean-up is almost complete. Plan to move to the Facilities Maintenance department next. Insurance claim for damages is estimated at \$5M. Negotiations continue.
- Planning to move forward with the employee service recognition breakfast in January. Recognizing employee service in five-year increments. Five, ten, fifteen years etc. will be invited to the breakfast.

- Discussions have continued with Onondaga County Department of Water Environment Protection regarding preparing additional information requested by the chip-fab consultant.
- Spoke at a press conference at the request of Congressman Katko discussing Infrastructure Investment and Jobs Act. Discussion from business leaders at the recent press conference indicates that there is continued interest in locating here from chip-fab companies.

IV. WATER PRODUCTION & DELIVERY G. Miller reviewed the monthly Water Production and Delivery Report.

- Water demand is dropping off into the low 30 MGD range which is typical for this time of the year.
- Otisco Lake Level – Recent storms have really impacted the Otisco Lake watershed, with three gates still open at the dam and the water level is still +1.5”, more than 2’ above average for this date.
- Water Quality – very good, DBPs were sampled this week. We have a team that meets biweekly to review our water quality parameters, any issues that arise, and make modifications for the week.
- Operations performed tank inspections, completing a very busy two weeks. Drained, cleaned and inspected four tanks, all generally in good condition.
- Hydrant Inspections – Our distribution maintenance staff have switched from our excavation maintenance work to hydrant inspection mode. We have inspected 2,300 hydrants this month bringing us up to 9,700. We will be close to completing all hydrant inspections by the end of the year.
- Cardiff – Participated in several meetings with the Town of LaFayette regarding beginning operations on the Cardiff and Tully water systems.

V. ENGINEERING:

- A. Weiss reviewed report.
- System betterment work is beginning to slow down. Projects in the Town of Manlius are in the close out phase.
- District projects, Granby and Hastings are transitioning to winter work as well as working on customer connections and meters.

- Capital project - Fairmount continues with steady progress. Roof is complete, moving to wire winding and pipe. Goal is to test with water in mid- December.
- Continue with pursuing grants. Submitting the Tug Hill pump station and Oswego distribution garage projects for a total submission of \$5M.
- Agreement with the Marcellus Snowmobile Association is in place, and they have completed construction of a bridge across Nine Mile Creek.

VI. LEGAL

- T. Frateschi reported that we are close to a final agreement with LaFayette and Tully. Mentioned that Honeywell will pay \$2.2M to maintain the system with \$500,000 payable to OCWA, January 2023. OCWA will bill for services but forego payment until that time.

On motion by K. Gardiner duly seconded by J. Dougherty, with all Members approving, the Board authorized upon final legal review and approval, authorizing Jeff Brown to execute a ten year operation and management agreement.

VII. HUMAN RESOURCES/INSURANCE:

- L. Khanzadian reviewed the Human Resource/Insurance report.
- Considerable progress with recruitment efforts. Successful in finalizing the WP Electrician specification with approval from Onondaga County along with a finalist candidate to fill the position.
- An offer was made to the candidate that the Board approved as an exception to the anti-nepotism policy.
- Completed the initial review of two health plan offerings for both active employees and retirees. Next steps will include a meeting with CSEA representatives.
- Arbitration regarding CSEA and participation in call-duty is scheduled for December 6, 2021.

VIII. FISCAL SERVICES:

- C. Marvin reviewed the Fiscal Services report.
- Water Revenues were under budget by \$190,000 (4.4%) in October and are under budget for the year by \$263,000 which is only 0.6%.
- Operating Expenses are \$213,000 less than budgeted for the month. As they have been during most of the year there are significant positive variances in Labor and Benefits related to the

large number of unfilled positions. Outside contractors are also significantly under budget.

- Some of the negative variances are in Power, Professional Services and Transportation. The Professional Services amount is related to the terminal reservoir pipe litigation for which there is no amount budgeted.
- Cash Receipts – October 2021 cash receipts of \$4,065,182 were \$368,743 (8.3%) less than October 2019 adjusted for two years of rate increases
- Accounts Receivable – Total past due accounts receivable increased by \$86,630 (5.6%) during October and are now at the highest point since the beginning of the pandemic. The 61-90 days past due bucket decreased by \$22,100, but the 31-60, 91-120 and the 120+ days past due buckets increased by a total of \$108,730. The 31-60 days past due amount increased by the largest amount (\$45,634).
- Advised the Board that Dermody, Burke & Brown were not available to attend the meeting today due to the schedule change. Will invite to the December meeting as requested.

On motion by B. Doran, duly seconded by M. Luber, with all Board members approving, the Board adjourned the regular meeting and moved to Executive Session at 11:45 a.m. to discuss the financial history of particular individuals and matters leading to employment of a particular individual.

On motion by K. Gardiner, duly seconded by J. Dougherty, with all Board members approving, the Board adjourned Executive Session at 12:02 p.m. and returned to the regular Board meeting.

On motion by B. Doran, duly seconded by M. Luber, with three Board members approving, two opposed (K. Gardiner, J. Dougherty) the Board authorized the Teamster wage offer to move the 1/1/2023 3% wage increase to 1/1/2022. Move the 1/1/2022 – 2% wage increase to 1/1/2023.

IX. NEW BUSINESS:

- G. Miller reviewed the 2022 MEC and Advanced Benefit Cost – Main Extension Cost for Developers.

On motion by K. Gardiner, duly seconded by J. Dougherty, with all Board members approving, the Board authorized the 2022 MEC and Advanced Benefit Cost

- C. Marvin reviewed the 2022 Water Rate schedules. An increase of 7% for residential and commercial customers. 8% increase for industrial and municipal customers.

On motion by M. Luber, duly seconded by B. Doran, with all Board members approving, the Board authorized the 2022 Water Rate schedules.

- Contractor Main Extension Contract/Job Order – One Main Extension Contract(s) and One Job Order(s) presented for consideration.

On motion by M. Luber, duly seconded by J. Dougherty, with all Members approving, the Board authorized J. Brown to execute the following:

Project #	Developer/Contractor	Job Title (new Accounts)	Location	Proj. Cost
42100749	Baltimore Ridge LLC	8" Ext.(23)	Village of Manlius	\$104,841.25
Job Orders				
9004039	Sweet Aroma Cafe	4" Fire Service Tap (2)	2870 St Rt 49, T West Monroe	\$10,000

- A. Weiss reviewed Bid D-2021. Discussed that this was a rebid of a previously advertised project. Several items were removed from the project to bring the cost more in line with our funding. OCWA received solid interest from two bidders but received only one bid at the deadline. OCWA management recommends approval of C.O. Falter for the sum of \$37,901,301.00.

On motion by B. Doran, duly seconded by M. Luber, with all Members approving, the Board approved the OCWA management recommendation of C.O. Falter for the sum of \$37,901,301.00.

- A. Weiss reviewed RFP 3-2021 Farrell Pump Station Improvements. Installation of pumps and drives. OCWA received two bid proposals and management recommends award to GHD for an amount up to \$243,445.00 for the base scope of the project with potential value-added services up to \$47,940.00.

On motion by J. Dougherty, duly seconded by B. Doran, with four Members approving and one abstention (K. Gardiner), the Board approved the bid award to GHD for an amount up to \$243,445.00.

- C. Marvin reviewed the Deferred Compensation Audit and recommended approval.

On motion by K. Gardiner, duly seconded by M. Luber, with all Members approving, the Board accepted the Deferred Compensation audit conducted by Dermody Burke & Brown.

- A. Weiss reviewed the resolution for Tug Hill Pumping Station Improvements requesting authorization for the WIIA and IMG program and expenditures up to \$2,000,000.00 should the grant be awarded.

On motion by J. Dougherty, duly seconded by K. Gardiner, with all Members approving, the Board approved the resolution as outlined and dated November 19, 2021.

- A. Weiss reviewed the resolution for the OCWA Oswego Distribution Garage. Design and construction. Requestion authorization for the WIIA and IMG program and expenditures up to \$3,000,000.00 should the grant be awarded.

On motion by B. Doran, duly seconded by J. Dougherty, with all Members approving, the Board approved the resolution as outlined and dated November 19, 2021.

X. UNFINISHED BUSINESS

- Bid # 16 Liquid Caustic Soda – Management recommends award to the second low bidder Univar as JCI Jones has indicated that they cannot hold their pricing during the contract term. Award to Univar for the sum of \$102,635.05.

On motion by J. Dougherty, duly seconded by Univar, as recommended by OCWA management, for the sum of \$102,635,05.

- G. Miller discussed how management intends to perform flushing with the temporary suspension of the night crew. We will shift some of the nighttime flushing work to the day shift. This can be accomplished by working in residential areas. Any areas that may affect commercial businesses or schools will be done at night.

XI. BIDS

- G. Miller reviewed Bids # 22-#27 and Bids #29-#32. All bids in order, Management recommends award to the lowest responsible bidders.

On motion by J. Dougherty, duly seconded by K. Gardiner, with all Members approving, the Board approved the bids as outlined below, awarding to the lowest responsible bidder.

#22 Annual Main Replacement/Repair/Extension Contract - Awarded to D. E. Tarolli, Inc., for the sum of \$2,667,227.75.

#23 Brass Water Service Fittings – Awarded to Blair Supply Corp., for the sum of \$102,444.50

#24 Cast Iron Valve Box – Awarded to Ferguson Waterworks, for the sum of \$251,340.05.

#25 Ductile Iron Cement Lined Pipe – Awarded to McWane Ductile, for the sum of \$1,369,698.50.

#26 DIMJ Compact and Full Body Fittings – Awarded to Ferguson Waterworks, for the sum of \$171,798.78.

#27 Resilient Seated Gate Valves 12” and smaller – Awarded to EJ Prescott, Inc. for the sum of \$223,395.00.

#29 Hydrants – Awarded to T Mina Supply East Inc. for the sum of \$332,525.00.

#30 MJ Tapping Valves 12” and smaller – Awarded to EJ Prescott Inc. for the sum of \$50,990.00.

#31 Stainless Steel Taping Sleeves – Awarded to EJ Prescott Inc. for the sum of \$39,417.60.

#32 Wedge Action MJ Restraining Gland – Awarded to Blair Supply Corp for the sum of \$76,848.00.

- G. Miller reviewed Bid #21 Generator Maintenance – Recommend award to the low bidder, with one informality in bid item 12, inadvertently left off the bid amount – Cummins Inc for the sum of \$34,920.00.

On motion by B. Doran, duly seconded by K. Gardiner, with all Members approving, the Board approved the recommendation of Cummins Inc. for the sum of \$34,920.00.

- G. Miller reviewed Bid # 28 Resilient Seated Gate Valves – Low bidder submitted bid with an error, bidder withdrew bid. Recommend award to the second low bidder, EJ Prescott for the sum of \$115,500.00.

On motion by J. Dougherty, duly seconded by B. Doran, with all Members approving, the Board approved the recommendation of EJ Prescott for the sum of \$115,500.00.

J. Bianchini offered to host the December Board meeting and move it from Friday December 17 to Thursday December 16, 2021, at the Century Club at 11:30 am to begin the Board meeting.

On motion by B. Doran, duly seconded by M. Luber, with all Members approving, the Board adjourned the regular Board meeting at 12:50 p.m.

The next Authority meeting is scheduled for Thursday, December 16, 2021, at 11:30 a.m. at the Century Club

Respectfully Submitted,

Laurie Khanzadian, Recording Secretary