

Members Attending: T. Anderson, S. Beardsley, F. Miller, J. Deming, D. LeFeber

Excused Absent: P. Brooks, M. McKeown

Others attending: M. Baines (Executive Director), M. Kosakowski (Director of Operations), R. Lewis (Principal Account Clerk), J. Campbell (Kruk & Campbell, P.C.), E. Wies (Clark Patterson Lee).

Financial report: R. Lewis reviewed the Financial report with the Board. R. Lewis noted that the DOCCS Bank Balance represents funds as of 01/31/18; LCWSA received a payment of \$1,256,100 on February 12, 2018 for reaching the 75% completion point on the project. This is the final payment from DOCCS until the project is 100% complete (except for final punchlist items). Therefore, the funds remaining in the account will need to cover remaining costs on project up to the approved budget of \$8,374,000, plus the capital cost for the farm upsizing of \$318,000, which will be repaid by the two (2) farms in accordance with the terms of the repayment agreements. At this time, the Board could transfer approximately \$190,000 back into its reserve account (from the approximate \$1,564,056 that it had previously borrowed), or wait until the end of the project when the final project cost is known, and initiate one transfer back into the reserve account. The Board consensus was to wait until the end of the project.

Concurrent with this discussion, R. Lewis noted that the current "unallocated cash balance" is shown as a negative value, but this is based on a total of \$1,355,000 in projects identified as "Work in Progress". At this time, LCWSA only has contractual obligations/commitments of approximately \$60,000 for design and/or construction work on those projects that are currently in progress.

R. Lewis mentioned that the Bonadio Group completed its onsite audit field work the week of February 9, 2018, and will be making a presentation on the draft 2017 audit at the March 28, 2018 regular Board meeting. The Board consensus was to meet as a whole to discuss the audit, versus scheduling a separate Audit Committee meeting.

Motion: J. Deming moved and D. LeFeber seconded to approve the Financial Report. Carried unanimously.

Annual Internal Controls Self-Assessment Results (2017)

M. Baines informed the Board that the annual internal controls self-assessment, which is required under Public Authorities Law, was recently completed by LCWSA staff (4 employees). The results of the self-assessment were circulated to the Board. It was noted that the Authorities Budget Office (ABO) provides a guidance document on major components that should be covered in the self-assessment, but it does not provide a specific template. There was a brief discussion that the lengthy questionnaire currently being utilized by LCWSA may be modified for the 2018 assessment, in order to simplify the process and provide greater clarity. The Board indicated it would defer action on this item until the March 28 Board meeting, in order to provide Board members sufficient time to review the information.

Resolution to Join Municipal Self-Insurance Program (PERMA) and Filing of Worker's Compensation Board Notice (Form SI-26)

The Board reviewed *Resolution 2018-04*. M. Baines noted that in early 2017, LCWSA had planned to join PERMA upon the hiring of the new Executive Director. Due a timing issue, this could not be accomplished and LCWSA instead obtained a worker's compensation policy through AmTrust, which will expire in mid-April.

RESOLUTION 2018-04 - RESOLUTION TO JOIN MUNICIPAL SELF-INSURANCE PROGRAM (PERMA – PUBLIC EMPLOYER RISK MANAGEMENT ASSOCIATION, INC)
(on file with secretary)

Motion: S. Beardsley moved and F. Miller seconded to approve resolution 2018-04 Resolution to Join Municipal Self-Insurance Program (PERMA – Public Employer Risk Management Association, Inc). Carried unanimously.

NYSAWWA Spring Water Event (April 10-12, 2018 – Saratoga Springs, NY)

M. Baines requested approval from the Board to attend the New York State American Water Works Association (NYSAWWA) Spring Water conference, which is held annually in April in Saratoga Springs, NY.

Motion: F. Miller moved and J. Deming seconded to approve M. Baines' attendance at the Water Event in Saratoga Springs, NY from April 10-12, 2018. Carried unanimously.

Operations and Capital Report

M. Kosakowski reviewed the Operations and Capital reports with the Board (on file with the Secretary). The following items were further discussed by the Board:

- **RFP for Annual Water/Sewer Installations & Repairs**
LCWSA received proposals on February 9, 2018 from a total of four (4) contractors (CP Ward, Fineline, Morsch Pipeline, Villager Construction). This list of contractors is consistent with prior RFPs that have been issued. Fineline was identified as the low bidder on most installation and repair work, with costs that are comparable to prior year costs.
- **Village of Livonia, Two (2) Water Main Breaks**
On February 23, 2018 (early morning), LCWSA staff responded to two (2) water main breaks within the Village on a 6" and 8" water main. Fineline was contacted to complete the emergency repairs. The cause of the breaks was due to a significant increase in system pressure that occurred after a telemetry failure, which caused the pumps at the Hemlock Pumping Station to continue pumping against a closed altitude valve adjacent to the Shelly Road tank. M. Kosakowski was going to follow up with LCWSA's SCADA consultant, Optimization (Jeff Scott), to see if additional safeguards could be put in place to avoid an "over pressure" situation from occurring again in the future.
- **Filling of "Seasonal Laborer" Positions – Update**
LCWSA has received a total of six (6) applications to date for the two positions. The application deadline was February 26, 2018, with interviews to be scheduled in the following two weeks.

Other Business

Lakeville WWTP Upgrades (NYSEFC Project No C8-6449-05-00) – E. Wies presented to the Board on the major components of the \$5.7M project, and indicated that the project will be split into two (2) phases: Phase 1 (SPDES Permit Compliance), and Phase 2 (Equipment Upgrades). A tentative schedule for design, bidding, and construction of both phases was also reviewed, with special emphasis on the compliance deadline of April 1, 2019 for Phase 1. (Powerpoint presentation on file with secretary)

Lakeville WWTP, Disinfection Evaluation/Study + WQIP Grant Application

E. Wies circulated copies of the engineering proposal (on file with secretary) to the Board for review and approval. The proposed scope and fee was discussed by the Board. Clark Patterson Lee is proposing to prepare an Engineering Report related to the disinfection of the effluent at the Lakeville Wastewater Treatment Plant. In 2017, the SPDES permit for the plant was modified to require disinfection of the effluent by May 1, 2022. This project would be eligible for funding under the Water Quality Improvement Project (WQIP) program, which typically covers 85% of the construction cost. Completion of the Engineering Report will enable LCWSA to apply for funding through Consolidated Funding Application (CFA) process in July 2018. E. Wies noted that the proposed fee of \$4,950.00 for the preparation of the engineering report and grant application, does not include laboratory work and testing that would be completed by a separate entity at a cost of approximately \$2,000.00.

Motion: S. Beardsley moved and F. Miller seconded to approve the Clark Patterson Lee Engineering Proposal for the Lakeville WWTP Disinfection Evaluation Study for the lump sum of \$4,950.00. Carried unanimously.

Motion: F. Miller moved and J. Deming seconded to create a Capital Project “Lakeville WWTP Disinfection”, and establish a 2018 Budget of \$7,500.00. Carried unanimously.

DOCCS Water Supply Project – Contract No. 3, Change Order No. 2

E. Wies circulated copies of proposed Change Order No. 2 (on file with secretary) to the Board for review and approval. This proposed change order involves modifications to the Dennison Road Tank Site, including the installation of an above ground building versus an underground vault to eliminate the confined space entry concerns. Additional piping improvements and the expansion of the driveway entrance are also needed. This change order also covers unforeseen conditions that developed at the existing Railroad Avenue tank site, which required the removal of ice at the bottom of the tank. Total increase in cost is \$79,093.24.

Motion: F. Miller moved and J. Deming seconded to approve Change Order No. 2 (Dennison Rd Tank Site Modifications) to DOCCS Water Supply Project, Contract No. 3, in the amount of \$79,093.24. Carried unanimously.

Maple Beach Rd Purchase and Sale Contract – Request from D. Livingston re: Benefits

J. Campbell indicated that David Livingston, son of Phil Livingston Sr, had contacted his office recently requesting that certain “benefits” identified in the purchase and sale contract be implemented immediately, including the cessation of quarterly water and sewer charges to certain Livingston-owned properties. The Board discussed that in accordance with the contract, these benefits will be granted upon completion of the DOCCS Project.

Sliker Hill Water Main Project – Change Order No. 1

E. Wies circulated copies of proposed Change Order No. 1 (on file with secretary) to the Board for review and approval. A total of three (3) locations had initially been identified for the installation of automatic flushers, but the original bid only had a quantity of 2 units. Therefore, this change order increases the quantity of automatic flushers to three (3), and also incorporates timers to be installed on each of the flushers, for a total increase in cost of \$6,923.00.

Motion: D. LeFeber moved and J. Deming seconded Change Order No. 1 to the Sliker Hill Water Main Project, in the amount of \$6,923.00. Carried unanimously.

Wildbriar Estates Sanitary Sewer Improvements – Update

E. Wies updated the Board and indicated that the Developer (Genesee Valley Rural Preservation Council, Inc.) has decided to scale back the proposed sewer improvements, and opt for a small duplex grinder pump station and small diameter low pressure sewer, which would remain privately owned. Due to this change, an easement for the 50'x 60' area would no longer be needed and a main extension agreement would no longer be required for the sanitary facilities. Clark Patterson Lee, who is providing engineering services to the architectural firm hired by GVRPC, has revised the plans accordingly.

Minutes – Organizational and Regular minutes dated January 26, 2018

Motion: D. LeFeber moved and J. Deming seconded to approve organizational and regular board meeting minutes dated January 26, 2018. Carried unanimously.

Bills: R. Lewis reviewed the monthly bills.

Motion: D. LeFeber moved and J. Deming seconded to approve paying the bills for Operating Expenditures, DOCCS Project, and Other Projects in an amount not to exceed \$535,060.04. Carried unanimously.

Motion: J. Deming moved and S. Beardsley seconded to approve paying the bills for Utilities, DOCCS project, Commodities, and Payroll/Miscellaneous in an amount not to exceed \$122,266.30. Carried unanimously.

Communications – The following items were provided to Board members for informational purposes. No action taken.

- Livonia Central School District Letter (dated January 29, 2018) re: Recognition of LCWSA for assistance with water main break
- Suncommon Commercial Solar PV System Analysis & Proposal (dated January 29, 2018) and Qualifications Package
- Village of Mount Morris Letter (dated February 5, 2018) requesting meeting re: new sewer rates for Groveland & Leicester districts

R. Lewis and M. Baines briefly summarized items that were discussed at the February 26, 2018 meeting with the Village of Mount Morris. The Village has indicated that due to depleted reserve funds and several planned improvements to the wastewater treatment plant, it is proposing to increase

sewer rates to users within and outside the Village, which would impact LCWSA's retail customers in the Town of Groveland and Town of Leicester. R. Lewis noted that LCWSA staff had not yet thoroughly reviewed the information that was provided at the meeting. M. Baines indicated that LCWSA currently has a water supply agreement with the Village of Mount Morris but does not have a wholesale sewage treatment agreement. The Board consensus was that an agreement should be developed. Additional discussion is anticipated at the March 28, 2018 Board meeting.

Adjourn: Motion: D. LeFeber moved and S. Beardsley seconded to adjourn the board meeting. Carried unanimously.