

Meeting began at 7:17 a.m.

Present: James Gabriel Jack Holley Sarah Ryan
 Angel Lawrence David Kaiser David Terry, Jr.
 Dan Duddleston David Dresser Joan Teichner
 Terry Potts

Absent: Ed Barto

Approval of Minutes:

August Regular Board Meeting:

Motioned: Joan Teichner

Seconded: David Terry

Carried Unanimously

Correspondences:

Traveler's Boiler inspection and Seneca County Health Dept. inspection attached, both came back with good responses.

Water Maintainer's Report:

They are flushing hydrants for the year and are working on a ten-year plan.

District Counsel Report:

Jim met with Glen Cooke with regard to the transfers and was informed the Army is still holding it up. They also spoke regarding the water intakes and wanted to know the opinion of the IDA. Jim wanted them to have all the information and be updated on the progress. Jim would still like to speak with Bruce Bonafiglia, but has not been able to touch base at this point. He wants to keep the lines of communication open and would like the EDC to also know of the progress regarding the water intakes.

Jack asked if there was any progress on phase two. Water is completed for this phase.

Financial Report:

The tentative budget was submitted for the board members review. There was discussion regarding increases and change of line items.

Administrator's Report:

David Kaiser informed the board of a meeting that was held here with the various organizations involved in the ethanol plant project. The Cilion Company out of California is now backing the Empire Bio-fuels Ethanol Plant and the executive Vice-President; Ejnar Knudsen was here to represent the company. Three engineers were in attendance from Malcolm Pirnie, Kent McManus, Dave Patton and Jerel Bogdan. Our engineers, Gary Cannerelli and Rick Gehl from O'Brien & Gere were also in attendance. Kevin Swartley was here from Empire Biofuels. Angel Lawrence, Jack Holley and David Kaiser were also in attendance. It was a very productive meeting. It was determined the two engineering firms would work together to come up with a scope of services. The Cilion Company has

offered to send a contract agreeing to reimburse the district for our engineering costs. Jim suggests we obtain a letter of credit from this company. Angel will request they deal directly with our attorney to negotiate the contract. Joan Teichner asked that we research the credibility of the Cilion Company. She would also like the board to read the latest reports on ethanol plants. Jim explained that the district does not have any decision power regarding whether it is going to be established or not, but rather our part is to provide water. The ethanol plant would like to break ground by March of 2007.

Dave also informed the board that Jack Holley, Water Commissioner and Tom Scholes from the Seneca County Health Dept. would be attending a meeting with Dave in Avon. This meeting will be with the NYS DEC regarding the permitting process for the water intake project. Our engineering firm will also have an engineer in attendance at this meeting.

Verification of Payables:

Motioned by: David Terry
Seconded by: Joan Teichner
Carried Unanimously

Resolutions:

Tentative budget to be accepted as preliminary budget
Motioned by: David Dresser
Seconded by: David Terry
Carried Unanimously

Budget Appropriation Transfers
Motioned by: David Terry
Seconded by: Terry Potts
Carried Unanimously

The next board meeting will be held at the Romulus Town Hall in Willard on October 25th, 2006 at 7:00 a.m.

Adjournment: 8:22 a.m.

Motioned by: David Dresser
Seconded by: Terry Potts
Carried Unanimously