

Seneca County Water District #1
Wednesday, June 25, 2008

Meeting began at 7: 13 a.m.

Present: David Dresser Jack Holley Robert Hayssen
 Angel Lawrence David Kaiser Dan Duddleston
 Terry Potts James Gabriel

Absent: Ed Barto
 David Terry, Jr.

Guest(s): Jim Bromka
 Mitch Rowe, Director of Planning & Development

Approval of May Minutes:

Motioned: David Dresser
Seconded: Robert Hayssen
Carried Unanimously

Correspondences:

1. Executive Report prepared by Bill Jones regarding water infrastructure. He was hired by the county as a short-term consultant to do a study for the infrastructure at the depot with reference specifically to the water situation.
2. Seneca County Water District#1 application for water hookup#2-03
3. Seneca County Water District #1 application for water hookup #3-08

Water Maintainer's Report:

Working on changing hydrants out on the depot and also on the leak detection. The ten-year plan requires us to replace a mower. We purchased one mower to take care of the lake and Hillside and the other is not our mower but rather a loaner. Jack suggests we sell the old mower and replace both of these mowers with one mower. Jack obtained a bid from Martin's mower and specs. They came in cheaper than the current state bid price for the same type of mower. The Finger Lakes Technology Group may be interested in purchasing our old mower. Jim explained that if the mower is of equal or better quality and same or less price than state bid than you do not need to put out for bid. Jack feels the quote he has provided is equivalent to state bid specs and another advantage is that they are local and past experience shows their service has been very good.

District Counsel Report:

Jim and Dave had a meeting with NYSEG representative with regard to the flicker the Lakeshore Landing homes are experiencing. O'Brien & Gere are putting together bid specs for the booster pumps to work to eliminate this situation. There is no guarantee that this will fix the problem. The representative expressed his opinion that this area does have plenty of power. He will check on the transformers and have a specialist look into the situation. The booster pumps were something the district had already planned to replace.

Jim went on a tour with David and Neal Sherman to review his operation. We are still waiting for survey work to become available and are still awaiting a deed transfer. The issue of who will be taking responsibility for the roads on the depot has not been resolved to date. If these roads are privately owned, we will need to obtain an easement to pass through.

David Dresser asked if a letter had been written and sent to Rural Development. Jim's opinion is that the grant application is a dead issue and that the press release that was sent should be submitted to Rural Development with a letter. David Dresser would appreciate a response letter being sent to Rural Development.

Chairman's Report:

The Seneca County Planning and Development had an item on their agenda for the Lowes project. A water line would be constructed to the Lowes location along with including residents along the way. In the description of the request, it explains the benefits of water to this location. The IDA wants to implement a PILOT in lieu of taxes for this project. PILOT (Payment in lieu of taxes) each tax jurisdiction would have to agree to it. Bob Hayssen, Dave Dresser and Dave Kaiser brought up a situation at this end of the county that needs approval and therefore a description was added to the resolution. David Dresser made a motion last night to amend the resolution to include opening the intakes. David Dresser read seven reasons for allowing this:

1. Engineering studies (two separate) indicate opening the intakes would be cost effective and would provide water to the users at a substantial savings.
2. No monopoly should be allowed in our county
3. Home security should be considered and the need for a second water source is imperative
4. Need for depot growth
5. For the purpose of other systems located in the south county that may want another source for their water.
6. Comprise important part of water authority
7. Raw water for ethanol

Patsy Amidon voted against, we assume because she obtains her water from the Village of Waterloo. The south county has no objection to passing the resolution for the Lowes project, but it should be pointed out that our project is equally as important. It was decided the right thing to do was support the Lowes project, just as our project should have received the same support because it is the right thing to do. David Dresser explained that is how he feels! David Dresser and David Kaiser spoke about putting together a meeting with the Village of Waterloo and we will also put together a power point to explain our side of this as well. David Dresser really feels that all the Seneca County board members should be provided all the information so they are able to make a decision based on all the information and could not really vote with us without all the information.

David Kaiser explained that the engineer study, which was completed, by O'Brien and Gere clearly explains that the flow volume will start to experience pressure drops and with this information it has become obvious that the Village of Waterloo currently does not have the pressure to supply the depot for any large

project that may come into the depot. Again, David explained that we lost a large project last year because of the lack of water. There is another entity that would like to locate at the depot and they need $\frac{3}{4}$ of a million gallons, which would definitely be more than Waterloo can supply. This immediately causes a problem for this potential investor. If the intakes could be open we could also lower the rate to the residents with the use of the intakes rather than being forced to purchase water. We had a meeting set up with Mr. Young over a year ago and he cancelled the meeting. We again tried to set up a meeting a few weeks ago and then discovered the sabotage letter to the US Rural Development. David will attempt to schedule a meeting between the Village of Waterloo and the Seneca County Water District#1. This would be preliminary to the Seneca County Board of Supervisors meeting. Our board will request the Village of Waterloo representatives to attend a meeting with our board if possible the 17th or 24th of July, 2008. Jim Bromka will take this request back to his boss and see if either of these dates will work for them. The Village of Waterloo wanted to give a presentation and Mr. Lafler asked that they wait until the district also had an opportunity to put together their own information as well. Jim Gabriel would like to recommend O'Brien and Gere attend the Board of Supervisors meeting. We will have the presentation ready for the meeting on the 22nd.

Jim advised the board that the Village of Waterloo has FOILED all the W-2's for the Town of Romulus and the Seneca County Water/Sewer Districts. This has been responded to. As this board knows, the Seneca County Treasurer prepares the W-2's for any district employees.

David Dresser would like Bernie Donagen's representative and Gary from O'Brien & Gere to attend the meeting with the Village of Waterloo. David Kaiser will check with them to see if they can attend either of those two dates. David Dresser would like to have a meeting first before either side takes a presentation to the county board. Bob Hayssen explained the Army paid upfront for the line that went to Varick. The money should have gone into the filtration plant and it would have been running today and the opening of the intakes would not an issue. David Kaiser showed a graph that indicates revenue vs. expenditures for the Village of Waterloo. This was prepared by Bernie Donagen's office. David Kaiser pointed out that the revenue will increase with the new Lowes coming on line and with the bonds being paid off the expenditures will also decrease, but yet rates don't change.

David Kaiser spoke with Gary Cannerelli and requests us to pass a resolution allowing us to advertise for bids upon completion of their study. Therefore, there will be no delay installing the booster pumps.

Financial Report:

All books have been provided for review.

Verification of Payables:

Motioned by: David Dresser

Seconded by: Terry Potts

Carried Unanimously

Unfinished Business:

Angel has requested the board consider a study by Bernie Donegan's office regarding water and sewer rates to confirm the figures in the report that she prepared.

New Business:

Finger Lakes Technology would like to use the old tower and later they decided they didn't want the use of it after all. In the meantime, Ed Compton requests the opportunity to remove the tower for scrap. Jim explained we would have to have an agreement that indicates he is bonded and insured. Bob Hayssen and Jack Holley both expressed the need to advertise out of fairness. David Kaiser will research this topic more and get back to the board with more information.

Bob Hayssen has concerns with the main meter not reading. Bob doesn't want to get billed for water he isn't using. The meter is off by 1 million gallons at a cost of 2.85 per thousand it is a total water loss cost of \$2,850.00 to the Town of Varick. Bob doesn't feel this is an expense that Varick should incur. Bob is requesting the board review this and possibly loss be shared.

Resolutions:

24.8 Purchase mower as provided in specs

Motioned: Robert Hayssen

Seconded: Terry Potts

Carried Unanimously

25-08 Authorize Advertisement for Bids

Motioned: Robert Hayssen

Seconded: Terry Potts

Carried Unanimously

26-08 Approve Water Hookup #2-08

Motioned: Robert Hayssen

Seconded: Terry Potts

Carried Unanimously

27-08 Approve Water Hookup #3-08

Motioned: Robert Hayssen

Seconded: Terry Potts

Carried Unanimously

28-08 Authorize rate study

Motioned: David Dresser

Seconded: Terry Potts

Carried Unanimously

The next board meeting will be held at the Romulus Town Hall in Willard on July 23, 2008 @ 7:00 a.m.

Adjournment: 8:27 a.m.

Motioned by: Robert Hayssen

Seconded by: David Dresser

Carried Unanimously

June 25, 2008

Angel J. Lawrence, Board Clerk
Seneca County Water District #1