

**MINUTES
BOARD OF MANAGERS DISTRICT NO. 4
April 11, 2012-3:30 PM
NORTHERN REGION CONFERENCE ROOM**

MEMBERS PRESENT: Mr. Thomas Batt, Mr. Robert Harris, Mr. Jesse Nikoniwicz, Sr., and Ms. Kristin McCracken

MEMBERS ABSENT: Mr. Gary Ambrose

OTHERS PRESENT Mr. Joseph Fiegl, Mr. Glenn Absolom, Roger Lalli, Mr. Donald Symer, and Ms. Brenda Rehac

ITEM NO.1-CALL MEETING TO ORDER

Mr. Batt called the meeting to order at 3:30 pm.

a. **Welcome New Members**

Mr. Batt introduced the new Board Members. Mr. Fiegl explained the duties of the Chair, Vice Chair and Secretary. Typically the Secretary position is held by a Division of Sewerage Management staff member.

b. **Election of Officers**

Mr. Harris moved, seconded by Mr. Nikoniwicz to elect Ms. McCracken as Chair for the District # 4 Board of Managers. The motion carried 4-0.

Mr. Batt moved, seconded by Ms. McCracken to elect Mr. Ambrose as Vice Chair. The motion carried 4-0.

Mr. Batt moved to nominate himself for Secretary. Mr. Nikoniwicz seconded to elect Mr. Batt as Secretary. The motion carried 4-0.

ITEM NO.2-APPROVAL OF OCTOBER 12, 2011 MEETING MINUTES

Mr. Fiegl noted the minutes October 12, 2011 were provided with the packet for the new members review. Ms. McCracken moved, seconded by Mr. Nikoniwicz to approve the October 12, 2011 minutes. The motion carried 4-0.

ITEM NO.3-ITEMS FROM THE PUBLIC

Mr. Donald Symer, who resides at 610 Columbia Avenue, Lancaster, introduced himself to the Board.

ITEM NO.4-NEW BUSINESS

a. Approval of Payments (Handout)

i. Confirmation of Telephone Poll-December payments

Mr. Batt moved, seconded by Mr. Harris to approve the December 2011 payments submitted. The motion carried 4-0.

ii. April Payments (Handout)

Mr. Batt moved, seconded by Mr. Nikonowicz to approve the April 2012 payments submitted. The motion carried 4-0.

In addition, Mr. Fiegl stated it is not necessary for the Board to approve payments. Payment items may be added to the agenda as informational items. If the Board has any issues with payments, they can contact the DSM and payments can then be withheld if necessary. The final step is the contract close out which will be brought before the Board to make their recommendation. Ms. McCracken requested that this matter be tabled until the full Board is present.

b. Aurora North Easement Acquisition

The Board received information in which ECSD No. 4 seeks to acquire a permanent 0.65 acre and a temporary easement adjacent to the Flix Theater for the future construction of the Aurora North sanitary sewer to enable the elimination of the existing pumping station. The sum of the noted easements is not to exceed \$36,000.

Mr. Harris moved, seconded by Mr. Nikonowicz to accept the resolution as submitted. The motion carried 4-0.

ITEM NO.5-OLD BUSINESS

There was nothing to report.

ITEM NO. 6-MISCELLANEOUS & INFORMATIONAL ITEMS

a. Operation Reports-September, October, November, December 2011, January 2012 and February (Handout)

Mr. Batt explained to the Board monthly reports are generated by the district and distributed with the agenda package for the Boards review. The reports are an overview of the monthly progress and/or issues throughout the Division.

Mr. Lalli reported on February 1st, 2012 the Aurora North pumping station had a pump which failed and caused the dry well to flood with approximately 7' feet of sewage. By-pass pumps to Slate Bottom Creek were continued for approximately (4) four hours before an emergency pump around system was in place. On February 3rd the pumping station was put back into service.

b. Pretreatment Report (Handout)

i. FOG Report

Mr. Fiegl explained the FOG (fats, oil and grease) program and the problems associated with grease. Staff has been designated to investigate various sites. Seven (7) businesses in District No. 4 were recently inspected. Food establishments are required to have the proper grease traps or grease separators installed and maintained.

c. Construction Status Report

i. Contract EC-7A-Vanderbilt PS, Depew PS, Depew ORF

Mr. Batt informed the Board that the work with this contract is mostly complete except for punchlist items and air release valves on the forcemain. Waiting for wet weather to test the station. Need right of entry with CSX to install the improvements on the forcemain.

Change Order No. 1, Nichols, Long & Moore (Handout)

Change Order No. 1 for \$36,806.00 was submitted for the Boards review and information.

Contract EC-7D-Change Order No. 7, Weydman (Handout)

Change Order No. 7D for \$23,872.00 was submitted for the Boards review and information.

ii. Contract 40 – Aurora North Pump Station

Mr. Batt stated that this sewer project will eliminate the Aurora North pumping station by installing a sanitary sewer from Aurora Street to Borden Road. The sewer will traverse backlots, across Michael Anthony, continue along Flix, and down Losson Road. The revised Engineer's Report is being resubmitted to DEC for approval, remaining easements are being obtained, SEQR has been completed, and the plans and specifications are being finalized. DSM expects to bid this contract by the end of May. The Board at the next meeting may be asked to approve the award of the contract. Mr. Harris indicated that the Town has reviewed the project and had comments about the difficulties of the Michael Anthony section and maintaining traffic, and other comments, that will have to be addressed.

iii. Iroquois Pumping Station Evaluation

Wendel Engineers have been selected to perform an analysis of the pumping station to recommend improvements necessary to bring it up to standards. The station is old and the mechanical equipment needs updating. Mr. Fiegl commented that the Broadway East pumping station is also being looked at by Wendel.

d. Workers Safety Program

i. Clear Water Article (Handout)

Mr. Batt provided the members with a copy of the Winter Clear Waters publication for the Board's information. The articles stressed the importance of work safety, along with an article highlighting a staff member from ECSD No. 3.

e. Buffalo New February 8, 2012 (Handout)

The article provided for the Board's information highlighted the need for water and sewer upgrades and the large amount of money necessary to make the improvements.

f. Clean Water Advocate-October/November 2011, December 2011/January 2012.(Handout)

Mr. Fiegl stated the newsletters are an informative publication by an advocacy group in Washington.

Mr. Nikonowicz moved, seconded by Mr. Harris to receive and file the informational items 6a through 6f. The motion carried 4-0.

Mr. Fiegl adjourned the meeting to Executive Session regarding a personnel issue at 4:10 and resumed the meeting at 4:19.

Mr. Nikonowicz, moved, seconded by Mr. Harris to adjourn the meeting at 4:19. The motion carried 4-0.

*****NEXT MEETING***
COMBINED BUDGET & REGULAR MEETING
WEDNESDAY, JUNE 27, 2012
3:00 PM
NORTHERN REGION ADMINISTRATION BUILDING**

Respectfully submitted,



**Thomas Batt, P.E.
Board of Managers Secretary**

TB:br

**ERIE COUNTY SEWER DISTRICT NO 4
BOARD OF MANAGERS MEETING MINUTES
JUNE 27, 2012
NORTHERN REGION CONFERENCE ROOM**

MEMBERS PRESENT: Mr. Gary Ambrose, Mr. Thomas Batt, Mr. Robert Harris,
Mr. Jesse C Nikonowicz, Sr., and Ms. Kristin McCracken

OTHERS PRESENT Mr. Glenn Absolom, Mr. Joseph Fiegl, Mr. Larry Krug,
Mr. Roger Lalli, Mr. Matt Salah, Mr. Donald Symer, Mr. Kevin Zynda
and Ms. Brenda Rehac

ITEM NO.1-CALL MEETING TO ORDER

Ms. McCracken called the meeting to order at 3:00 p.m.

ITEM NO.2-APPROVAL OF APRIL 11, 2012 MEETING MINUTES

Mr. Batt moved, seconded by Mr. Harris to approve the minutes of April 11, 2012. The motion carried 5-0.

ITEM NO.3-ITEMS FROM THE PUBLIC

There were no items from the public.

ITEM NO.4-NEW BUSINESS

a. **Presentation and Approval of 2013 Budget**

i. **Proposed 2013 Budget (Handout)**

On a motion by Mr. Harris, seconded by Mr. Ambrose, the Board meeting was interrupted 3:06 for the Combined Budget Meeting. The motion carried 5-0. The 2013 Budget was presented by Mr. Fiegl to the Board during the Combined Budget Meeting. Board meeting reconvened at 3:29.

ii. **271 Resolution (Handout)**

Mr. Fiegl presented the 271 resolution to the Board for review and approval. Approximately 28%, 8%, and 64% of the total sanitary sewer tax levy of \$5,250,689 shall be raised from the assessed value, footage and flat charges, respectively.

Mr. Harris moved, seconded by Mr. Ambrose to approve Resolution 271 with a flat charge of \$170.00 and footage charge of .60. The motion carried 5-0.

b. Request to Connect to Sewer (Handout)

Mr. Batt reviewed the request from Ms. Barbara Klier who resides at 11118 Walden Avenue, Alden to connect to the sanitary sewer due to septic system failure. Mr. Batt explained that there is an existing sanitary sewer in front of her house with a wye already installed to accommodate her lateral. Ms. Klier would be responsible for a fee for inspection and the tap in the amount of \$1,600. Ms. Klier was advised of this fee. Mr. Ambrose moved, seconded by Mr. Nikonowicz, Sr. to approve an Out-of-District customer agreement with Ms. Klier for 11118 Walden Avenue. The motion carried 5-0.

c. I/I Compliance Hearing (Handout)

Mr. Batt informed the Board the homeowner who was in violation has since complied and no further action is necessary.

d. Approval of Payments-June (Handout)

The following items were presented to the Board for approval:

CRA	Vanderbilt PS	#8913	\$4,174.75
		9301	9,414.26
		9303	12,593.28
Webster Szanyi	Depew Landfill	#301155	\$4,045.00
		30272	6,617.20
Weydman Electric	Vanderbilt PS	EST #5	\$10,983.86
Nichols, Long & Moore	Vanderbilt PS	EST #13	\$26,945.57

Mr. Batt moved, seconded by Mr. Nikonowicz, Sr. to approve the payments as submitted. The motion carried 5-0.

ITEM NO 5.-OLD BUSINESS

a. Approval Payments

Ms. McCracken had requested during the April 11, 2012 that this item be revisited during the June 27, 2012 Board meeting when the full Board is present. Mr. Fiegl explained the approval of payment is not a statutory responsibility of the Board and can be added to the agenda as informational items. If the Board has any issues with payments, they can contact the DSM and payments can then be withheld if necessary. The final step is the contract close out which will be brought before the Board to make their recommendation. Mr. Nikonowicz, Sr. moved, seconded by Mr. Ambrose to move the payments to "Miscellaneous and Informational Items" on the agenda. The motion carried 5-0.

ITEM NO. 6-MISCELLANEOUS & INFORMATIONAL ITEMS

a. **Operation Reports-March, April, May 2012 (Handout)**

Mr. Batt explained the operational reports are made available for the Boards review which summarize the various work performed throughout the districts. In addition, Mr. Lalli stated the Depew PS is currently being installed with a new VFD unit and final connection should be complete by the end of the week. 13' of sewer repair was completed on Central Avenue in Lancaster due to NYSEG puncturing the main with a utility pole. Cured in place pipe lining was completed on Broezel and Iroquois Streets.

b. **Pretreatment Report**

Nothing new to report.

c. **Construction Status Report**

i. **Vanderbilt PS, Depew PS, Depew ORF-Contract EC-7**

All work has been completed on the project except for air release valves on the forcemain. Due to lack of wet weather, the station has not been fully tested.

a. **Change Order No. 4, CRA Engineering (Handout)**

Information regarding Change Order No. 4 was provided for the Boards review. The Change Order compensated CRA for additional general services during construction and resident engineering services until the completion of the construction. The DSM requires continuous engineering services until contracts are closed out.

ii. **Iroquois Pumping Station Evaluation**

Mr. Batt stated project is ongoing, with equipment evaluations and recommendations to be submitted.

iii. **Aurora North Pumping Station**

A schedule was provided for the Aurora North Pumping Station Elimination. Bid opening is schedule for Friday, June 29, 2012. In addition, a copy of the completed SEQR was available for the Boards review. If the DSM recommends moving forward with the lowest responsible bidder, the Board will be asked to approve the award of the contract by telephone poll.

d. **NYS Sewage Right to Know Act**

Mr. Fiegl discussed the NYS Sewage Right to Know Act law which was approved by the State Legislature on June 21, 2012. This law will extend beyond what is already required by the DEC for reporting of SSO's. The DEC will be establishing rules for the notifications. NYWEA was unaware this bill was being brought before the Senate.

Mr. Ambrose moved, seconded by Mr. Nikonowicz, Sr. to receive and file items 6a-d. The motion carried 5-0.

ITEM NO. 7-ADJOURNEMENT AND NEXT MEETING

On a motion by Ms. McCracken, seconded by Mr. Harris the meeting was adjourned at 3:49 p.m. The motion carried 5-0.

*****NEXT SCHEDULED MEETING***
WEDNESDAY, OCTOBER 10, 2012
3:30 PM
NORTHERN REGION CONFERENCE ROOM**

Respectfully submitted,



**Thomas Batt, P.E.
Board of Managers Secretary
District 4**

TB:br

**ERIE COUNTY SEWER DISTRICT NO 4
BOARD OF MANAGERS
COMBINED BUDGET MEETING DISTRICTS NO. 1 ,4, &5
JUNE 27, 2012
NORTHERN REGION CONFERENCE ROOM**

MEMBERS PRESENT: Mr. Gary Ambrose, Mr. Thomas Batt, Mr. Robert Harris,
Mr. Jesse C Nikonowicz Sr. and Ms. Kristin McCracken

OTHERS PRESENT Mr. Glenn Absolom, Mr. Joseph Fiegl, Mr. Larry Krug,
Mr. Roger Lalli, Mr. Matt Salah, Mr. Donald Symer, Mr. Kevin Zynda
and Ms. Brenda Rehac

Ms. McCracken called the meeting to order at 3:06 p.m.

Mr. Salah was present representing the Board of Managers for District #1 and Mr. Zynda was representing the Board of Managers for District #5.

Mr. Fiegl presented the Board with the 2013 Combined Budget for 2013. Per Mr. Fiegl's discussions with each Board member in anticipation of this meeting, the Board has been advised that due to the New York State 2% Property Tax Cap law, there is less flexibility in this year's budget than in the past. However, Mr. Fiegl commented that he believes this draft budget is a responsible plan to protect the assets and ratepayers of ECSD No. 4.

Overall, the ECSD No. 4 appropriations or expenses are budgeted in 2013 to increase approximately \$171,000. Due to an increase in anticipated revenues, the actual District tax levy is projected to increase only approximately \$68,000, meaning that most ratepayers will realize total ECSD No. 4 charges that will be on average slightly higher than fiscal year 2012.

ECSD No. 4 is one of three sewer districts that comprise the Division of Sewerage Management's "Northern Region." The Northern Region budget is developed based upon a Memorandum of Understanding dated 6/19/91. The Memorandum of Understanding outlines which costs or expenses are shared items and which items are exclusive to individual districts and their respective budgets. In summary:

- Costs such as personnel, supplies, equipment, "Division-wide" expenses, etc. are shared based upon the ratio of units in each sewer district and the total units in Northern Region.
- Contractual treatment charges, debt service, revenues, fund balance, and capital reserve are exclusive to each sewer district.

For this year, Northern Region shares in approximately 46.5% of the Division-wide expenses. Within Northern Region, ECSD No. 4 is responsible for 51% of the costs.

Reviewing the Detail Summary for ECSD No. 4, total appropriations are projected to increase \$171,000 when compared to 2012, with the vast majority of this increase due to over \$230,000 in additional debt service payments associated with recent projects (such as the Vanderbilt/Depew Pumping Station (PS) and Overflow Retention Facility project) and the proposed 2012/2013 Aurora North PS Elimination project. On the revenue side, fund balance and user charges are budgeted to increase while all other revenue sources are projected to

decrease. Observing recent trends on amount available and amount used, it is recommended that an additional allocation of almost \$117,500 of fund balance be made when compared to 2012. It is important to note that \$48,000 less revenue is anticipated from the "State/County/T. Alden" due to anticipated closings in that service area.

Looking at the 2012 and 2013 budget comparison for Northern Region ("pie charts"), most items remained relatively constant, with the percentage of debt service increasing the most.

As stated previously, it is estimated that the average impact to the typical ratepayer (single family home) in ECSD No. 4 is a slight increase for annual 2013 charges when compared to 2012.

Fringe benefits for employees are at this point not anticipated to spike sharply for next year. Expected increases in pension and medical insurance are not projected to be as high as in past years, while items such as workers comp and unemployment are expected to decrease slightly.

The 2013 equipment line items represent \$418,430 of the Northern Region budget. The major items includes the replacement of two (2) vehicles, replacement of a 1985 backhoe, replacement of two 40 year old pumps, replacement of variable frequency drives for energy and maintenance savings, and the Northern Region's standard unanticipated replacement item.

Mr. Fiegl presented additional details from the various accounts. An increase of \$15,000 for maintenance and repairs was added to cover the cost of main line pipe patch repair which is much more economical and reduces the need for a traditional dig job requiring restoration work. Subsequently, rental equipment was reduced by \$15,000. Utilities were estimated lower for 2013, partially due to lower natural gas prices and energy efficiency projects. Fuel costs were budgeted conservatively at \$4.50/gallon. Any unused funds will be moved to the fund balance. Under finance services, BSA charges were budgeted slightly lower for district #4. Page 25 illustrates the capital reserve balance for the last 4 years. Page 30 illustrates the available fund balance/percentage used which has remained stable at 60%. Page 41 lists the proposed projects for 2013. An itemized list of available vehicles and conditions are on page 44. Overall, the Northern Region budgeted appropriations have increased approximately 1%.

Fund balance usage as an offsetting revenue is budgeted at 60%. The available district fund balance at 12/31/11 represents approximately 2.6 months of 2013 budgeted appropriations.

Mr. Harris questioned if the Aurora Pumping Station elimination project was included in the 2013 budget; which Mr. Fiegl stated it was in the budget. Mr. Symer asked Mr. Fiegl if former Town District #2 was on the same rate schedule as the rest of the district. Mr. Fiegl stated the rates are the same as the rest of the ratepayers in the Town of Lancaster. Mr. Symer asked when the Town District #2 will be dissolved; which Mr. Fiegl replied he does not have an exact schedule at this time.

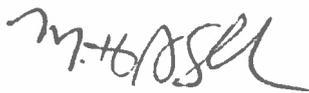
The ECSD Nos. 1 and 5 Boards had approved 271 resolutions for their respective sewer districts at their previous meetings with the draft budget as presented. Both Boards proceeded

with the understanding that if the combined budget did not pass, the meetings already scheduled in July would be held to present any revisions and subsequent re-approvals.

It is recommended for the 2013 Budget that the typical flat charge remain unchanged at \$170.00 per unit and the footage charges in ECSD No. 4 remain at \$0.60 / foot.

Actual approval of the budget will be done during the regular District No. 4 Board meeting with the passage of the 271 resolution.

Respectfully submitted,



Matt Salah, P.E.
Secretary, ECSD No. 1
Board of Managers



Thomas M. Batt, P.E.
Secretary, ECSD No. 4
Board of Managers



Kevin J. Zynda, P.E.
Secretary, ECSD No. 5
Board of Managers

Attachments:

Excerpt from District 1 Board Meeting June 20, 2012

Excerpt from District 5 Board Meeting June 25, 2012

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ECSD No. 1 Budget Discussions

Mr. Fiegl began the presentation by advising the Board members that due to the New York State 2% Property Tax Cap law, there is less flexibility in this year's budget preparation. However, Mr. Fiegl commented that he believes this draft budget is a responsible plan to protect the assets and ratepayers of ECSD No. 1.

Overall, the ECSD No. 1 appropriations are budgeted in 2013 to increase approximately 0.4%. Due to an increase in anticipated revenues, the actual District tax levy is projected to decrease by approximately 0.7%. Therefore, most ratepayers in the District will realize total 2013 charges to be at or below 2012's charges.

ECSD No. 1 is one of three sewer districts that comprise the Division of Sewerage Management's "Northern Region." The Northern Region budget is developed based upon a Memorandum of Understanding (MOU) dated 6/19/91. Essentially, the MOU outlines which costs or expenses are shared items amongst the Districts and which items are exclusive to the individual districts and their respective budgets. In summary:

- Costs such as personnel, supplies, equipment, "Division-wide" expenses, etc. are shared based upon the ratio of units in each sewer district and the total units in Northern Region.
- Contractual treatment charges, debt service, revenues, fund balance, and capital reserve are exclusive to each sewer district.

For this year, Northern Region shares in approximately 46.5% of the Division-wide expenses. Within Northern Region, ECSD No. 1 is responsible for 36% of the costs.

Reviewing the Detail Summary for ECSD No. 1, total appropriations are projected to increase \$24,000 when compared to 2012, with most of this increase is attributed to debt service. On the revenue side, fund balance allocation has been increased (by approximately \$33,000) to \$882,543. Observing recent trends on amount available and amount used, it is believed that this allocation of fund balance is prudent.

Comparing the 2012 and 2013 budgets for Northern Region ("pie charts"), one will note that most items remained constant, except for the percentage of debt services.

As stated previously, the estimated impact to the typical ratepayer (single family home) in ECSD No. 1 is a \$3 to \$4 decrease for annual charges.

Fringe benefits for employees are at this point not anticipated to spike sharply this year. The expected increases in pension and medical insurance are not projected to be as high as in past years. While items such as workers comp and unemployment are expected to decrease slightly.

The 2013 equipment line items represent \$418,430 of the Northern Region budget. The major items includes the replacement of two (2) vehicles, replacement of a 1985 backhoe, replacement of two 40 year old pumps, replacement of variable frequency drives for energy and maintenance savings, and the Northern Region's standard unanticipated replacement item.

Fund balance usage as an offsetting revenue is budgeted at 60%. The available district fund balance at 12/31/11 represents approximately 2.6 months of 2013 budgeted appropriations.

Mr. Fiegl presented additional details from the various accounts and concluded that the overall of the Northern Region budgeted appropriations have increased approximately by 1%. It was noted that generally individual line items are budgeted conservatively, with the understanding that any unused funds roll into fund balance and can be used as an offsetting revenue in subsequent budgets to offset rate increases.

Mr. Fiegl ended the presentation with recommendations for the 2013 Budget that the flat charge remain unchanged at \$200.00 per unit and the footage charges remain at \$0.60 / foot. At this time, the Board would be approving the budget for ECSD No. 1. At the Combined Budget Meeting on June 27th, 2012 the entire Northern Region budget is voted upon. Ms. Holtz moved, seconded by Ms. Meegan, to approve the 2013 Budget. The motion carried 5-0.

ii. 271 Resolution

Mr. Fiegl presented the 271 resolution to the board for review and approval. Approximately 40%, 8%, and 52% of the total sanitary sewer tax levy of \$6,133,593 will be raised from the assessed value, footage and flat charges, respectfully.

Ms. Meegan moved, seconded by Ms. Holtz, to approve Resolution 271 with a flat charge of \$200.00 and typical footage charge of \$0.60. The motion carried 5-0.

Mr. Fiegl noted that Resolution 271 has been passed under the assumption that the combined budget for the Northern Region will remain unchanged after the Boards for ECSD Nos. 4 and 5 have had their opportunity to review and vote on the budget. The entire budget will be voted upon at the combined budget meeting on June 27th. It is noted that if there are any modifications necessary, the budget and this resolution may need to be amended at the already scheduled July 6th ECSD No. 1 meeting.

b. 2012 Budget (Handout)

Mr. Fiegl introduced Ms. Whyte, Commissioner of Environment and Planning, to the Board. Ms. Whyte thanked the Board for their contributions as members. Ms. Whyte and Mr. Fiegl met with the Erie County Budget Office in preparation for the 2013 Division of Sewerage Management's Budget. Ms. Whyte explained that the County has been faced with substantial challenges due to the 2% tax cap.

Per Mr. Fiegl's discussions with each Board member in advance of this meeting, that due to the New York State 2% Property Tax Cap law there is less flexibility in this year's budget than in the past. However, Mr. Fiegl commented that he believes this draft budget is a responsible plan to protect the assets and ratepayers of ECSD No. 5.

Overall, the ECSD No. 5 appropriations or expenses are budgeted in 2013 to increase approximately \$37,500. Due to an increase in anticipated revenues, the actual District tax levy is projected to decrease slightly, meaning that most ratepayers will realize total ECSD No. 5 charges that will be at or below 2012's charges.

ECSD No. 5 is one of three sewer districts that comprise the Division of Sewerage Management's "Northern Region." The Northern Region budget is developed based upon a Memorandum of Understanding dated 6/19/91. Essentially, the Memorandum of Understanding outlines which costs or expenses are shared items and which items are exclusive to individual districts and their respective budgets. In summary:

- Costs such as personnel, supplies, equipment, "Division-wide" expenses, etc. are shared based upon the ratio of units in each sewer district and the total units in Northern Region.
- Contractual treatment charges, debt service, revenues, fund balance, and capital reserve are exclusive to each sewer district.

For this year, Northern Region shares in approximately 46.5% of the Division-wide expenses. Within Northern Region, ECSD No. 5 is responsible for 13% of the costs.

Reviewing the Detail Summary for ECSD No. 5, the vast majority of appropriations increase in the 2013 budget is due to operation/maintenance expenses associated with the additional Town of Clarence sewer districts that ECSD No. 5 will now maintain by contract. As a result, the anticipated revenue for "Clarence Town #2, #6, #7, & #9" has been increased approximately \$42,000. The fund balance allocation for ECSD No. 5 has been increased by approximately \$37,000 to offset a budgeted decrease in user charge revenues. Observing recent trends on amount available and amount used, it is believed that this additional allocation of fund balance is prudent.

Looking at the 2012 and 2013 budget comparison for Northern Region ("pie charts"), most items remained relatively constant, with the percentage of debt service increasing the most.

As stated previously, the estimated impact to the typical ratepayer (single family home) in ECSD No. 5 is a \$2 - \$3 decrease for 2013 charges.

Fringe benefits for employees are at this point not anticipated to spike sharply this year. Expected increases in pension and medical insurance are not projected to be as high in past years, while items such as workers comp and unemployment are expected to decrease slightly.

The 2013 equipment line items represent \$418,430 of the Northern Region budget. The major items includes the replacement of two (2) vehicles, replacement of a 1985 backhoe, replacement of two 40 year old pumps, replacement of variable frequency drives for energy and maintenance savings, and the Northern Region's standard unanticipated replacement item.

Mr. Fiegl presented additional details from the various accounts. An increase of \$15,000 for maintenance and repairs was added to cover the cost of main line pipe patch repair which is much more economical vs. a traditional dig job. Fuel costs were estimated at \$4.50/gallon. It was noted that generally individual line items are budgeted conservatively with the understanding that unused funds roll into Fund Balance and can be used as an offsetting revenue in subsequent budgets to offset rate increases. Rental fees were reduced \$15,000 in part with the ability to do more in-house pipe patch repairs. Also, the utilities enterprise was budgeted less due to more energy efficient projects. Mr. Fiegl explained the Finance Services agreement with the Town of Amherst and Clarence under Professional Service Contract & Fees. Overall, the Northern Region budgeted appropriations have increased approximately 1%.

It is proposed once again that ECSD No. 5 contribute \$300,000 to its capital reserve fund. This fund will be utilized to pay "cash" for future capital work in the sewer district.

Fund balance usage as an offsetting revenue is budgeted at 39%. The available district fund balance at 12/31/11 represents approximately 2.95 months of 2013 budgeted appropriations. After several years where the ECSD No. 5 fund balance was lower than desired, it is believed that this fund is now at a healthy level to protect the ratepayers of the district.

It is recommended for the 2013 Budget that the flat charge remain unchanged at \$100.00 per unit and the footage charges in ECSD No. 5 remain at \$1.00 / foot. At this time, the Board would be approving the budget for ECSD No. 5. At the Combined Budget Meeting on June 27th, the entire Northern Region budget is voted upon.

Mr. Ketchum moved, seconded by Mr. Sanders to approve the 2013 Budget. The motion carried 4-0.

i. 271 Resolution (Handout)

Mr. Fiegl presented the 271 Resolution to the Board for review and approval. Mr. Fiegl explained that the resolution spells out the rates used to calculate the tax levy, and is a necessary step in the budget approval process. Approximately 54%, 21%, and 25% of the sanitary sewer tax levy of \$1,505,212 shall be raised from the assessed value, footage and flat charges, respectively.

Mr. Sanders moved, seconded by Mr. Callahan to approve Resolution 271 with a flat charge of \$100.00 and footage charge of \$1.00. The motion carried 4-0.

Mr. Fiegl noted that Resolution 271 has been passed under the assumption that the combined budget for the Northern Region will remain unchanged after the upcoming ECSD No. 4 Board of Managers meeting on June 27th. It is noted that if there are any modifications necessary, the Budget and this resolution may need to be amended at the already scheduled July 18th ECSD No. 5 meeting.

**MINUTES
BOARD OF MANAGERS DISTRICT NO. 4
OCTOBER 10, 2012, 3:30 PM
NORTHERN REGION CONFERENCE ROOM**

MEMBERS PRESENT: Mr. Gary Ambrose, Mr. Thomas Batt, Mr. Robert Harris,
Ms. Kristin McCracken, and Mr. Jesse C. Nikonowicz, Sr.

OTHERS PRESENT Mr. Glenn Absolom, Mr. Joseph Fiegl, Mr. Roger Lalli,
Ms. Brenda Rehac, and Mr. Donald Symer

ITEM NO.1-CALL MEETING TO ORDER

Ms. McCracken called the meeting to order at 3:30.

ITEM NO.2-APPROVAL OF JUNE 27, 2012 MEETING MINUTES (Handout)

On a motion by Mr. Harris, seconded by Mr. Ambrose, the June 27, 2012 meeting minutes were approved. The motion carried 5-0.

a. **Approval of June 27, 2012 Combined Budget Meeting Minutes (Handout)**

On a motion by Mr. Harris, seconded by Mr. Ambrose, the June 27, 2012 Combined Budget minutes were approved. The motion carried 5-0.

ITEM NO.3-ITEMS FROM THE PUBLIC

None

ITEM NO.4-NEW BUSINESS

a. **2013 Meeting Schedule (Handout)**

The Board received a copy of the 2013 schedule. Mr. Batt moved, seconded by Mr. Harris to approve the 2013 meeting schedule. The motion carried 5-0.

b. **2013 User Charges**

i. **Notice of Public Hearing (Handout)**

Part of the process of adopting the User Charge rates requires a public hearing to be held. Public hearing took place on August 16, 2012. The 2013 user charge rates were included on the handout.

ii. **Minutes from the Public Hearing (Handout)**

The Board of Managers received a copy of the minutes from the public hearing for the 2013 user charges for Erie County Sewer Districts No's 1-6 and 8, which was held on August 16, 2012.

Item 2

Now that the public hearing was held, the next step is for the individual Boards of Managers to adopt the rates. A Notice of Adoption will be published in the Buffalo News and the County's official papers.

iii. Approval of Resolution (Handout)

Mr. Ambrose moved, seconded by Mr. Nikonowicz, Sr., to approve the User Charge resolution. The motion carried 5-0.

c. Town of Lancaster-Sewer Charge Reimbursement (Handout)

The Board received a copy of a memo detailing sewer charges for 16 homeowners in the Town of Lancaster who were charged duplicate County sewer taxes on their tax bills for years 2010, 2011 and 2012 due to a clerical error. The total reimbursement amount is \$14,062.79. Ms. McCracken inquired as to one of the property owners who had recently sold their property and the procedure for the reimbursement. Mr. Batt will follow up on this and make sure the owners on the list are current. Ms. McCracken moved, seconded by Mr. Harris to approve the reimbursements. The motion carried 5-0.

d. I/I Compliance Hearing (Handout)

The Board received a copy of a letter to the property owner at 46 Parkdale Drive, Lancaster who has not corrected the violation found during their house inspection. Mr. Fiegl explained the process of a compliance hearing. At the hearing, non-compliant property owners are invited and allowed to provide their case and along with the documentation from DSM, the hearing officer makes a recommendation. The hearing officer's recommendation is then brought back to the board. Mr. Batt moved, seconded by Mr. Nikonowicz, Sr., to move forward with a compliance hearing. The motion carried 5-0.

ITEM NO. 5-OLD BUSINESS

None

ITEM NO. 6-MISCELLANEOUS & INFORMATIONAL ITEMS

a. Operation Reports-June, July August, 2012 (Handout)

Mr. Lalli discussed the replacement of the VFD at Depew. All five VFD's should be completed by the end of 2012.

b. Pretreatment Report

Mr. Batt stated Buffalo Tungsten plans to open their facility the beginning of 2013.

c. Construction Status Report

i. Contract 66 – Completion (Handout)

A copy of Contract 66 Cured-in-Place lining completed in Lancaster by Lash Contracting in 2010 and 2011 was available for the Board's review.

ii. Vanderbilt PS, Depew PS, ORF-Contract EC-7

All work has been completed on the project except for air release valves on the force main. Due to lack of wet weather, the station has not been fully tested.

iii. Iroquois Pumping Station Evaluation

Wendel Engineers has evaluated the Iroquois and Broadway East pumping stations and has completed an engineer's report outlining recommendations for refurbishing these stations. The report recommends replacing the pumps, motors, VFD's, electric system, instrumentation, mechanical systems and some building improvements at Iroquois. At Broadway East station, the pumps are going to be rebuilt, new VFD's and control system, new check valves, gen set improvements and a flow meter. The design plans are 50% complete. The estimated construction cost is \$1.1M.

iv. Aurora North Pumping Station

Bids were opened for the contract on June 29 2012. The apparent low bidder, Man O'Trees, could not execute the Performance Bond Information Form and their bid was deemed non-responsive. The remaining bidders were much higher than the Engineer's estimate. All bids were rejected. DSM has hired URS to evaluate the project to determine if there is any value engineering that could be applied, the use of directional drilling and whether there is any benefit or cost savings, and providing a more comprehensive cost analysis of replacing the pump station with a force main. Once the report is completed, DSM will evaluate the options and costs for the best solution.

d. Payments (Handout)

October payments for CRA, Webster Szanyi, Wendel and Nichols, Long and Moore were available for the Board's review.

e. Legislature Letter 2012 Assessment Rolls-Notice of Public Hearing (Handout)

The Erie County Legislature will hold a Public Hearing on the 2012 Assessment Rolls on November 2, 2012 in the Legislature Chambers. The Notice of Public Hearing will be published in the official papers.

f. 120 Cemetery Road

Mr. Fiegl briefly discussed the property at 120 Cemetery Road in Lancaster. Mr. Fiegl will address this issue in the next meeting when more information becomes available.

g. SCADA Upgrade

Mr. Absalom stated the department now has the capability to remotely start the Vanderbilt, Broadway East, and Depew pumping stations and activate the ORF during a rain event from the main facility in the Southtowns.

h. BSA Long Term Control Plan

Mr. Harris asked if there was any update on BSA's long term control plan. Mr. Fiegl responded that there has been nothing definitive. EPA has been involved and there have been meetings, but nothing has been agreed to.

Mr. Ambrose moved, seconded by Mr. Harris to receive and file the informational handouts under items 6a-h. The motion carried 5-0.

ITEM NO.7 ADJORNMENT & NEXT MEETING

Ms. McCracken moved, seconded by Mr. Batt to adjourn the meeting at 3:54. The motion carried 5-0.

*****NEXT MEETING***
DECEMBER 12, 2012
3:30 PM
NORTHERN REGION ADMINISTRATION BUILDING**

Respectfully submitted,



Thomas Batt, P.E.
Board of Managers Secretary

TB:br

Moved By : NIKONOWITZ
Seconded By : AMBROSE
Approved/Disapproved : 4-0
Date : 2/13/13