VILLAGE OF SKANEATELES
MUNICIPAL BOARD
MINUTES OF REGULAR MEETING – July 19, 2016

Present: Chairman McQuaid, Commissioners Blackler and Palmer, DMO Harty, Trustee Stokes-Cawley.

Absent: Comm. Hall, Advisor Dienst

Chairman McQuaid called the meeting to order at 6:00 pm.

Approval of Minutes. Upon motion of Comm. Palmer, seconded by Comm. Blackler, the minutes of the June 22, 2016 regular meeting were approved as submitted by a 3-0 vote in favor of the motion.

Project Prioritization, Planning & Scheduling. Chairman McQuaid explained the new agenda format being used this month for the first time. There are lots of things that come in as the normal Village operations as well as the projects that are developed and executed. Over time, the Board will prioritize projects across all utilities. Chairman McQuaid wants the meeting to be more than a mere recitation of the DMO's report to the Village Trustees, so wants materials already reported upon to be omitted from this meeting. She is hopeful that discussion materials can be submitted in advance and that advance informational materials can be reviewed or researched by the Board members prior to the meeting and depending on the subject matter. DMO will be the clearing house on the degree of participation desired from the Board. The Municipal Board will be involved helping DMO with prioritization and strategy as well as in areas where the Village Trustees desire its input or recommendation. The Open Action Items section of the agenda is really DMO Harty's Master Project List. Projects should be tasks that are capable of being accomplished in 6 months time.

WATER UTILITY

Utility Financials

- Income $ 31,000 (June) or $43,000???
- Expenses $ 68,000
- Fund Balance $550,000 (e/o/m)
- Outstanding Liabilities (No Update)
- Debt Financing (No Update)
- Units Cubic Feet

DMO Harty reviewed the financial statement for this utility area, noting that the income represents three line items – water, UV disinfection and Town sales. The Town districts are billed on the master meters to the greatest extent possible. June income includes amounts levied on Village tax bills for unpaid May balances. The Board members asked about the graphical presentation that has been used in recent months, expressing a preference for the presentation in that format to be continued. DMO asked how deeply the Board wanted to go into the financials. Chairman McQuaid answered "the point where there's a risk."

Significant Operational Activities

- Water Turbidity – The extremely dry weather and abundant sunshine has had a beneficial effect on turbidity, but has negatively affected supply – with the lake levels down.

- Though not related to turbidity, Comm. Palmer noted that pressure is down by 5 to 10 psi on East Lake Rd; he believes due to the volume of open taps on the line, like watering lawns.

- Water usage is quite high, spiking to 800K-900K GPD; that affects the velocity in the line. Typical usage is 500K GPD. The Board asked about its role in water conservation. The consensus was that it is a state and City of Syracuse issue.

- Peters Farm in Sennett has been connected to the northern Town supply main for about a month and is drawing water. It is reported to be helping the water quality issues in that area, replacing the flushing that the Town was doing. The conditions that were supposed to have been communicated to the Village were ignored (Sennett permit, as-built drawings, etc.).

- 2016 Capital Projects – East Lake Street project is likely a 2017 event.

Active Operational Project Plan

- Fire Dept. Requests – The Village performed a significant amount of hydrant flushing in June. That led to development of a hydrant repair & replacement list.

Proposed Project Plans/Future Strategies (No Update)

SEWER UTILITY

Utility Financials

- Income $62,000 (increase of $26K y/y)
- Expenses (No Update)
- Outstanding Liabilities (No Update)
- Debt Financing (No Update)
- Units Cubic Feet

The new higher sewer rates were enacted in May, but did not start until June 1. The meter readings that were done in June will be billed at new rates, but payments are not due back to the Village until July. Town customers will have a 3 month delay. Sewer billing is based on the water meter, including Town users, since we have access to their AMR data. DMO Harty reported that expenses are up significantly, due, in part, to continuing payments to Brillo for hauling sludge to Auburn. Comm. Palmer said that testing showed that sludge samples contain 2 – 2.5% solids. He believes that a fair amount of that is probably grit.

Significant Operational Activities

- Wet weather protocol (No Update)

- Sewer Flow monitoring (No Update)

- Main trunk inspection (No Update)

- Sludge Concentration – any initiatives will be pursued once the Village's sludge truck becomes operational again

- Grit Removal (No Update)

Active Operational Project Plan

- Upgrade of Sludge Truck – this is an active project. The Village should see the upgraded truck back in service shortly.

- The DEC conducted its inspection of WWTP during June.

- DMO Harty expects that the City of Syracuse will be connecting the new West Lake Street force main system by end of summer.

Proposed Project Plans/Future Strategies

- DEC Muni Sewage Asset Management Grant – DEC has announced that they will first select the consulting firm that will administer this asset management program before awarding any grants. Responses to their RFP are due at the end of August. DEC will then select the consultant and then select the participating municipalities. DMO Harty thinks we may know the status of the Village's application by the end of December. Comm. Palmer mentioned that the Right to Know Act is making $50K available with a 10% matching requirement to communities – this relates to monitoring systems related to unpermitted discharges (CSO or SSO events). The application deadline is August 26. DMO and Comm. Palmer will meet to discuss a possible grant application.

ELECTRIC UTILITY

Utility Financials

- Income (No Update)

- Expenses (No Update)

- Outstanding Liabilities (No Update)

- Debt Financing (No Update)

- Units Kilowatt hours

DMO Harty reported that the Village has retained a new accountant to do electric bookkeeping and reporting. Concentration is on booking activity to the correct account code. In the past, we have expensed some items that more properly could have been booked as depreciable assets. Our two major recent power outages (Sherwood, EGS tree) can be expected to significantly impact the Electric Fund to a level of $60 - $70K. Weather events can dramatically affect the budgets.

Significant Operational Activities

- Village Hall (LEED/HVAC Commissioning) (No Update)

Active Operational Project Plan

- Substation – DMO Harty reported that we have retained HMT to provide construction project management. HMT currently does all our substation maintenance and advises the Village. This involves:

- Setting up the transportation plan
- Working with the manufacturer on best practice ways to get it ready to move
- Working on the design drawings
- Testing and condition assessment

HMT will be billing by the hour.

- AMR Deployment – Have started the deployment of what meters we have in-house. DMO Harty is awaiting the arrival of 40 3-phase meters.

- LED Street Lighting – We are awaiting final lighting level and proposal recommendations from Cree.

Proposed Project Plans/Future Strategies

- IEEP Initiatives – Chairman McQuaid and Advisor Dienst met with Bill Barry and Mike Lyons to discuss available programs, to consider the attributes for a successful pilot with the Skaneateles CSD, and to learn about other municipalities' demand response programs. IEEP funds are available for high demand users and educational programs; Fayetteville Manlius has college credit courses in its curriculum. Some areas where IEEP has permitted spending have

been on LED streetlights, variable speed motors and some efficiency motors. They will continue their work.

Other topics

Chairman McQuaid asked that the following topics be addressed in future agendas:

- Are we/should we be doing a demand response program?
- Are there PSC performance metrics that need compliance monitoring?
- Contact National Grid account manager to discuss jump in transmission charges.

DMO Harty briefly touched on other topics:

- Temporary assessment
- Stray voltage testing
- CTIA pole attachment issue

Comm. Blackler asked when we would reset our turbidity event logs to remove the current jeopardy situation. DMO Harty said that would be October 29, 2016.

Next meeting. After discussion the Board chose Wednesday August 24, 2016 at 6:00 pm to be the time of the next regular meeting.

Upon motion of Chairman McQuaid seconded by Comm. Palmer, the meeting was adjourned at 7:14 pm.

Respectfully submitted,

Dennis Dundon, Clerk to the Boards