DUTCHESS COUNTY
WATER AND WASTEWATER AUTHORITY

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Authority Board Members

Thomas LeGrand
Chairperson

Vincent DiMaso
Vice-Chairperson

Rudy Vavra
Treasurer

Lawrence R. Knapp
Secretary

Ex officio Members

Ed Hoxsie
District Manager
Soil and Water Conservation District

Eion Wrafter
Acting Commissioner
D.C. Dept. of Planning & Development

Staff

Bridget Barclay
Executive Director

Mary C. Morris
Deputy Director

DUTCHESS COUNTY WATER AND WASTEWATER AUTHORITY
UNAPPROVED - MINUTES OF SEPTEMBER 18, 2014

Board Members Present
Tom LeGrand
Rudy Vavra
Larry Knapp

Staff Present
Bridget Barclay
Jackie Burger
Jonathan Churins
Peter Fadden
Ed Mills
Mary Morris
Doug Odell

Board Member Absent
Vince DiMaso

Legislative Liaison
County Legislator Don Sagliano

Others Present
Dan Keeler – Dutchess County Department of Health
Peter Dowley – Staatsburg Watchdog Committee

Meeting Open
Chairman Tom LeGrand opened the meeting at 3:36 p.m.

Approval of Board Meeting Minutes
Tom requested a motion to approve the minutes of August 20, 2014. The motion was made by Rudy; seconded by Larry voted on and passed unanimously (Res. 2014.09.A/01)

Operations Report
Tom said the Operations Report was included in the package and asked if there were any questions. There were no questions and the report was accepted as submitted. Tom said the utility bills for Dalton Farms Sewer appear to be higher than usual. Mary noted an increase in the electric rates and said she would look into it.

Finance Report – Approval of Warrant
Tom said the warrant was included in the package. Larry made a motion to approve the warrant as presented. The motion was seconded by Rudy; voted on and passed unanimously. (Res. 2014.09.B/02)

Approval of 2015 Tentative Benefit Assessment Levy
Bridget said a memo on the 2015 Tentative Benefit Assessment was included in the package, and shows no significant changes from the 2014 assessments. Most are normal year-to-year fluctuation in principle and interest expenses and in almost all systems some level of reduction in the number of benefit units across which we are allocating the costs. This is due to reduced consumption by some of the commercial properties, such as the Hyde Park Plaza with reduced consumption due to vacancies. This applies mainly to Hyde Park, Staatsburg, Zone D and a small portion of commercial properties at Dalton Farms. Some customers have repaired long standing leaks and we are seeing a continuing trend of reduced usage. Mary said even well established businesses have reduced their usage over the last three years. Our customers are using less water across the board.

Tom asked why the County Advance payment was much less than the 2014 payment. Bridget said the repayment of the County Advance is based on a formula derived from the initial Service Agreement between the Authority and the County. It fluctuates from year-to-year and is based in part, on the level of benefit units. In this particular instance we made a higher repayment to the County after doing some debt re-financing allocated to this district. We also defeased bonds that were close to their maturity date. As a result, in 2014 we had surplus money from a debt service reserve fund which we applied the payment to the County. This was a one-time source of revenues. The lower amount for 2015 County Advance is more in line with our previous payments.

Larry made a motion to authorize the Executive Director to submit to the Clerk of the Legislature the Estimate of Debt Service Expenditures and Revenue Needs and the Tentative Assessment Rolls for all Zones of Assessments and Part-County Sewer Districts. The motion was seconded by Rudy; voted on and passed unanimously. (Res. 2014.09.C/03)

System and Capital Projects – Shore Haven Water System
Larry made a motion that the quote received on September 5, 2014 from Veith Electric, Inc., Poughkeepsie, NY for Contract No. SHW-PWC-2014-P1 for the Shore Haven Water System- Booster Pump Station Electric Connection Project in the amount of $16,458.00 be accepted, and that the Executive Director or Deputy Director is authorized to execute a Contract for same. The motion was seconded by Rudy; voted on and passed unanimously. (Res. 2013.09.D/04)

Bridget advised the Board that two bids for the Permanent Treatment Building were received with a fairly significant spread between them. The lowest bid is about 30% over the engineers' estimate of $431,500. A memo prepared by Savin was distributed at today's meeting providing an overall discussion on the differences between the engineers estimate and the lowest bidder. Table One shows the engineers estimate for the breakout of the different bid items, Ferrari's cost and the difference between the

engineers' and Ferrari's estimate. Table Two provides the Engineers estimate broken out for the sub structure between material and labor costs and the differences for material and labor costs. Table Three is the same for the site improvements. The biggest distinctions between the engineers' estimate and Ferrari are the most expensive items; the building sub-structure, the building super structure and the building site improvements.

Bridget said Staff recently had extensive discussion with Savin and asked Larry to look over the bids and documents. We believe that part of the reason for the "deviation" between the bids and the engineers' estimate is the time allowed for the construction and the time of year in which the work would take place. Tom commented on the wide range for the waste tank alone. Discussion followed.

Rudy asked if the bids could be rejected and re-evaluate the project. Bridget said that is a potential option. Further discussion followed on the time frame, project delays, plan holders concerns regarding site constraints, etc. Bridget said we could reject the bids, make some revisions to the scope, put it back out to bid with an intent to award at the November board meeting. Staff believes this could be done in a time frame that would not impact on the ultimate schedule for the treatment equipment approved manufacturer and installer. Discussion followed.

The Board then agreed to arrange a pre-award meeting with Ferrari and Sons, Inc. regarding their bid which is good for a period of ninety days. Bridget said based on that evaluation the Board could then decide to award the contract at the October meeting or reject the bids.

The Old Hyde Park Water Plant

Bridget said it is a requirement of our property disposition policy that before we dispose of real property it has to be declared as surplus by the Board. Because of the value of the property we have to sell it by competitive bid. That policy is based upon requirements of the Public Authority Board under the provisions of the New York State Authority Law. We have had the appraisal done to establish the fair market value and will begin the process of advertising the property and soliciting bids. Larry and Rudy commented on the possibility of low bids. Peter said the Authority has the right to reject all bids.

Rudy made a motion that the property located at 16 Church Street, Hyde Park, NY with a tax parcel number of 133200-6065-04-93326 be declared surplus and shall be disposed of in accordance with the "Disposal of Property Guidelines" adopted January 15, 2014, which includes a Formal Advertisement for Bid and a Resolution adopted by the Board to accept the price of the highest responsible bidder. The motion was seconded by Larry voted on and passed unanimously. (Res. 2014.09.F/06)

Community Projects

Bridget said there is no Community Projects memo this month. Today's resolutions reflect where we are on the projects as far as the Shore Haven treatment system. We awarded the electrical connection contract for the booster pump which is in the process of being manufactured and the resolution for the building to house the treatment

equipment. Weston and Sampson now have the preliminary cost estimates for the distribution system improvements and we have a tentative appointment for next week to review them. We remain below the MCL standards for the radiologicals and disinfection by-products.

Staatsburg Route 9 Pipe Replacement Project

Bridget said the Staatsburg memo was included in the package. Peter said we are working with the contractor to assist in getting his submittals in, in a timely fashion as this will create a problem with the bored crossings across the highway which requires approval by the New York State Department of Transportation (DOT). To date the contractor has been unable to provide a submittal acceptable to Peter and the engineers who are familiar with DOT's requirements. DOT also requires two weeks to approve the submittal after it has been approved by the Authority. The contractor could face some significant liquidated damages because we have to be completed by November 15th.

Tom asked if the work is as it should be at this time. Peter said the contractor has been consistently running two weeks behind schedule. There are several other activities that he needs to support at the same time including a drilling contractor coming in. Peter said the contractor was to provide him with a new schedule demonstrating they could do so. Staff sent a letter citing their production rate through yesterday and advising that they would have to have pipe laid by mid October. This is the date that they need to be able to flush and disinfect the system in order to get everything done. Tom asked who prepares the submittals. Peter said the Contractors Project Manager. Peter said he has provided as much assistance as possible.

DC Airport Water Main Extension Project

Bridget said we continue to work with the County on the DC Airport Water Main Extension Project. Ron Hicks is working toward additional grant money to support the cost of the construction of the water main extension from the CDWTL to the airport. DPW is looking into potential funding through FAA to distribute water on the airport property. She continued by saying we are in the process of requesting proposals for preliminary engineering, the preparation of a map, plan and report and preliminary SEQR in order to go to the County with a request to create the zone of assessment, for the service area that would be encompassed. We would then be in the position to advance or borrow money for the design on the project.

Vanderburgh Cove Sewer

Bridget said the Town of Rhinebeck asked the Authority to consider a take-over of the Vanderburgh Cove Sewer System which includes properties in Rhinebeck and Hyde Park. Hyde Park is also agreeable to the transfer. Tom inquired about the Legislators for that area. Bridget indicated that they are Sue Serino and Rich Perkins for Hyde Park and Joel Tyner for Rhinebeck. Bridget said she is scheduled to meet with the Rhinebeck Town Board on Monday night.

Village of Tivoli

Regarding the potential transfer to the Authority of the Village's water and sewer system, Bridget advised the Board that we are waiting to hear whether the Village of

Tivoli was successful with their application to fund the evaluation of the systems thru the County Consolidation and Shared services grant program.

Public Comment
Tom asked for any public comment. There was no public comment.

Confirm Next Meeting Date
Tom confirmed the next meeting date of October 15, 2014.

Respectfully submitted,

Jackie Burger
Senior Typist

Resolutions

Res. 2014.09.A/01	Motion to approve minutes from the August 20, 2014 board meeting
Res. 2014.09.B/02	Motion to approve the warrant as presented
Res. 2014.09.C/03	Motion to approve 2015 tentative benefit assessment levy
Res. 2014.09.D/04	Motion to award Booster Pump Station Electrical Connection Contract - Shore Haven Water System
Res. 2014.09.E/00	Motion to award contract SHW-PWC-2014-B1-Shore Haven Water System Permanent Treatment Building Project **TABLED**
Res. 2014.09.F/05	Motion to declare Real Property as Surplus