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**DUTCHESS COUNTY WATER AND WASTEWATER AUTHORITY  
APPROVED MINUTES OF APRIL 15, 2015**

Authority Board Members

**Thomas LeGrand**  
Chairperson

**Vincent DiMaso**  
Vice-Chairperson

**Rudy Vavra**  
Treasurer

**Lawrence R. Knapp**  
Secretary

**Amanda Baxter-Dingee**

Ex officio Members

Brian Scoralick  
Acting Executive Director  
Soil and Water Conservation District

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

Staff

Bridget Barclay  
Executive Director

Mary C. Morris  
Deputy Director

**Board Members Present**

Tom LeGrand  
Vince DiMaso  
Rudy Vavra  
Larry Knapp

**Board Member Absent**

Amanda Baxter-Dingee

**Others Present**

Peter Marlow – Dutchess County Department of Health

**Meeting Open**

Chairman Tom LeGrand opened the meeting at 3:33 p.m.

**Introductions**

Mary introduced Marie Smith, the new Account Clerk Typist for the Authority, and she was welcomed by the Board.

**Approval of Board Meeting Minutes**

Tom requested a motion to approve the minutes of the March 18, 2015 meeting. The motion was made by Rudy, seconded by Vince; voted on and passed unanimously with Larry abstaining as he was not present at the March meeting. (Res. 2015.04.A/01)

**Chairman's Report**

Tom said this month he and Bridget worked with the Dutchess County Department of Health (DCDOH) on updating the rules for daily water usage and the different sub-divisions, etc. Bridget said we have had further discussion with the DCDOH and they have provided us with a database covering monthly operations reports for about 120 water systems.

Bridget said our initial focus will be on residential as opposed to mixed-use or commercial users. This will assist us separating the single family residents and multi-family/apartment residential. This will also provide broad overall usage per residential connection numbers. We will then utilize GIS data to look at parcel specific information and will use the Authority's data which is more detailed due to our metered customers. Larry asked for the time frame on this. Bridget said we hope to have this done by June.

Bridget continued by saying the DCDOH has pointed out that the current regulations and guidelines allow them to use established standards or look at usage levels on a case by case basis, based on a particular type of development and usage from similar communities. The New York State Department of Health (NYSDOH) frowns upon municipalities coming up with broad based standards that would apply to all of the developments that are different than what the State is using, so their initial response was cautious.

### **Operations Report**

Tom asked if there were any questions on the Operations report. There were no questions and the report was accepted as submitted.

### **Finance Report – Approval of Warrant**

Tom asked Mary if there were any changes to the warrant. Mary said an amendment to the warrant was included in the package. The amendment was dated January 28, 2015 in error. The correct date is April 15, 2015. Tom inquired about New York Rural Water Association. Doug said they provide continuing education for our operators to maintain their licenses. There were no further questions. Vince made a motion to accept the warrant as amended. This was seconded by Rudy; voted on and passed unanimously. (Res. 2015.04.B/02)

### **System/Capital Project Updates – CCS WWTP Rehabilitation Project – Approval of Sole Source Procurement for Drum Filters**

Tom asked if the supplier named in the next resolution was the only supplier. Bridget said yes. We are getting one lightly used filter with a warranty and we are standardizing that so the second filter will be a matching unit.

Larry made a motion to authorize the standardization of the Chelsea Cove Wastewater Treatment drum microscreen filters as Purestream, LLC Microscreen Drum Filter Model 5-BMF-10; and further resolved that the Board authorizes the Executive Director or Deputy Director to enter into a purchase contract with D.W Martine & Associates, LLC for (1) new and (1) reconditioned Purestream, LLC Microscreen Drum Filter Model 5-BMF-10 for the cost of \$103,230. The motion was seconded by Rudy; voted on and passed unanimously. (Res. 2015.04.C/03)

### **HPWTP Control and Instrumentation Evaluation – Authorize Professional Services Agreement**

Tom asked if the Authority had previously used Tighe and Bond Engineering. Bridget said we have not contracted with them directly. They did all of the evaluations for the Hyde Park Water and Sewer systems. The Sub Contractor to them is Tom Kelly with

Pendragon who has been doing instrumentation work for the Authority for years. Larry inquired about Hudson Land Development Company. Bridget said they have also worked with Tighe & Bond. The Authority hired Hudson Land for preliminary engineering cost estimates for the Dutchess County Airport Water Line, and they sub-contracted with Tighe and Bond.

Vince made a motion to authorize the Executive Director or Deputy Director to execute a professional service agreement with Tighe and Bond Engineering, PC for the cost not-to-exceed \$62,800. The motion was seconded by Larry; voted on and passed unanimously. (Res. 2015.04.D/04)

### **Capital Projects Master Schedule Quarterly Update**

Bridget said the Capital Projects Quarterly Update was included in the package. Tom asked if there were any questions. There were no questions.

### **CCS WWTP Rehabilitation Project – Review of Customer Cost Impact**

Bridget said at last months' meeting we submitted information on the process to go back and re-evaluate the Chelsea Cove Sewer Rehabilitation project. Morris Associates did some value engineering for the Authority and identified potential cost savings. The Board had also requested that Staff provide information on the financial impact to the average customer. We now have the total estimated cost of the project, the amount of fund balance we are applying, and the net project cost.

Bridget said we had Environmental Capital do the funding analysis for us, including the debt service reserve fund and cost of issuance requirements to estimate the annual debt service expense. This is being funded through Environment Facilities Corporation (EFC) revolving fund program with a subsidized interest rate. We have an estimated annual debt service in the amount of \$140,000 a year. We have 480 customers at Chelsea Cove and there is an additional phase three area yet to be developed which contributes a minor amount of assessments toward the annual debt service cost. This results in an annual cost per customer of \$287. For comparison purposes, the memo includes what the Chelsea Cove customers are paying in 2015 and what they would be paying with the new project cost.

We anticipate doing a long term borrowing for this project in 2016 and debt service would start in 2017. This is an increase of about 13% to the total annual customer cost, taking into account that we also reduced the projected annual Operation and Maintenance (O&M). Up until this year we have been funding a debt service from a 1995 bonding for Chelsea Cove which will be paid off in May. Tom said right now their current O&M and debt service is \$952 annually. This will increase to \$1,076 in 2017, with debt service charges paid once a year through the property tax bill. Bridget said the Chelsea Cove customers will be notified of this with their next quarterly billing.

### **VDS WWTP Rehabilitation Project – Review of Customer Cost Impact**

Bridget said the Board also requested information on the financial impact to the average customer at Valley Dale as a result of the Valley Dale Wastewater Treatment Plant Rehabilitation Project. This information is based on the design completed by

Larry Paggi and at the Board's recommendation we hired Emil Lienau to review it from a contractors' perspective and provide a cost estimate. That cost estimate was reported to the Board at the March meeting and was significantly different than the 100% engineering estimate.

Bridget said if we were to go with the new project cost, with the same EFC subsidized interest loan, we end up with an annual debt service of about \$114,000 per year. This is spread out over 119 customers, with a customer cost of \$940 per year. The 2015 O&M charges are included in the memo provided in the board package. There is an assessment levied by the Town of Pleasant Valley for a borrowing they did for improvements when they owned the Valley Dale Systems, which will be paid off in 2015. Debt Service 1 is funds we borrowed in 2007 for replacement of the RBC and distribution system repairs. We refinanced that thru EFC last year and it goes through 2026.

Estimates for 2017 costs include some reduction in the annual O&M cost because of money we had in the O&M budget to build up fund balance, the continuation of Debt Service 1, and the addition of Debt Service 2, for an increase of about 54%. Tom asked for the amount on the original engineers estimate. Bridget said there were a number of estimates. The- preliminary engineering evaluation by Weston and Sampson was about \$1.26 million for the minimal improvements and about \$1.8 million for the interim scope of improvements. Larry Paggi, the design engineer, estimated about \$1.44 million at the 100% design completion stage. We are now at \$2.1 million based on Emil's estimates.

Peter said there were a few items that Larry Paggi had obtained quotes on which were significantly different than the quotes Emil had obtained. He added that staff is finding that the big wastewater projects are taking away from the smaller projects and potential vendors appear to be providing numbers without actually evaluating the smaller projects. Tom asked how the Authority would proceed from here. Bridget said we need to continue to look at the scope of the work and the cost estimates. We are also looking into any other funding that might be available. Vince inquired about the annual water cost per average customer. Bridget said about \$1200.

Discussion followed on the ability to provide service while the repair is made and other possible options for doing the work. Bridget said the Wastewater Treatment Plant is very small and is adjacent to the water system as well as the well field for the water system. This is a constrained site. Tom asked if we would be rebuilding the system. Bridget said yes. Further discussion followed on the Valley Dale type of "package system" and the difficulties associated with same.

Bridget said we were advised by EFC that they will be able to increase the funding. Tom asked about the average home value in Valley Dale. Bridget said the average sale price prior to 2007 was in the \$300,000-\$350,000 range and since 2008 and going forward about \$250,000. We are waiting to hear from EFC as to whether they could qualify for hardship financing based on a general median household figure for the Town of Pleasant Valley. Their target rate would be about \$1400 per year for combined capital and O&M for sewer service. If EFC has funding available and Valley Dale

qualifies, that is the target rate to meet. There is new money in the adopted State 2015-16 Budget for rehabilitation of existing water and wastewater systems. This is grant money that will go through EFC. We have heard that a large portion of the funding is being allocated toward New York City and Long Island but there is some additional grant money. Tom asked if we are sending letters to the State Delegation. Bridget said yes, but for Staatsburg. Tom said we will do the same for Valley Dale.

### **Shore Haven Water System Improvement Project Status Report**

Bridget said booster station testing took place yesterday and training for the operators was held today. Both went well. Ed said samples for bacteria were taken and will be sent to the lab. Once the results are back we will proceed with the next step which is putting the system on line. Tom asked if there were any problems with the pipes in the ground freezing this winter. Bridget said not at the treatment plant, but we did have one problem at the end of the distribution system.

### **DC Airport Water Main Extension Project**

Bridget said we have been working with the County and the County Legislature has approved bonding for the extension of a water line from the CDWTL to the Airport. The County will have a subsequent project to bring water around the airport property. The County wants to own the line and they want the Authority to manage the construction of the line. At the last meeting we advised the Board that the County was funding this project and all the contracts would be between the vendors and the County and the Authority would manage those contracts. The County now wants to take a different approach where the County would provide all of the project funding to the Authority, and the Authority would enter into agreements with the engineers, contractors, etc.

Tom asked if the Authority would receive an administrative fee. Bridget said we provided the County with a cost estimate for the Authority's project management and administrative functions for about \$102,000 for the duration of the project. Tom asked about their time frame for completing the project. Bridget said dependent upon the season, and once we get the go ahead, realistically it will be Spring of 2017.

### **Community Project Updates – Hyde Park Water and Sewer System Acquisitions**

Bridget said we had the public hearings at the Legislature last night and as there were no comments, the Legislature adopted all of the resolutions required to put in to place the Part-County sewer districts, the water district zones of assessment and the service agreements. Once those resolutions are signed by the County Executive there will be a 45 day permissive referendum waiting period, during this time we will develop and execute the transfer agreements with the Town of Hyde Park. We hope to take the systems over beginning in July.

### **Fairways Sewer System Acquisition**

Bridget said Fairways was also before the Legislature last night, there were no comments and the Legislature adopted all resolutions. After the same waiting period we hope to take ownership in July. Tom said this sewer and water system is little more than 12 years old. Tom added that from this point forward our policy would be that the Authority owns the ground that the system is installed in.

### **Vanderburgh Cove Sewer System Acquisition**

Bridget advised the Board that the technical evaluation is almost finished, but we are waiting for some documents from the Town of Rhinebeck. We then internally review the draft and finalize. Tom asked if the Town Supervisor and Bruce Washburn had been able to take care of some of the issues with the Department of Environmental Conservation (DEC). Bridget said Vanderburgh Cove has historically had inflow and filtration issues. They have made some repairs and they have committed to completing the remaining repairs by July or August 2015. There were problems with the flow meter not registering accurately due to the stream that they discharge into backing up causing the readings to be inaccurate. There are also problems with manholes.

Tom asked if they have a fund balance budget for the repair work. Bridget said they have a budget that reflects the cost of ongoing operations, primarily engineering expenses related to the improvements. Peter said there was approximately \$75,000 left over from the grant money.

### **Obercreek Wastewater System Acquisition**

Bridget said this is a 15 lot cluster subdivision to be built in the Town of Wappinger. We would own the system once constructed. Pete Marlow said the DEC won't allow Homeowner's Associations to own the Systems but the New York State Department of Health will consider it.

### **Preserves at Lakes Kill Wastewater System Acquisition**

Bridget said this is also a small cluster development in the Town of Red Hook. The developer and the Town would like for the Authority to take it over upon completion.

### **Tivoli Water and Sewer Shared Services Grant**

Bridget said the Village of Tivoli had approached the Authority about taking a look at their water and sewer systems. We recommended they apply to the County for their Shared Services Grant program. The Village did so and obtained an \$80,000 grant. The new Mayor Joel Griffith now wants to move forward with the evaluation.

The Village is the grant recipient which means the contract for the engineering evaluation will be with the Village. Tom said we should be involved in this and asked if we will be taking the systems over. Bridget said we are proposing to handle this in the same manner as we did with Hyde Park. Tom noted that this is an old system, a lot of that sewer line is clay tile and a lot of the piping is galvanized especially the service lines.

### **Hoffman Project water System**

Bridget said the Village of Red Hook has sent a letter to Kirchoff Companies that they can provide 81,000 gallons of water contingent on the regulatory agencies accepting the pump test that they did at the well field. Tom asked if there was still a possibility of tying in the Rokeby Water System also. Bridget said yes; 81,000 gpd is more than the Hoffman project needs, even using the Health Department standards. This amount would be enough for 124 three bedroom units and they are looking at between 96 and

102 made up of 2 and 3 bedroom units. Tom said he is the real estate broker on this project and would abstain on anything pertaining to this project.

Bridget said the Village needs to finish the process of getting the DEC water permit updated and we need to enter into a Memorandum of Understanding (MOU) with Kirchoff. Tom said we will buy the water from a bulk meter, bill the individual customers, each individual customer will be metered and the standard electronic meters will be read from outside. Bridget said yes.

Tom asked if the bulk meter would be ours or will it belong to the Village. Bridget said under Authority rules, if a meter is over 3 inches the customer owns the meter. We have the right to inspect it and require them to certify its accuracy. We have not yet begun negotiations with the Village on the cost of the water. The intent is that we will set up a zone of assessment in the County water district. We will own the infrastructure on site and we will buy the water and retail it. Discussion followed on the possibility of tying in with the Rokeby water system.

**Public Comment**

Tom asked for any public comment. There were no comments.

**Confirm Next Meeting Date**

Tom confirmed the next meeting date of May 20, 2015.

**Motion to Adjourn**

Vince made a motion to adjourn; seconded by Rudy voted on and passed unanimously. (Res. 2015.04.E/05)

Respectfully submitted,



Jackie Burger  
Senior Typist

**Resolutions**

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|-------------------|---|
| Res. 2015.04.A/01 | Motion to approve minutes from the March 18, 2015 board meeting                                   |
| Res. 2015.04.B/02 | Motion to approve the warrant, as amended   |
| Res. 2015.04.C/03 | Motion to approve Sole Source Procurement for Drum Filters – CCS WWTP Rehabilitation Project      |
| Res. 2015.04.D/04 | Motion to Authorize Professional Services Agreement – HPWTP Controls & Instrumentation Evaluation |
| Res/ 2015.04.E/05 | Motion to adjourn   |