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

Amanda Baxter-Dingee

Ex officio Members

Brian Scoralick
Acting Executive Director
Soil and Water Conservation District

Eoin Wrafter
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 OCTOBER 21, 2015

Board Members Present
Tom LeGrand
Vince DiMaso
Rudy Vavra

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

Board Members Absent
Larry Knapp

Ex-Officio
Eoin Wrafter – Commissioner of Dutchess County Planning and Development

Others Present
Pete Marlow – Dutchess County Department of Health

Meeting Open
Chairman Tom LeGrand opened the meeting at 3:30 p.m.

Approval of Board Meeting Minutes
The minutes of the September 16, 2015 board meeting (Res.2015.10.A/00) and the August 26, 2015 board meeting (Res.2015.10.B/00) were tabled as there was not a quorum of members that had been present at the meetings.

Chairman's Report
Tom said he worked with Bridget on the DC Airport project this month.

Operations Report
Tom noted that water usage is down across the board and is also a national trend. Discussion followed on the decrease in use such as customers conserving water, no longer watering lawns or filling pools, etc. Bridget then noted that Quaker Hill Water System, Pinebrook Water System, Fairways Sewer System and Arbors Water System are now included in the

monthly Operations report. She added that we were able to obtain historical usage data from Hyde Park and that the report notes at what point in time each system was acquired by the Authority. Tom asked if there were any questions on the report. There were no questions and the report was accepted as submitted.

Finance Report – Approval of Warrant

Mary said that due to a computer glitch the Arbors Water System info was duplicated in the warrant across the top of most pages but they were only billed once. Vince made a motion to approve the warrant. This was seconded by Rudy; voted on and passed unanimously. (Res.2015.10.C/01)

Amendment of Fixed Asset Appraisal Agreement

Mary said an amended resolution for the Fixed Asset Appraisal Agreement with Industrial Appraisal Company was distributed at today's meeting. This was due a minor change in the fee structure. She then advised the Board that in 2013 the Authority went out to bid and contracted with Industrial Appraisal. Under GASB we have an obligation to have appraisals and assessments on all of our systems, every ten years as a full assessment and with an annual update. With the addition of the new systems we will have to enter a value of the assets we are acquiring. Staff asked Industrial Appraisal for a quote to appraise and value all 9 systems and their infrastructure. Hyde Park has no objection to Authority Staff assessing the Hyde Park properties we do not yet own and there is a cost savings in having all of them done at the same time.

Mary then gave a breakdown of the pricing provided by Industrial Appraisal. Tom asked if the purpose of this is to have a basis of depreciation. Mary said this is to have a basis of value for the Authority to declare our assets on the books, the basis for insurance and quotes for our insurance underwriters so if there was a loss and we were to ask for replacement we have a current value that was done by a certified company. Tom asked if the information would be supplied to the Authority electronically as well as on paper. Mary said yes. Eoin asked if Industrial Appraisal was doing this inventory by location, such as a GPS location, of all of the infrastructure. Mary said no.

Rudy made a motion to authorize the Executive Director or Deputy Director to amend the existing agreement with Industrial Appraisal Company for said services for an additional amount not to exceed $16,075 and a total agreement amount not to exceed $64,435.00. This was seconded by Vince; voted on and passed unanimously. (Res.2015.10.D/02)

Division of Water Resources Budget – County Executive Recommendations

Bridget advised the Board that we asked for $105,000 for staff support in the budget request for the Division of Water Resources budget for 2016. Tom said it was $85,000 for 2015. The County Executive's Office and the Budget Office recommendation, which will go to the legislature, is $95,000. For 2015 the amount was $85,000 and $75,000 in 2014. This is a small part of the overall budget for the Authority and a small part of the overall funding for Staff and makes up about 3% of our staff funding. The remainder of our staff funding comes from our systems.

Review of Year-to-Date Budgets

Mary said a budget package for each systems budget was included in the board package. She then gave a brief overview of the budget package. All are in the same format as we have used before. This budget package reflects the expended year-to-date and the percentage spent of the adopted 2015 system budget. Authority Staff does a calculation based on where we feel we should be at this point in time -which varies from line item to line item; the format of which the Board has seen before.
The third column indicates whether we are ahead or behind in the budgets and the dollar balance remaining. The back side of this sheet reflects where we are in terms of payables/receivables, whether we are ahead or behind in budgeted expenses, the individual line items, where we may have exceeded where we think we should be right now, what we have spent on capital or facility maintenance projects out of the systems fund balance and where our estimated fund balance is right now with each of the systems.

Mary said at this time Schreiber Water System and the Shore Haven Water System have exceeded our projected expectations. Schrieber is due to an unexpected new well and for Shore Haven a frozen waterline and water main repair. Mary said Schreiber may be able to right itself, depending on revenues for the rest of the year, although water use is down significantly.

Shore Haven is not expected to right itself with revenues for this year or a decrease in the remaining expenses so we may be coming to the Board at some point to authorize use of fund balance. This would be specifically against the unanticipated repair and maintenance work done. This information requires no action at this time, it is only a basis for the budget Workshop on November 4th. Mary asked if there were any questions. There were no questions.

System/Capital Project Updates – Abandonment of 20 Vanessa Lane Easement

Bridget said a memo on the abandonment of the 20 Vanessa Lane Easement was included in the package. Vince made a motion that the Authority hereby agrees to Quit Claim the surplus easement to Brian Rooney and Cecile Callan as Trustees of The Brian S. Rooney and Cecile Callan Family Trust, the Owners of the property encumbered by the easement and does authorize the Chairman of the Authority to execute the deed and such other documents as may be necessary to effect the transfer from the Authority. This was seconded by Rudy; voted on and passed unanimously. (Res.2015.10.E/03)

CCS Drum Filter Purchase Agreement

Bridget said staff was able to identify and arrange to purchase a very lightly used, still under warranty, drum filter to be installed as part of the upgrades to the Chelsea Cove Wastewater Treatment Plant. We are making the purchase from D.W. Martine & Associates, LLC which is looking to be paid for the item and for storing it. We did look at other options such as the Authority taking possession of the drum filter, finding somewhere to store it and also being responsible for delivering it to the site. Overall we feel it in the best interest of the Authority to have D.W. Martine store the item for up to

twelve months and be responsible for delivery to the site when the contractor is there to do the installation. To do so requires a change to the existing agreement that the Authority had with D.W. Martine to purchase the unit. He is only looking to cover his costs. This is a not-to-exceed amount of $2,400. If the item is shipped sooner, the cost will be reduced.

Rudy made a motion that the Board authorizes the Executive Director or Deputy Director to executed Change Order #1 of the Purchase Contract CCS-2015-01 with D.W. Martine & Associates, LLC, for the cost not-to-exceed $2,400.00. This was seconded by Vince; voted on and passed unanimously. (Res.2015.10.F/04)

DC Airport Water Line Engineering Design Services

Tom noted that one of the issues he and Bridget had discussed with the County Executive's office was that some contracts require MWBE Contractors. The issues are there are not many MWBE Contractors in our region and they are costly.

Vince made a motion that the Executive Director or Deputy Director is authorized to execute a contract with Morris Associates Engineering and Surveying Consultants, PLLC in the cost not to exceed $121,974.00 for the Dutchess County Airport Water Service Professional Engineering Services Agreement. This was seconded by Rudy; voted on and passed unanimously. (Res.2015.10.G/05)

Valley Dale Water System – North Well Access Drive Project

Bridget said this resolution is a contract closeout with a price reduction. Rudy made a motion that the Executive Director is authorized to execute Change Order #1 for the contract with Landworks of Hudson Valley, Inc., of Red Hook, NY reducing the total contract amount by $2,596.00, establishing a final contract value of $45,844.00, and extending the Contract time to September 30, 2015, for the Valley Dale Water North Well Access Drive Project Contract No. VDW-PWC-2015-1. This was seconded by Vince; voted on and passed unanimously. (Res.2015.10.H/06)

Approval of 2015-2016 Systems Engineering Agreement

Tom said the next resolution pertains to Hyde Park Water and Sewer Systems and Fairways Sewer System. Vince made a motion that the Executive Director or Deputy Director are authorized to execute contracts for engineering services with the noted firms regarding the noted facilities within the parameters of the engineering procurement guidelines, and these System Engineering Services Agreements will commence on the date of acquisition of the respective system and will extend through December 31, 2016. (Res.2015.10.I/07)

Tom noted that Morris Associates has been the engineer of record for the Hyde Park Systems and if the Authority were to bring in another firm they would have to familiarize themselves with these systems from square one.

Shore Haven Water System Status

Bridget advised the Board that we are below standards for the 2nd quarter radiologicals, the first half of the year lead and copper will not have to be done again until the end of the year, and 3rd quarter iron and manganese. We have not yet received the results for the disinfection by-products. We have consistently been below the standard for disinfection by-products since the chloramine system was installed.

Bridget said we did get comments back on the treatment building from the New York State Department of Health (NYSDOH) and the Dutchess County Department of Health (DCDOH) and Savin has drafted the responses back to both agencies. Authority Staff have reviewed the responses. The in-house review is nearing completion. Tom asked if there were any major changes. Bridget said no. There were a fairly significant number of comments but most were for clarification purposes to do with in plans and specs and no changes to the designs or specs.

Tom inquired about the time-frame. Bridget said we are now behind. We hoped for final approval from the NYSDOH in October but now our responses will now back to NYSDOH for their response. We are hopeful the turn-around will not be a lengthy process. Discussion followed on the comment and responses process. Tom asked if this would be bid out in the winter. Bridget said that is our goal.

DC Airport Water Supply Agreement

Bridget said that based on discussion with the County we are approaching Global Foundries to ask them to carve out a portion of their take-or-pay purchase obligation to assign to the County 50,000 gallons per day (gpd) which the County would have the ability to use for the waterline to the Airport, at least initially, on a pay-as-you-go basis. This is a concept that we had previously discussed with IBM. We had also discussed with IBM a pay-as-you-go basis to do this for the Town of East Fishkill who were interested in 200,000 gpd as well as for the County in transfer from IBM to Global Foundries. We found when IBM did the transfer to Global Foundries this concept carried through. The IBM staff we were dealing with are now Global Foundries staff.

Tom asked where East Fishkill planned to use the 200,000 gpd. Bridget said mostly along the Route 52 corridor where they have development but no water at this time. Tom asked if they were on wells. Bridget said a substantial portion of it is new development and has no water source as of yet. Tom asked if they would be agreeable to the water cost. Bridget said yes. She added what drives up the cost up is based on the take-or-pay because you are taking water you are not using. Because of the assignment from Global Foundries East Fishkill would also get that water on a pay as you go basis.

Tom asked if they operate a system in East Fishkill. Bridget said they have taken over about 8 sub-division water systems over time. All are groundwater. Tom said they would be better off connecting with the take-or-pay option. Bridget agreed. Bridget said East Fishkill is not comfortable with the take-or-pay. Tom asked about the time frame if they decide to do so. Bridget said take-or-pay is the life of the purchase agreement with the Poughkeepsie Joint Water Board which is a 99 year agreement. Tom said this is also the agreement with Global Foundries. Bridget said yes. The Authority has a take-

or-pay agreement with Poughkeepsie. We are required to pass on that take-or-pay purchase obligation to IBM which is now Global Foundries. Global Foundries now has the right to notify us at any time if they want to terminate the agreement which requires a 3 year notice.

Quarterly Capital Project Schedule Update

Rudy inquired about phase 1 of the demolition of the old Water Treatment Plant. Bridget said that pertains to the building and other facilities at the old Staatsburg reservoir, which was the water source before we connected to the Hyde Park Water System.

Peter said a lead and asbestos survey is necessary to determine what materials are in the storage tank and what the cost would be to remove them. We are trying re-scope this and get the tankage filled in. Discussion followed on materials that could be used as fill. Peter said This would involve about 500-600 yards of material.

Community Projects Updates – Hyde Park Water/Sewer Systems

Bridget said we have acquired four of what will be eight Hyde Park Systems to date. Greenfields Sewer System is the next to be acquired. Survey work is in progress now due to some boundary issues. We will then finalize the title report and take it over.

Greenbush Water System and Violet Avenue Water System, for all intents and purposes, are one system. The water flows through a single pipe along Route 9G/Violet Avenue and to the Greenbush Water System. Greenbush has an outstanding loan from the New York State Environmental Facilities Corporation (EFC). Staff has been working with EFC on having that transferred to the Authority. Tom asked about the amount of the loan for the Greenbush Water System. Bridget said $1,150,000 which is paid by assessments. Tom asked it that was in the form of a bond. Bridget said it is a loan from EFC. We have provided all of the information needed and are waiting on the approval of their Board for the transfer which is planned for their November meeting.

Tom inquired about the operators for these systems. Bridget said we are now operating all of the systems that are Authority owned. We do the sample collection and the meter readings for the water systems. Our contract operators for all of our systems is VRI Environmental Services with the exception of the Arbors Water System which is operated by our Hyde Park Plant staff. When we acquire Greenbush and Violet Avenue Water systems they will also be operated by the Hyde Park Plant staff. Bridget said because Arbors, Greenbush and Violet Avenue Water Systems are all purchase agreements from Poughkeepsie there is no source, no treatment, only operation of their distribution systems. There are also some booster pump stations and meters to be read.

Vanderburgh Cove Sewer System

Bridget advised the Board that on Thursday, October 29, 2015 she and Peter would be meeting a group of Vanderburgh Cove homeowners that have been involved with the issues with their water system to review the draft report with them. We will then schedule a meeting with the Town Board for November 9th. At this time Tom asked Mary if the updated billing software the Authority had purchased some time ago was as

helpful as we hoped, especially when taking on these new systems. Mary said yes it is a full, integrated, accounting and utility billing program. Now that we are going to the radio read meters and the new equipment for the meters it allows the meter reader a time savings and a savings for our accounts receivable personnel to put things through. We have gone to a remote check deposit system and don't need not go to the bank now unless we receive cash. The checks we receive are deposited electronically from the Authority office. The accounting system is one of the things that we had done to streamline the workload so we would be able to take on more systems with basically the same amount of staff. Further discussion followed.

Tivoli Water/Sewer System

Bridget said the 1st phase of the engineering evaluation culminated in a workshop that she and Peter attended prior to today's meeting with the Mayor, Jim Simmons who is responsible for running the system, and others. Tom asked if we would be acquiring the Tivoli Water and Sewer Systems. Bridget said the Village has to decide what they want to do first. They are not at this point committing to turning the system over to the Authority. Tom said he expects they would balance their books off the water system as many villages do. Peter said they are running separate water and sewer funds and are carrying fund balance.

Bridget said they have a number of significant issues such as aging infrastructure, inflow and infiltration in the sewer system and issues with the well fields where the two highest producing are located. The Village leases that land but they do have to do some improvements to it due to the proximity to wetlands and because there is a pond with a lot of beaver activity. Also the two wells are in standing water most of the time. Tom then asked why it had not been condemned. Bridget said they negotiated with the property owner for a ninety-nine year lease. Peter said the monthly payment is about $1,400. Bridget added that their storage tank is at the end of its useful life. There are some structural issues the biggest of which is that need to get it painted and they do not know if any lead paint is involved. There is money within the contract with the engineering firm that they are going to add to the scope of the work.

Further discussion followed on benefit assessments for all of the property owners. Bridget said we would create a County water district Zone of Assessment and a County Sewer District based on existing collection and distribution system of who had access to service which would enable us to levy assessments against all of those properties for any bond that we did for upgrades to the system.

Public Comment

There was no public comment.

Confirm next meeting dates

Tom confirmed the next meeting date of Wednesday, November 4, 2015 Budget Workshop Meeting and Wednesday, November 18, 2015 Board Meeting and Public Hearing on Budgets/Rates.

Adjournment
Tom asked for a motion to adjourn at 4:13 p.m. Vince made the motion; seconded by Rudy and passed unanimously. (Res.2015.10.J/08)

Respectfully submitted,

Jackie Burger
Senior Typist

Resolutions

Res. 2015.10.A/00	Motion to approve minutes from the August 26, 2015 board meeting **TABLED**
Res. 2015.10.B/00	Motion to approve minutes from the September 16, 2015 board meeting **TABLED**
Res. 2015.10.C/01	Motion to approve the warrant
Res. 2015.10.D/02	Motion to approve contract amendment of Fixed Asset Appraisal Agreement with Industrial Appraisal
Res. 2015.10.E/03	Motion to approve Abandonment of 20 Vanessa Lane Easement
Res. 2015.10.F/04	Motion to authorize CO#1 – CCS Drum Filter Purchase Agreement with D.W. Martine and Associates, LLC
Res. 2015.10.G/05	Motion to authorize Engineering Services Contract with Morris Associates Engineering and Surveying Consultants, PLLC for the Dutchess County Airport Water Service
Res. 2015.10.H/06	Motion to authorize CO#1 – VDW-PWC-2015-01for contract with Landworks of Hudson Valley Inc.
Res. 2015.10.I/07	Motion to approve 2015-2016 Engineering agreements – Hyde Park Water/Sewer Systems and Fairways Sewer System
Res. 2015.10.J/08	Motion to adjourn