



DUTCHESS COUNTY WATER AND WASTEWATER AUTHORITY
APPROVED MINUTES of October 19, 2022 of Board Meeting

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Board Members Attending in Person

Tom LeGrand
Larry Knapp
Rudy Vavra
Dale Borchert

Staff Attending in Person

Jonathan Churins
Michael Keating

Authority Board Members

Thomas LeGrand
Chairperson

Rudy Vavra
Vice-Chairperson

Lawrence R. Knapp
Treasurer

Dale Borchert
Board Member

Ex officio Members

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

Brian Scoralick
Executive Director
D.C. Soil & Water Conservation District

Legislative Liaison

Will Truitt
County Legislature

Staff

Michael J. Keating, P.E.
Executive Director

Jonathan Churins
Deputy Director / Asset Manager

Board Members Present via Video/Conference Call

Staff Present via Video/Conference Call

Gary Banks
Bridget Barclay
Pam Compasso
Carol Falcone
Kimberly Gutwein
Danielle Hardman
Ed Mills
Mary Morris

Board Members Absent

Ex-Officio Member Present via Video/Conference Call

Eoin Wrafter, Commissioner of Planning & Development

Others Present via Video/Conference Call

Lee Felshin, Senior Public Health Engineer – DBCH
Tom Lepre

Meeting Open – Introductions

The meeting opened at 4:05 p.m.

Tom Legrand called the meeting to order. Mike Keating began with a roll call to identify those attending the meeting both in person and by video/conference call.

Public Comment

No Comment Given

Approval of Meeting Minutes

Approval of Board meeting minutes from July 21, 2022. Rudy Vavra made a motion to approve the Board Meeting Minutes from July 21, 2022. This was seconded by Dale Borchert, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.A).**

Approval of Board meeting minutes from August 18, 2022. Rudy Vavra made a motion to approve the Board Meeting Minutes from August 18, 2022. This was seconded by Dale Borchert, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.B).**

Approval of Board meeting minutes from September 7, 2022. Rudy Vavra made a motion to approve the Board Meeting Minutes from September 7, 2022. This was seconded by Dale Borchert, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.C).**

Approval of Board meeting minutes from September 21, 2022. Rudy Vavra made a motion to approve the Board Meeting Minutes from September 21, 2022. This was seconded by Dale Borchert, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.D).**

Chairman's Report

N/A

Finance Reports

Troy Industrial Payment Memo

Rich explained that this memo explains the repair of a backwash pump at the Hyde Park Plant, the pump was removed and evaluated. The necessary parts were ordered but it reached a limit where we had to do a memo to the Board about the repair. Dale Borchert asked why the Procurement Policy was not followed? Rich Winchester stated that the issue with the pump was discovered while an inspection of the pump was being done. Larry Knapp asked why the repair was done in August and the Board is just hearing about it now. Rich Winchester explained that there were some parts that were on backorder, the invoice was submitted recently and that was when we discovered that it was over the dollar threshold to notify the Board.

Approval of Warrant

The Warrant was provided to the Board, in the Board package. There were no questions about the Warrant.

Rudy Vavra made a motion to approve the warrant as presented. This was seconded by Larry Knapp, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.E).**

2022 Year-to-Date Budget Presentation

Kimberly Gutwein referenced Year-To-Date Budget Presentation that was provided to the Board in the Board packet. Kimberly stated that she would go through the systems and highlight the ones that have variances and may seem material. Kimberly summarized the budget memo by saying that the system budget is trending as planned for the fiscal year with some level of variances in revenue and expenditures related to decreases in usage, increase in utilities and unanticipated repair costs. The Arbors Water Systems receivables are down 17.56% and expenses are 25% below budget. The Airport Water Line's receivables are down 18% and total expenses are 22% below budget, we haven't had any equipment/maintenance costs. Birch Hill Water's receivables are down 12%, total expenses are under budget by 15%, they have recovered from the previous year's deficit, as of the third quarter reporting. Chelsea Cove Sewer receivables are down 4.75%, due to a timing issue for the collection of the penalties which haven't come in yet, total expenses are 13% below budget. Dalton Farms Sewer receivables are over 1.2% over budget, engineering is over budget due to the UV and filter replacements, total expenses are over by 2%. Dalton Farms Water receivables are within budget. There was an \$ 117,000 purchase for the meter replacement project that has affected their fund balance and at the end of the year we will be preparing allocations from the sewer system to the water system to assist with the replacement of the meter replacement project expense. The Schreiber Water System receivables are down 12.39 %, total expenses are under budget by 21%. Fairways Sewer Flat Rate Fixed Billing is down so we have to look into that and investigate why and report back on that. Total expenses are below budget at 12.29%, expenses exceeded budget in the security line due to the emergency replacement of the transmitter. Fairways Water is within budget. Greenbush Water is within budget, and revenues exceed expenses by \$ 19,000. Greenfields Sewer receivables are under budget by 12%, penalties are below expectation and will be made up through the relevy. Greenfields Water engineering expenses have exceeded budget due to PFOA's being over limit. Hyde Park Regional, reduced revenue due to a billing issue with the Culinary Institute, we are working that out. Building and grounds are over budget due to installation of a fence and tree removal. Obercreek Sewer is a new system and is doing well. Rokeby revenue is down due to water sales being down 16%. Shorehaven engineering budget has

exceeded budget resources due to operational changes mandated by the Health Department, the revenue is down by 11%. Traditions Water & Sewer, deficits if any are offset by the developer payments to balance out expenses and revenue until all of the lots are sold. Tivoli Sewer is down 8% in revenue if on target with the revenue we would not have a deficit, we will be reviewing the tiered sewer rates with budget preparation for 2023. Sludge hauling is over budget due to a blockage on May 3, 2022. Tivoli Water there were a few unanticipated water main breaks causing an overage in equipment repairs and maintenance. Vanderburg Cove Sewer and Valley Dale Sewer both had generator maintenance overages, due to repairs. Any other systems that weren't mentioned, are within budget with no significant material differences. Larry Knapp asked why Shorehaven has a budget bust and we have no fund balance. Mike Keating explained that in Shorehaven we have been required by the Health Department to make modifications to the treatment process, so we have to deal with that in the 2023 budget.

Proposed 2023 Salary Policies and Schedules

The purpose of this policy is to set forth how individual salaries for Authority management and non-management positions are determined, how the salary schedules are adjusted annually, and how merit and longevity increases will be applied. This policy will be reviewed, amended as needed, and adopted annually by the Authority Board of Directors. All provisions for payments or compensation in addition to annual salaries are outlined in the Authority Employee Handbook.

Proposed 2021 and 2022 Retroactive Salary

Staff is proposing the following to cover the 2021 and 2022 Retro payouts.

- For the Authority General portion of the 2021 Retro payout (\$39k) proposed coverage is by transfer of funds from the approximate \$560k in general fund balance. For the 2022 retro payout (\$46K), we are proposing the use of the current surplus of which \$67k is available leaving 21K.
- For the HPR allocation of the retro pay, we are proposing a transfer from the fund balance of \$268,852 to cover the 2021 retro (\$18K). The 2022 HPR retro (\$17K) would be covered once the additional funds from the Culinary Institute of America (CIA) "back-billing" are received, which will be sufficient to cover the budget deficit and retro payout.
- CDW 2021 and 2022 retro payouts would be covered by the 2022 operational surplus (currently \$175K), reducing the Annual Reconciliation credits to the CDW customers by approximately \$14k combined.

This memo serves as an itemization of costs associated with the request to payout 2021 retro compensation to employees of the Dutchess County Water and Wastewater Authority.

2021 Retro Payouts are as follows:

Gross Salaries:	\$ 50,536.02
FICA/Medicare	\$ 3,866.00
MTA Tax	\$ 1,718.22
Workers Comp	\$ 2,297.51
NY State Retirement	\$ 6,045.81
Total:	\$ 64,463.56

EXPENDITURE ALLOCATION PER SYSTEM:

GENERAL	\$ 39,484.63
HPR	\$ 17,608.25
CDW	\$ 7,370.68

This memo serves as an itemization of costs associated with the request to payout 2022 retro compensation to employees of the Dutchess County Water and Wastewater Authority.

2022 Retro Payouts are as follows:

Gross Salaries:	\$ 55,292.46
FICA/Medicare	\$ 4,229.87
MTA Tax	\$ 1,879.94
Workers Comp	\$ 2,395.20
NY State Retirement	\$ 6,558.10
Total:	\$ 70,355.57

EXPENDITURE ALLOCATION PER SYSTEM:

GENERAL	\$ 46,221.54
HPR	\$ 17,128.99
CDW	\$ 7,005.04

Rudy Vavra made a motion to approve the 2021 & 2022 retroactive salary payments. This was seconded by Larry Knapp, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.F)**.

Rudy Vavra made a motion to approve the award of the 2023 Insurance Consulting & Broker Services Contract. This was seconded by Larry Knapp, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.G)**.

Procurement of New Accounting Software Program and Services

Staff is recommending that the Board authorize the purchase of a new accounting software program, to replace the AccuFund program we have been using since 2004. Specifically, we are recommending purchase of the Tyler Technologies product for a one-time implementation fee of \$84,000 and recurring annual fees of \$49,698. The fees cover software licensing, implementation, training, and ongoing maintenance and support.

Need:

AccuFund is a proprietary system that has not kept pace with the Authority's growth, and which has required several Authority-implemented patches and work arounds. It does not accommodate segregation of the water and sewer systems into separate funds as recommended by our auditors, lacks a budget module, is unable to calculate fund balances in accordance with Government Accounting Standards, and does not accommodate a full accrual method of accounting.

Rudy Vavra made a motion to approve the Procurement of Accounting Software Program and Services. This was seconded by Larry Knapp, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.H)**.

Real Property as Surplus Market Street Water Treatment Plant

Mike Keating stated that a few months ago we had an inquiry about the possible sale the old Hyde Park Treatment Plant on Market Street. We got an updated appraisal, and it appraised at \$ 32,000. The next step in the process is the Board would need to approve a resolution to declare the Real Property as Surplus and state that no County or Municipal appropriations were used in the purchase of the

property. We can then issue a public bid solicitation, and if we do not receive any offers of at least at the appraised value, we are then free to negotiate a sale with any interested party/parties.

Rudy Vavra made a motion to approve the Declaration of the Market Street Water Treatment Plant, Real Property Surplus. This was seconded by Larry Knapp, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.1)**.

Global Foundries Water Sale Agreement Assignment to Onsemi

Bridget stated that consistent with the information presented to the Board at the September meeting, an agreement has been reached with Global Foundries and Onsemi regarding the assignment of the Water Sale Agreement (WSA), as follows:

- Hudson Valley Research Park Water Works Corporation (HVRP WWC) – Assignee for WSA.
 - Semiconductor Components Industries, LLC (SCI) – Guarantor
- Note that Onsemi is the parent company of SCI, but does not own any assets.**

Under our current water sale agreement with Global Foundries, it calls for an execution Assignment and Assumption Agreement between the parties, which is the DCWWA, The Water Works Corporation, SCI, as the guarantor. The Poughkeepsie Joint Water Board which then in turn requires resolutions authorizing the execution by the City and Town of Poughkeepsie. The Assignment and Assumption Agreement that we are proposing to execute is essentially the exact same Assignment and Assumption Agreement executed in 2015 when the Agreement was assigned from IBM to Global Foundries and similarly the guarantee that we are proposing to have SCI execute is the same guarantee that was previously executed by Global Foundries parent company when we did that assignment. All of the documents have been reviewed by the Authorities legal counsel and with no exceptions we are asking the Board by resolution, to authorize with execution of the Assignment and Assumption Agreement contingent on the simultaneous delivery of the guarantee with the acknowledgment that as the other parties go through the execution process and specifically the Joint Water Board, there could potentially be minor language tweaks if it was anything deemed a subtenant change to the agreement, we would come back to the Board and ask them to approve it again in November, but at this point we essentially think this is the final document.

Rudy Vavra made a motion to approve the execution of Assignment and assumption Agreement with Onsemi. This was seconded by Larry Knapp, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.J)**.

Operations Report

The System Operations Report was provided to the Board, in the Board package. Mike asked if there were any questions about the compliance report. Dale asked if it is improving. Mike said we haven't added anything to it.

Larry asked how much the price went up from last year. Carol stated that it is up 20% from last year's price.

Rudy Vavra made a motion to approve the Award of the 2023 Pump Station Wet Well Cleaning & Disposal Contract. This was seconded by Dale Borchert, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.K)**.

Rudy Vavra made a motion to approve the Award of the Hyde Park Regional Alum Sludge Removal Contract . This was seconded by Dale Borchert, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.L)**.

Analysis of 2023 Chemical Bids

Larry asked what the impact of the chemical prices for next year. Carol stated that on the 5-gallon containers of Hypochlorite, has gone up 83% and the 15-gallon containers have gone up 89%. The chemical company has been rationing us on the chlorine cylinders, twice this past year we have come very close to running out and to reach out to a different company that we do not have a contract with to get the chlorine cylinders, the chlorine cylinders have gone up 79 %. Mike added that we are changing the chemical contract to six months, in hopes to get a lower price through the bid process at the end of the six months.

Larry Knapp made a motion to approve the Award of the 2023 Chemical Purchase Contracts. This was seconded by Rudy Vavra, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.M)**.

Procurement of PBS Flygt Pump

We have been experiencing clogging issues at the Pinebrook Sewer Plant due to rags/baby wipes being flushed, twice a week staff have had to pull both pumps and remove the debris. Notices have been sent out to the residents in the Pinebrook Sewer District, asking them to not to flush these products down the toilets. Fleet Pump has a device called a Flygt Pump that can sense a clog in the line and rectify the issue prior to calling out an alarm. Staff asks the Board to

approve the resolution in order to combat this issue in the Pinebrook Sewer System.

Larry Knapp made a motion to approve the Procurement of the PBS Flygt Pump. This was seconded by Rudy Vavra, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.N)**.

QHW Emergency Pump Purchase

This memo serves to notify the Board of an emergency repair to Well # 1 in the Quaker Hill Water System that took place on September 22, 2022. Claverack pump was issued a Public Works Service contract for a not to exceed the cost of \$ 17,385, by Rich Winchester, Director of Operations.

Culinary Institute Back Bill Status

On or about September 13, 2022 the Authority staff found that the current meter readings for the Culinary Institute of America conflicted with the historical water usage. When staff went to look at the master meter they discovered that the Culinary had opened the bypass to the master meter and the amount of water they were using had not gone through the meter. The culinary staff acknowledged opening the bypass on October 2021 to fix an internal piping issue, the bypass was never closed after the repair. The next water bill for the Culinary will be partially impacted by the operation of the bypass, based on historical meter data the amount for unmetered water usage is \$ 243,487. The management staff have reviewed the standard operating procedures and reviews that led to this circumstance and initiated corrective steps.

Capital Project Reports

GFS WWTP Project Status

Jonathan Churins reviewed the project memo that was provided to the Board, in the Board package. Jonathan stated that there isn't a report, we are just pushing the contractors to finish up their paperwork.

GFS Collection System Project Status Report

Jonathan Churins reviewed the project memo that was provided to the Board, in the Board package. The contractor has concluded all work on Phase I, they were able to fix three significant leaks that were not part of the original work. They have been asked to finalize their paperwork that way the contract can be closed out. Phase II of the work has been finished, they were able to replace manhole frames,

manhole adjustments and a short run of pipe around a sagging pipe made of asbestos.

Tivoli Water Project Status

Mike Keating reviewed the project memo that was provided to the Board, in the Board package. Mike stated that the tank mixer repair should be completed and will reach out to Tighe & Bond to verify that, in order for the contractor to submit paperwork for final payment. The contractor for well and wellfield improvements have finished field activities. They will soon be doing demolition work at McKnight and Potts locations, architectural improvements with McKnight, and process work at McKnight over the next month.

Tivoli Sewer Project Status

Gary Banks reviewed the project memo that was provided to the Board, in the Board package. The design consultant has begun the 60 % design task and the Electrical subconsultant is evaluating the feasibility of upgrading power from 240V to 480V.

Pinebrook Water Interconnection Project Status

Jonathan Churins reviewed the project memo that was provided to the Board, in the Board package. The first loop of the water main connection to the Pinebrook Community is online and operating. The contractor has not been able to successfully pressure test 335-foot section of the water main. Tracer gas was pushed through and identified a leaky bonnet that has been repaired. Additional pressure tests have been done and although they failed, they were still better. The section of main has no untested valves, no hydrants and only pipe connections that have been dug and evaluated with no obvious leaks. Contractor has two additional leak detection contractors scheduled to locate leaks the week of October 17, 2022.

Dalton Farms Meter Replacement Project Status

Ed Mills reviewed the project memo that was provided to the Board, in the Board package. Meter replacement has been started and the project is ongoing. Possible completion date around January 14, 2023.

Community Projects

Village of Rhinebeck Water/Sewer Study

The Village of Rhinebeck Board of Trustees adopted a resolution accepting the Water/Sewer Engineering Reports as final and mentioned the Village's decision to not pursue a transfer of ownership of the systems to DCWWA.

New For Consideration

N/A

Executive Session

Larry Knapp made a motion to open the Executive Session This was seconded by Dale Borchert, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.O).**

Larry Knapp made a motion to close the Executive Session This was seconded by Dale Borchert, a roll call vote was taken, and the resolution passed unanimously. **(Res.2022.10.P).**

Motion to Adjourn:

At 4:35 pm Rudy Vavra made a motion to adjourn. This was seconded by Larry Knapp, a roll call vote was taken and passed unanimously.

The next meeting will be the budget workshop on Wednesday, November 9, 2022, at 4:58 pm, at 1 Lagrange Ave., Poughkeepsie, NY 12603.

Respectfully submitted,

Pamela Compasso,
Program Assistant

Resolutions

1. **(2022.10.A)** Approval of July 21, 2022 Meeting Minutes
2. **(2022.10.B)** Approval of August 18, 2022 Meeting Minutes
3. **(2022.10.C)** Approval of September 7, 2022 Meeting Minutes
4. **(2022.10.D)** Approval of September 21, 2022 Meeting Minutes
5. **(2022.10.E)** Approval of Warrant
6. **(2022.10.F)** Approval of 2021 and 2022 Retroactive Salary Payments
7. **(2022.10.G)** Award of 2023 Insurance Consulting and Broker Services Contract
8. **(2022.10.H)** Authorize Procurement of Accounting Software Program & Services
9. **(2022.10.I)** Declaration as Real Property as Surplus
10. **(2022.10.J)** Authorize Execution of Assignment and Assumption Agreement
11. **(2022.10.K)** Award of 2023 Pump Station Wet Well Cleaning & Disposal Contract
12. **(2022.10.L)** Award of Hyde Park Regional Alum Sludge Removal Contract
13. **(2022.10.M)** Award of 2023 Chemical Purchase Contracts
14. **(2022.10.N)** PBS – Authorize Procurement of Flgyt Pump
15. **(2022.10.O)** Open Executive Session
16. **(2022.10.P)** Close Executive Session