

Northern Westchester Joint Water Works

NWJWW Board of Trustees Meeting – April 21, 2023

Convened at 10:02 A.M.

Adjourned at 11:35 A.M.

Present:

Jeffrey Scott, Chairperson	Matthew Geho, Operations Director
Robert Scorrano, Vice Chairperson	Catherine Paget, Business Director
Thomas Diana, Treasurer, absent	Michael Cunningham, Attorney
Richard Becker, Trustee	Donna Albanese, Recording Sec’y
	Ken Rundle, Yorktown Water Service Superintendent, left at 11:11 A.M.

A motion was made by Trustee Becker to adopt the March 17, 2023 minutes. Motion was seconded by Trustee Scorrano. Motion approved 3-0.

Report results of Bid # 2023.3 Landscaping and Grounds Maintenance Bid

Mr. Geho reported that we had 3 interested bidders for the Landscaping bid with one bidder coming in at \$187,000. Landscape Concepts, who had previously worked for us, was the lowest bidder. We had budgeted \$40,000 for landscaping and the total bid we are looking to award comes in at \$39,500 which he is asking the Board to approve. Addition to the landscaping, we are looking to clear the 24” right of way twice a year so that we have access to it from the Amawalk facility to Pine Ridge and then from United Rental on Route 202 back here to the Catskill Plant.

Last year since we did not award a formal bid, the Board had approved purchasing a lawnmower so the operators could use it but due to a supply issue, we were unable to get the lawnmower delivered. This bid is for mowing the grass three times a month at both facilities, spring and fall cleanup and mulching the Catskill facility.

Last year, we had piggybacked off the Town of Cortlandt’s bid. Going forward, during budget time, Mrs. Paget stated that we could discuss piggybacking with the other towns for landscaping which may be feasible. We also have them landscape the properties we have on Locust Avenue. Trustee Scorrano asked if we could have 2 separate contracts one for the Amawalk facility and one for the Catskill facility since both plants are not in close proximity. Mrs. Paget stated that you can if it is formally bid out that way. The Catskill property is about 30% more so the charge is a little bit more. Last year we

utilized the company La Teja who did the landscaping for the Town of Cortlandt and they honored the rate the Town of Cortlandt paid.

A motion was made by Trustee Scorrano to award Bid # 2023.3 Landscaping and Grounds Maintenance to Landscape Concepts in accordance with the rate schedule. Motion seconded by Trustee Becker. Motion approved 3-0.

Worker's Compensation Renewal Quote

Mrs. Paget said that annually Arthur Gallagher advises us as to what the potential renewal will come from our worker's compensation. It is provided by Public Employer Risk Management Association (PERMA). For municipal clients that are fully insured, such as the Joint Water Works, most organizations are seeing between a 2% to 5% increase in their premium. In our favor, we have a no claims history. We have an experience modification factor of .81. Due to this factor, we experienced an 8% decrease in our worker's compensation premium this year. Arthur Gallagher stated in a letter this renewal is by far the best we have seen from PERMA or any other carrier due in part to our no claims history. We have good protocols in place for our employees for safety. Mrs. Paget budgeted \$100,000 so with the NYS assessment fee we are coming in at \$82,061 which includes a 2% discount if paid before June 1st. Last year, the premium was \$89,000 plus the assessment fee.

Trustee Scott asked if they determine the estimated exposure by totaling the payroll. Mrs. Paget mentioned that each year they estimate payroll, then a payroll audit later in the year for the premium year which expired. Our premium year is from June to May. This Fall they will do a premium exposure review from last year's premium and usually we get money back because of the position we were in. They look at what the actual payroll was and compare it to determine the premium rate.

Trustee Scott asked what our claim history was like and Mrs. Paget said few and far between. Within the last five years, we had some incidental claims that lent themselves to first aid without any loss of time. We had about 2 claims in the last 3 to 5 years in which an employee had substantial time lost. Trustee Scott asked if it was standard practice to insure 100% of your exposure. Mrs. Paget said yes there is a different factor that is applied to that because our exposure to potential physical problems are lower so the ratio applied to salaries to office personnel is different than it is for operations. Our estimated contribution for office help is \$735.

Mrs. Paget said that the only other option would be is to examine the idea of being self-insured. You usually work with a third-party administrator on all the claims. You would have to determine what the self-insured retention is going to be and you get an excess coverage over that and determine what kind of reserve we are going to keep on file for any catastrophic claims. We would also have to do accounting on the annual financial report. We have a healthy fund balance for capital projects but you would have to fund the self-insurance too. Trustee Scorrano said that if the premiums increase, we can entertain the idea of going out to a few other areas who deal with employee benefits. Since the premiums are going down, we are in a good spot now.

A motion was made by Trustee Becker to approve the Worker's Compensation premium renewal with PERMA in the amount of \$83,654. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

1st Quarter Financial Report

Mrs. Paget mentioned that at this point since it is early in the year, we do not have any budget transfers to bring forward to the Board. As far as expenditures, we are in the 19% to 22% of budgetary expenditures. Overall, we are at a 19% expenditure base. We have not hit our peak demands. At this point of the year we typically fall at 15% to 19%. When we get into the summer months and incur higher demands on water costs and treatment costs, this will fall into play provided that all the budgetary assumptions line up with what actually happens. With the combined costs of water sales and electrical surcharges, the revenues came in it are \$1,855,383. She mentioned that with water treatment in the amount of \$1,801,733, our revenues are coming in at \$53,650 higher than what our treatment expenses are.

The Village of Buchanan seems to be keeping to their plan of purchasing more water from the City of Peekskill. This affects the Water Works because there is no pass through from New York City NWJWW, to Montrose, who passes it on to Buchanan. There is also no 30% surcharge to tack on top of that which the Water Works would keep as a revenue. We budgeted about \$200,000 this year to be expected as pass through revenue for that aspect. Mill Pond and Putnam Valley are out of district water districts for Yorktown that come through that budgetary line. We are only seeing about \$7,435 on the expenditure end for excess water surcharges. This may change when we get into peak demand. Some of the members will exceed their per capita from the city. We would see that activity later in the year. Buchanan also gets the water cheaper from Peekskill.

Mr. Geho said that in theory the water rates between Peekskill and Montrose are comparable, exclusive of the excessive consumption pass through from NYCDEP.. Buchanan is looking to alleviate about \$15,000 to \$30,000 a month in excessive charges, by taking their per capita allotment from the City.

Trustee Becker asked about the drought on the reservoirs and asked if we were okay. Mr. Geho said that we are and the reservoirs are overflowing. We start to have an issue with reservoirs when they are at approximately 60%. The reservoirs are being replenished because there are still snow pack upstate that is filling the reservoirs. . Trustee Scott asked who is the ordering authority for water restrictions? Mr. Geho said that if it comes from the City there would be directive on restrictions on what we can take from them. In 2021 we restricted water use on an odd/even days. It would then be up to the individual superintendents to implement the water restrictions. Mr. Ken Rundle said that Yorktown always has water restrictions on a voluntary basis not mandatory.

Mr. Geho had mentioned to previous Board of Trustees if we are in a situation regarding water restrictions, how do we as the Joint Water Works partition the allotment to each member. If we only have 5MGD in production and a demand of 7MGD, who would the water be split that up between the members. Does each member get their allotment based on their quarterly consumption and who turns the valve off? We would have to restrict somehow. He reported that the Northern Westchester Joint Water Works total capacity is 15MGD (both plants at full production). Mrs. Paget asked would it be a combination of what New York City sees as a per capita as being a factor. Mr. Geho said it could be a piece of the puzzle.

Status on Proposal from McCafferty Signs for Building Letters to Rename Catskill Facility

Mr. Geho mentioned that currently the lettering on the Pump House naming the building after Mr. Raymond Reber would destroy the letters if we moved them to the front of the facility. There would

also be holes in the building because the letters are anchored into the building and you will not be able to get them out easily so the Pump House will stay as is.

Mr. Geho said that once we get our landscaping done, we will have a dedication of the building for the family of Mr. Reber. Mr. Geho said we have a 10-year dedication plaque and he would like to do one for the 25th anniversary of the Joint Water Works. He would also like to do a perpetual plaque for the Board of Trustees. It would be a commemoration to those who served on the Board in the past from 1995 to the present and for future Trustees. He feels that the plaques would cost about \$2,000 in total. The cost would be about \$750 for the 25th anniversary and \$1,200 for the perpetual which will include the engraving. Our intent was to have a 25th anniversary which was during COVID in 2020. We can incorporate an open house community day to show the facility along with the dedication.

A motion was made by Trustee Becker for the custom letters naming the Catskill Water Treatment Plant the Raymond A. Reber building from McCaffrey Signs in the amount of \$4,250. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

A motion was made by Trustee Becker for Mr. Geho to proceed with a quote from Crown Trophy to buy 2 plaques one for the Joint Water Works 25th anniversary and also a perpetual plaque with names of the Board of Trustees from 1995 to the present not to exceed \$2,500. Motion seconded by Trustee Scorrano. Motion approved 3-0.

Request to reimburse Business Director for NYS GFOA conference hotel expense

Mrs. Paget mentioned that in February the Board had approved her attendance at the NYS GFOA conference in Albany, NY. She is asking for reimbursement of the hotel charges in the amount of \$290 which she paid through her credit card. Mrs. Paget mentioned that anything reimbursing her directly she brings to the Board level. She could sign off on expenses for Mr. Geho since he is not in the Finance department.

A motion was made by Trustee Scorrano to reimburse Mrs. Paget her lodging expense in the amount of \$290 for the NYS GFOA conference she attended in Albany, NY. A motion was seconded by Trustee Becker. Motion approved 3-0.

Trustee Scorrano asked if there is a way to say any expense under \$500 you do not have to come before the Board for their approval. Mr. Cunningham said that the Board can make a policy for this.

Attorney's Report

Mr. Cunningham has been working with Mrs. Paget and Mr. Geho on employment matters along with Ms. Claudia Vahey from the Town of Cortlandt's Human Resources Department.

Business Director's Report

Mrs. Paget reported that the audits and relevy's are complete. Around this time of year, we receive a notification of a public hearing that the City will hold if they will be doing budget determinations on what the rate will be. We have not seen anything as of yet for any advertising for any public hearing.

Mrs. Paget asked how would the Joint Water Works proceed if we wanted to take advantage of grant opportunities through Environmental Facilities Corporation (EFC) and through the inter-municipal

grants? She is under the impression that we need a lead agency which would have to be one of the members. The Joint Water Works cannot do that just in the same fashion as we cannot issue debt. The entities would have to issue debt on behalf of us and declare who the lead agency is going to be. She was wondering if the Board would be interested in putting together maybe one member of the Board, her and Mr. Geho and figure out between our Towns if there is a grant writer that could also be part of this committee so we can determine what projects we might want to explore and submit applications for grant funding.

Trustee Scorrano mentioned that the Town of Somers outsources it. They use Jay O'Connell and they also have their engineering firm, Woodard and Curran, who also helps out with bigger grants. Mr. Rundle says the Town of Yorktown outsources also but he believes they changed agencies of who they are using. He believes they previously had used Laberge. He saw an article the other day that the Governor is putting out quite a bit of money out through WIIA (Water Improvement Infrastructure Act) grants and the Town of Yorktown will try to capitalize on that. Trustee Becker said that the Town of Cortlandt does most of their grants in house and they have had success. If it is a bigger grant, they use an outside firm to design it and they work together. The day to day writing of the grants are done in house.

Trustee Scorrano said that the Town of Somers is going after anything they could and that there is so much money out there for infrastructure and water improvement and PFOS. They are experiencing PFOS that in the heart of the Town of Somers. They will be talking to the Board of Health regarding the next course of action. Senators Gillibrand and Schumer had a grant which trickled down to the Congressman Lawlor's office for the PFOS which there is so much money for grants. There is a bill right now that NY State Senator Harckham, Senator Otis and Assemblyman Slater also have which is their own bill for water improvements. Trustee Scorrano mentioned that they keep changing the numbers so the parts per trillion on the PFOS is exceeded. Mr. Geho said that the source of PFOS is firefighter foam, teflon, scotch guard, gortex.. Most of the chemicals have been banned by the United States but some are still coming in from China. The MCL for the EPA used to be 70 parts per trillion then the state lowered it to 10 parts per trillion and the EPA is looking for public opinion to go to 4 parts per trillion. Trustee Scorrano said that we can talk about grant writers and should we do it in house with help and support from the surrounding towns because they have help, support and information. The Department of Health regulates the PFOS. They are trying to get climate control from the EPA and the discharge side is the Department of Environment Conservation.

Mrs. Paget said that in terms of grants, would it be best to say what projects do we want based on their timing and amounts and target grants for that? If there is an engineering component would that make sense in who the lead agency should be if we are going to rely on support from the towns? Depending on the Water Plant we are talking about, maybe that entity should be the lead. Trustee Scott mentioned that you can search for not for profit grants. You can put together a grant proposal and see if someone would fund it. He said it does not assist in writing the proposal but to identify grant opportunities. The awarder of the grant puts the application out.

Mr. Geho said that the thing he foresees over the next ten years is going to be Amawalk. We put so much money into that Plant and it keeps coming back to us. On Clarifier #2 when we did that rehabilitation project which started in 2019-2020, we determined that the superstructure has failed and the steel is so bad that it has to be replaced. Looking at the big picture of what is coming down the pike as far as regulations and what the Amawalk source water presently contains and how change

in regulations will impact us, it might be in our best interest to look at a grant to rehabilitate the Amawalk Plant. This would include a tear down of the clarifier and rebuilding of a new clarifier process which might be a good thing to do. Trustee Scorrano said that this serves the greater population and this is something that involves senators and congressman to push and give their support. Mr. Geho said it does not make economical or operational sense to completely replace the clarifier with what is there because it will not suit the purpose of future regulations. We do not want to have issues with Amawalk. We may have to blend the water and if we can divert the water and take that clarifier and make it an advanced oxidation process to handle the current future regulations then we might be able to get more money that way. He feels with Assemblyman Matt Slater in Albany and is versed in the organization, hopefully he can guide us through this. Mrs. Paget saw him at the GFOA conference in Albany and Assemblyman Slater asked about how we are going with applying for the grants and Mrs., Paget said we need to have another discussion on what projects would be entertained and who the lead agency is going to be.

Mr. Cunningham mentioned we should make a list of projects and talk to a bond counsel. They can decide who would be best to be the lead agency. Of all the projects we have slated, Mr. Geho mentioned that he is in favor of everything else funding through the fund balance. Complete rehabilitation of the facility we cannot manage but we can do proper planning. Mrs. Paget said if it needs to be coupled with financing from the Environmental Facilities Corporation (EFC) this would make it happen.

There was also a short discussion on fluoride and the effects it has in water.

Operations Director's Report

Mr. Geho requested receipt and file of the 1st quarter 2023 report. Our demand is where it should be this time of the year. Finances and consumption reflect this.

Mr. Geho reported that the front door of the Catskill building has been replaced. We are looking at a potential shutdown of the aqueduct the first week of May. He sent out an email to all the superintendents and asked at that time to limit consumption. There should be no pool filling, flushing hydrants, etc. We are going to be limited to 7mg of water from our Amawalk facility. Currently our demand is about 6.2mg of water. We will not purchase water from Peekskill unless it is an emergency.

Mr. Geho mentioned that it has been a month since the Board appointed Mr. Mark Rowe as Assistant Chief Operator and he is working our very well. He has been received by the guys really well and he is bringing some things to the table that Mr. Geho feels will be a benefit to us in the long term.

Mr. Geho reported that when he was at the AWWA event, he came across Mr. Paul Kutsky, who was the head of the Department of Health for Westchester County and now is the Director of the Westchester Joint Water Works. They are presently building a new DAF Plant. His operators do not have any experience and they need to get their license. Working with the State, Mr. Kutsky and his crew, we are going to try to get some integration to help them gain experience on how to operate a DAF Plant in the next year or so. If the Board is willing, Mr. Geho would like to send some of our operators to the Westchester Water Works and help them start the Plant up.

Ground Water Systems on Long Island are being impacted by this PFOS in the hundreds of millions

of dollars for media and new expansion and treatment. This may impact us so we need to start preparing for it now. Redoing the Amawalk Plant may be the way to go. Trustee Scorrano said that this is Mr. Geho's segway for grants. Mr. Geho said that this is the first time he has even seen blatant opposition from water purveyors to the regulators. One of the things that is impacting our utilities is the lead service line inventory. There is going to be a lot of amount of money we are going to spend. The public is going to be paying a lot more for what they are getting now at a decent price.

Mr. Rundle mentioned that the Town of Yorktown is currently doing a meter project now consisting of 5,000-meter installs. Trustee Scorrano said maybe we can piggyback and Mr. Rundle said that those meters were sole source Mr. Geho said that if you are looking to replace meters you can go out to bid. Mr. Cunningham said that we can do a piggyback off of the Town of Yorktown's bid. He feels the Towns can get together and buy the meters in bulk and maybe get a better rate per unit. Mr. Geho said the infrastructure is there. We budgeted \$100,000 to get tank signals sent back to us and we are going to spend \$300 per tank on these smart gateways.

A motion was made by Trustee Becker to receive and file the 1st quarter 2023 Operations Report. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

A motion was made but Trustee Scorrano at 11:11 A.M. to enter into Executive Session. A motion was seconded by Trustee Becker. Motion approved 3-0.

A motion was made by Trustee Becker at 11:33 A.M. to exit Executive Session. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

During executive session, the Board authorized an unpaid leave of absence effective February 21, 2023 for Mr. Rob Zawacki who has submitted appropriate medical certification and is scheduled for reevaluation on April 28, 2023.

A motion was made by Trustee Becker to authorize an unpaid leave of absence effective February 21, 2023 for Mr. Rob Zawacki who has submitted appropriate medical certification and is scheduled for reevaluation on April 28, 2023. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

A motion was made by Trustee Becket at 11:35 A.M. to adjourn. A motion was seconded by Trustee Scorrano. Motion approved. 3.0

Resolution # 2023-41

A motion was made by Trustee Becker to adopt the March 17, 2023 minutes. Motion was seconded by Trustee Scorrano. Motion approved 3-0.

Resolution # 2023-42

A motion was made by Trustee Scorrano to award Bid # 2023.3 Landscaping and Grounds Maintenance to Landscape Concepts in accordance with the rate schedule. Motion seconded by Trustee Becker. Motion approved 3-0.

Resolution # 2023-43

A motion was made by Trustee Becker to approve the Worker's Compensation premium renewal with PERMA in the amount of \$83,654. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

Resolution # 2023-44

A motion was made by Trustee Becker for the custom letters naming the Catskill Water Treatment Plant the Raymond A. Reber building from McCaffrey Signs in the amount of \$4,250. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

Resolution # 2023-45

A motion was made by Trustee Becker for Mr. Geho to proceed with a quote from Crown Trophy to buy 2 plaques one for the Joint Water Works 25th anniversary and also a perpetual plaque with names of the Board of Trustees from 1995 to the present not to exceed \$2,500. Motion seconded by Trustee Scorrano. Motion approved 3-0.

Resolution # 2023-46

A motion was made by Trustee Scorrano to reimburse Mrs. Paget her lodging expense in the amount of \$290 for the NYS GFOA conference she attended in Albany, NY. A motion was seconded by Trustee Becker. Motion approved 3-0.

Resolution # 2023-47

A motion was made by Trustee Becker to receive and file the 1st quarter 2023 Operations Report. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

Resolution # 2023-48

A motion was made by Trustee Becker to authorize an unpaid leave of absence effective February 21, 2023 for Mr. Rob Zawacki who has submitted appropriate medical certification and is scheduled for reevaluation on April 28, 2023. A motion was seconded by Trustee Scorrano. Motion approved 3-0.