

Northern Westchester Joint Water Works
NWJWW Board of Trustees Meeting November 18, 2022

Convened at 10:07 A.M.

Adjourned at 10:59 A.M.

Present:

Richard Becker, Chairperson, absent	Ray Reber, Consultant, absent
Jeffrey Scott, Vice Chairperson	Tom Wood Esq., Attorney, absent
Robert Scorrano, Treasurer	Donna Albanese, Recording Sec’y
Matthew Slater, Trustee, absent	Tom Diana, Yorktown Deputy Supervisor
Matthew Geho, Operations Director	Michael Cunningham, Town of Cortlandt Deputy Town Attorney
Catherine Paget, Business Director	

Note: Deputy Supervisor Diana attended and participated in the meeting representing Yorktown.

A motion was made by Trustee Scott to adopt the October 14, 2022 minutes. Motion was seconded by Trustee Scorrano. Motion approved 3-0. Correction to be made for October 14, 2022 minutes to change adjourn meeting second motion from Trustee Scott to Trustee Scorrano.

Request approval for Business Director to execute revised computer network security enhancements quote from Logically

Mrs. Paget reported that we are ready for our security enhancements to be installed. Last month the Board approved the cost of End Point Deduction and Response Monitoring Service from Logically at an annual cost of \$7,200. The onetime fee was originally \$3,000. Mrs. Paget was able to get the fee reduced to \$2,000 which she has in writing.

A motion was made but Trustee Scorrano to approve the Business Director to execute the revised computer network security enhancement agreement from Logically. A motion was seconded by Mr. Diana. Motion approved 3-0.

Request to approve renewal of Arthur Gallagher Insurance Services agreement

Mrs. Paget reported that in regards to our broker, Arthur Gallagher, for insurance there is no increase in their service fee of \$25,000. They market the commercial package needs for Northern Westchester Joint Water Works and the Montrose Improvement District. For 2021-2022 we paid \$116,094 for our insurance and our renewal is \$130,544. Included in the cost is our cyber security policy. That premium went from \$16,790 to \$23,657, a 40% increase in premiums. According to Arthur Gallagher, the market is volatile. Exclusive of cyber, there is an 8% increase in premium.

We have had Arthur Gallagher since 2020. Our commercial package is through Zurich who offers better

coverages than our previous insurance carrier, Traveler's. They will remarket again during the 4th year.

A motion was made by Trustee Scott to approve the renewal of Arthur Gallagher Insurance services agreement with no change in terms in the amount of \$25,000. A motion was seconded by Trustee Scorrano. Motion approve 3-0

Request for approval of costs incurred for emergency electrical work in Clarifier #1 at the Amawalk Plant

Mr. Geho mentioned that the electrical grounding for the clarifier # 1 failed. New grounding was installed along with all new medium voltage wires, and transformer. Given the potential for personal injury this was deemed an emergency to expedite the repair. Our electrical contractor, Acorn Electric, and in-house personnel worked on the clarifier. Thus far we have incurred ~ \$30,000 in invoices for work completed, with another \$5,500 estimated to complete. Permission was requested to fund up to \$40,000 to get the project completed. This work was not budgeted. Funding to be provided from the fund balance as part of the capital project to upgrade the clarifier. .

A motion was made by Trustee Scott to authorize an amount for the emergency electrical work in Clarifier #1 not to exceed \$40,000 to perform corrective electrical work for the Amawalk Clarifier #1. The costs will be charged to the 2021 Amawalk Clarifier Capital Project and paid from the capital project plan fund balance. A motion was seconded by Mr. Tom Diana. Motion approved 3-0.

Review results and request award of Water Billing Printing and Mailing RFP

Mrs. Paget mentioned that regarding the RFP for the Water Billing Printing and Mailing, 13 vendors downloaded the RFP from Bidnet. Three vendors submitted responses to the RFP's but none of the vendors are in New York State. One 2 One Communications is located in Illinois, Standard Printing is located in Arizona and Pitney Bowes is located in Connecticut but does their processing in Illinois.

Currently, we do everything in house from buying all the supplies, folding machine, envelopes, toner, paper and employee labor time. In 2018 we spent \$45,000 and estimate that cost to be \$55,000 in 2022 .We process 60,000 bills per year. Some residents do get billed electronically and pay electronically. All 3 RFP's honor bits and pieces of the process differently but they can all take the PDF billing file that we produce, correct addresses and cut down on returned mail.

Both Mr. Cliff Kummer and I had several video calls with the vendors. On One 2 One the price per piece is \$.630, the annual cost would be \$37,800 with an initial set up fee in the amount of \$75. Standard Printing's price per piece is \$.655, the annual cost is \$39,300 with a setup fee in the amount of \$600. Pitney Bowes price per piece is \$.732, the annual cost is \$43,920 with an initial set up fee in the amount of \$5,000. If we are authorized to proceed with One 2 One, then we can go into contract with options to renew. Both myself and Mr. Cliff Kummer saw work samples, and we also had a good conversation with their staff. We project that we will be saving \$17,000 over the cost of performing in house.

Trustee Scott mentioned that we can charge a fee for paper billing. Mr. Tom Diana said that each town would have to decide on a fee for paper billing. You can give the resident 2 choices A: pay a fee for paper billing or B no fee if bill is sent electronically. Mrs. Paget stated that we can send an insert and say effective such and such a date there will be a fee for paper billing and if you want your bill sent electronically, please provide an email address. This would be a source of revenue for the Towns. Mr. Geho said that the member would keep the money because they are ultimately paying for the service. It is not like they have to break out that fee to send to us because it is part of their revenue.

Mr. Diana stated that now everything has a service charge. If you get a bill by email Mrs. Paget said that each town would have to consider if they want to place a charge on invoices that are to be mailed. We would have to add it on to the respective entities bill. We would work with Edmunds on programming it and how would we isolate people to receive that charge for the paper billing. Mr. Diana said we would

have to notify our customers and ask how do they want their invoice.

Trustee Scott asked what do we do with a rejected email bill? Do you follow up on it with a manual bill? Mrs. Paget feels that Mr. Cliff Kummer takes the bill, prints it out, puts it in the mail and sends it out separately.

A motion was made by Trustee Scott to award One 2 One Communications for the RFP for Water Billing, Printing and Mailing. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

Request approval of budget transfers dated November 16, 2022

Mrs. Paget mentioned that this is moving money from line to line with no increases in appropriations. The top section is for requested transfers needed for administrative and water billing budget. The annual appropriation for legal services is where we reimburse the Town of Cortlandt for Mr. Wood and Mr. Cunningham's services. The intent is to fund this because we will be billed by the end of the year. Property taxes are for the Locust Avenue homes that we own and that is special district taxes. They are within the Town of Cortlandt and it is not general fund taxes but water property tax.

The Administrative insurance is the overall increase in market particularly in the cyber insurance world. When we planned the 2022 budget we were not aware that it was going to be to the magnitude that it was. The billing postage is just budgeted in the bill printing and advertising because we thought that we might be where we are with the RFP sooner in the budget process. We are taking money from telephone expense and incurred a considerable savings with this by using Sonictel for digital phone service versus Verizon.

There are minor appropriations from administrative professional services, which includes the services of our consultant Mr. Raymond Reber. Financial professional services are the audits and any GASB related actuary services. Regarding health insurance, we had 4 positions without coverage at the time of planning.

Amawalk lab testing and Amawalk plant supplies are all funding day to day activities and we are asking to transfer money from the Catskill Orthophosphates line to that. Also, additional funding from Catskill orthophosphates and Catskill Polymer to allocate \$43,106 to other chemical lines at both the Catskill and Amawalk Plants. This is due to the differences in water quality and cost increases due to new chemical contracts in 2022. We got hit with increased costs and we had no way of knowing this when we prepared the 2022 budget in 2021. We made adjustments for the 2023 year based on new chemical costs.

Mr. Geho mentioned that the quality of water coming out of the reservoir at Amawalk has deteriorated to a point where we are using excessive Polymer and Polyaluminum chloride. As a result, that residuals must to be disposed of. We had an increase in residual production then we got hit with an additional cost when the new contract went out from July 1st 2022 through June 30, 2023. This compounded us for a \$61,759 negative for Amawalk but we did have the money from the Catskill facility to offset so there is no increase in the budget line. At the October meeting, we anticipated that the Amawalk residual line to be about \$140,000 over budget. When we saw that, we shut down the Amawalk Plant and it has been offline for about 6 weeks. There is a Catskill Aqueduct shutdown planned for end of November, so we just put Amawalk back online, for the remained of 2022. Where we can we will save in production costs and offset that by using the Catskill facility more often.

A motion was made by Trustee Scott to authorize budget transfers dated November 16, 2022 with no additional funds expended and the total of the annual budget remains the same. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

Appointment of Peter Fischer from Operator Trainee to 2A Operator as per Civil Service requirement

Mr. Geho mentioned that our operator trainee, Mr. Peter Fischer is an excellent trainee and will make great operator. He finished his one-year trainee apprenticeship and was interviewed by the Westchester County Department of Health. As of November 16, 2022, he became a 2A operator and should be paid as a 2A operator as of that date. We are waiting for his license from the New York State Department of Health, but received written confirmation of his licensing from Westchester County DOH. Mr. Fischer has also been doing shift work.

A motion was made by Trustee Scott to appoint Mr. Peter Fischer as an 2A operator effective upon confirmation of his 2A license date from the New York State Health Department . He will receive out of title pay at the 2A rate effective November 16, 2022 subject to Civil Service approval. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

Currently, we have 10 operators and the Assistant Chief Operator will be retiring in March 2023. We will explore promoting from within for the Assistant Chief position.

Attorney's Report

Mr. Cunningham worked with Mrs. Paget on the Cyber agreement.

Business Director

Mrs. Paget and Mr. Kummer are working with Sensus and Vepo Solutions and speaking with Edmunds to kick off the 4,500 meter installation project They are also speaking with Steve Robbins from Woodard and Curran for Cortlandt's redistricting of their water meter reading routes.

We are progressing with the letters from McCaffrey Signs for the dedication of the pump station building for Mr. Raymond Reber. The fabrication is complete and the letters are being shipped to McCaffrey. The letters should be installed on the building after Thanksgiving.

The audit has been scheduled for the Joint Water Works the second week of February and Montrose Improvement District the week after.

Operation's Director's Report

Mr. Geho mentioned that the fluoride is proceeding and should be complete by January 2023. We did submit a public notice to the Department of Health and this will impact the Town of Yorktown and the Town of Somers.

The Department of Environmental Protection issued a Catskill Aqueduct shutdown schedule for 2025 thru 2030. During this time there will be 10 to 14 week shutdowns of the aqueduct for capital repairs. We were under the impression the long term shutdowns were complete.

Mrs. Paget mentioned that the first Board of Trustees meeting for January 2023 will be on January 6, 2023. In accordance with the NJWWW Officer rotation schedule, the Chairperson will be from the Montrose Improvement District, the Vice Chairperson will be from the Town of Somers and the Treasurer will be from the Town of Yorktown.

A motion was made by Trustee Scott at 10:59 A.M. to adjourn the meeting. The motion was seconded by Mr. Diana. Motion approved 3-0

Resolution # 2022-79

A motion was made by Trustee Scott to adopt the October 14, 2022 minutes. Motion was seconded by Trustee Scorrano. Motion approved 3-0. Correction to be made for October 14, 2022 minutes to change adjourn meeting second motion from Trustee Scott to Trustee Scorrano.

Resolution # 2022-80

A motion was made but Trustee Scorrano to approve the Business Director to execute the revised computer network security enhancement agreement from Logically. A motion was seconded by Mr. Diana. Motion approved 3-0

Resolution # 2022-81

A motion was made by Trustee Scott to approve the renewal of Arthur Gallagher Insurance services agreement with no change in terms in the amount of \$25,000. A motion was seconded by Trustee Scorrano. Motion approve 3-0

Resolution # 2022-82

A motion was made by Trustee Scott to authorize an amount for the emergency electrical work in Clarifier #1 not to exceed \$40,000 to perform corrective electrical work for the Amawalk Clarifier #1. The costs will be charged to the 2021 Amawalk Clarifier Capital Project and paid from the capital project plan fund balance. A motion was seconded by Mr. Tom Diana. Motion approved 3-0.

Resolution # 2022-83

A motion was made by Trustee Scott to award One 2 One Communications for the RFP for Water Billing, Printing and Mailing. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

Resolution # 2022-84

A motion was made by Trustee Scott to authorize budget transfers dated November 16, 2022 with no additional funds expended and the total of the annual budget remains the same. A motion was seconded by Trustee Scorrano. Motion approved 3-0.

Resolution # 2022-85

A motion was made by Trustee Scott to appoint Mr. Peter Fischer as an 2A operator effective upon confirmation of his 2A license date from the New York State Health Department . He will receive out of title pay at the 2A rate effective November 16, 2022 subject to Civil Service approval. A motion was seconded by Trustee Scorrano. Motion approved 3-0.