

Northern Westchester Joint Water Works

NWJWW Board of Trustees Meeting, September 19, 2025

Raymond A. Reber Catskill Water Treatment Facility
2065 East Main Street, Cortlandt Manor, NY 10567

Convened at 10:08 a.m.

Adjourned at 11:27 a.m.

A.M. Present:

Edward Lachterman, Chairperson	Matthew Geho, Operations Director
Richard Becker, Vice Chairperson	Catherine Paget, Business Director
Charles Peterson, MID Commissioner	Michael Cunningham, Attorney
Robert Scorrano, Trustee	Janet Stiller, Recording Secretary
Joe Bassell, Town of Cortlandt - IT Dept.	

A motion was made by Trustee Becker to adopt the July 18, 2025 minutes. Motion was seconded by Trustee Peterson. Motion approved 3-0.

A motion was made by Trustee Peterson to go into Executive session at 10:10 a.m. The motion was seconded by Trustee Becker. Motion approved 3-0.

A motion was made by Trustee Peterson at 10:26 a.m. to exit Executive session. The motion was seconded by Trustee Becker. Motion approved 3-0.

At this time, Trustee Scorrano jointed the meeting.

Cybersecurity Grants

Mr. Joe Bassell of the Town of Cortlandt IT Department joined the meeting and spoke about Cybersecurity Grants. We know there are malicious actors out there that whether they are a nation state or hacker group and they have realized that a way to inflict damage without being physically present is to target municipal water systems and by doing that in the form of cyber attacks allows them to be able to have an impact without actually having to be present or do anything in the exact vicinity they are looking to target. There have been instances around the country where water systems have been attacked. As a result, Governor Kathy Hochul has announced in the fiscal year 2026 budget that \$2.5 million dollars in grant funding is available for municipal water infrastructure systems and that is called Strengthening Essential Cybersecurity for Utilities and Resiliency Enhancements or "SECURE". The grants will be managed and distributed by the Environmental Facilities Corporation "EFC". To quote them directly "This new grant program will provide competitive grants to support cybersecurity risk

assessments and hardening efforts focused on aligning with the new proposed regulatory requirements”. “The grant opportunities assist water systems by providing them with the resources to strengthen their cybersecurity posture, enhance resiliency and assure reliable delivery of water for New Yorkers”. So the EFC has created a cybersecurity hub on their website. At the moment, there is no information about the grant application process. On their website, as EFC develops these programs, the community assistance teams are providing resources to help communities take immediate action to strengthen their cybersecurity. This hub will be regularly updated and you can sign up for emails from the EFC to be the first to know of the grant opportunity launch and as new resources become available. Currently on the cybersecurity hub website, there are a couple of general recommendations on what to do for cybersecurity. There is a 12 step recommendation checklist which contains things we have already been doing such as changing your default password, have multi-fact authentication, keep software updated. The next step is to wait for the EFC to put together this grant program and how to apply. Mr. Bassell is signed up and waiting for those emails and then he can take action. Something else we could possibly do is contact the community assistance teams for a consultation for funding assistance and any other kind of information that they would provide. It would be purely for information, we do not have to use their services. At least we have information about what they do and then, if the need arises, we have an option to reach out to them.

Trustee Lachterman asked if we would be applying as the NWJWW or does it have to go through one of the towns. Mr. Bassell believes it would be through the NWJWW based on what he saw on the EFC hub. Trustee Lachterman inquired if there are any opportunities for the towns to apply for separate grants because they have a Water Dept. in Yorktown and the other towns do too. Mr. Bassell seems to think that the way the EFC has described the grants, that they could apply since they are a municipal water system.

Trustee Peterson asked whether a grant writer would need to be employed in order to apply for these grants. Trustee Becker stated that the Town of Cortlandt has the staff to do it. Trustee Scorrano asked if there have been any threats at all recently or in the past couple years that have been concerning. Trustee Scorrano also asked if we have training in place for our employees about cybersecurity threats. Mr. Geho stated that we have not had any threats and we have training on phishing, malware and End point detection. NWJWW is actually doing a cybersecurity assessment right now by PKF O'Connor & Davies. Mr. Geho feels that this grant should probably be a wholistic approach because we are connected to each other, whether it be Cortlandt or Yorktown. Every Water Dept. has a computer that is looking at someone else's computer and there is network function that is there. We will have a better understanding when we receive the report and we will discuss the results at the October meeting.

Trustee Becker spoke about the County having a cybersecurity task force and Mr. Bassell has applied. Trustee Becker's recommendation is that the Board would authorize and create the Resolution to have Mr. Bassell apply for the grant and then to participate in the PKF O'Connor Davies meetings. If we get the grant, we will have the money and then we can coordinate with PFK O'Connor Davies, the County and all the communities together and use the grant money to do whatever needs to be done.

Trustee Peterson asked if we possibly do not get a grant, what would the cost be to protect against cyber attacks. Mr. Bassell stated that it is hard to say because it depends on what specific action we are doing, what software and/or hardware we use and the size of the system. Catherine Paget reported that we are currently in contract with Logically to protect our system and wanted to confirm with Mr. Bassell that the grants would be able to offset their cost. Mrs. Paget reminded the Board that during last year's budget process we were talking about our annual agreement with Logically and that there could be the opportunity to share IT employees with Cortlandt and maybe lessen some of the cost with Logically for day-to-day things, not necessarily more specialized end point detection.

Mr. Geho has been in touch with PKF O'Connor Davies to see if there are any immediate deficiencies and he was asked by them "What would you do if there was a threat on your SCADA" and "What if there is malware on SCADA and it was corrupting your whole system. Mr. Geho responded that we would just unplug the computer or shut the computer down. We do assess cybersecurity annually and we are required every 5 years by New York State to do a vulnerability assessment on cybersecurity and report it back with the Emergency Response Plan.

Business Director's Report

We are in the preparation stages for the 2026 budget.

Utilities

We are projecting our electricity expenses are going up about 10%. This is with no input from the Power Authority or from NYSEG on their rates. This also happened last year. They will not have any preliminary information until the end of October. They are not committing to any kind of time schedule either. Based on our in-house costs and what we have experienced so far this year, we are projecting to be about 35% overbudget for the Power Authority. Whereas, with NYSEG and because it is the Amawalk plant and we have different opportunities for production at that plant, we are within our budget forecast. When we average things out over a couple of years, we are planning on about a 10% increase in costs.

Health Insurance

Health insurance was budgeted for a 10% forecast increase, however, we are part of the NYS Health Insurance Plan. Those rate increases did not materialize in this year's budget so we may be able to hold that line relatively stable so that could be a good offset there.

Water Consumption

NYC has already did approximately a 1% decrease in the purchase rate this year. On average consumptions increasing amongst the members, the three year average is up slightly from what we used in the 2025 budget, so that will be factored in. We talked about in the proposed budget stage last year, a 5% increase in our costs for what NYC would charge, but when we looking at our other factors, right then because they have actually been ticking down in their rate increases. We did not adopt the budget last year with an increase in cost for purchase, we just budgeted accordingly based on demand. We could go that route again this year - in the draft that she is working on is a 5% increase, but Mrs. Paget said let's see where the rest of the operational numbers come in.

Insurance

We had a preliminary planning meeting with our insurance agency, Arthur Gallagher, to discuss our insurance plans. They are examining an increase in our deductibles in the General Liability and Directors and Official's plans. In the past, we had examined an increase in our deductibles for property etc. but it didn't make a big difference in our premium paid. We may look at establishing a reserve fund for transmission line breaks because we have been paying for those out of fund balance so when we incur something like Route 35 main leak, we are funding it from fund balance, there is no offsetting. Munich, the carrier that assumed the program that we are currently in has projected a 7-10% increase. Let's see what Arthur Gallagher is going to work on in terms of holding that line at a lower percent increase but the increase is factored into the draft budget as well. That is due to come in towards the end of October.

Mrs. Paget hesitates to say that we could keep the water rate at what it is this year. Just being cautiously optimistic about that, but it is based on current salary and benefit plans right now.

Operations

Mr. Geho mentioned when you put together all of the regular supplies, materials, projects, etc., they really tried to offset some of the other material costs that we will incur so that is where the background for that comes from. It has more to do with the day-to-day planning and what they try to keep in inventory, what they are going to take on and what they don't need to take on.

Mr. Geho stated that we have a lot of equipment that is aging out, meaning more than building and grounds. Where he would have budgeted \$6-8,000 for the boiler and HVAC system, he has cut back, but if something really goes sideways next year, we may have to come back and say this is what happened. We didn't budget for it like we normally do. If the boiler blows up, we have to replace it. You can't really budget for that. Instead of projecting its failure, if it fails, we will just fix it.

Mr. Geho commented that the NWJWW water rate is actually quite competitive when you look at the fact that 60% of our costs are just to buy the water, so it costs 40% to produce it.

Mrs. Paget said that we anticipate having a budget draft by the beginning of October to distribute out and that you can use for your own preliminary budget and then if we want to make any amendments to that based on other projects, we would still have time to do that. Mrs. Paget questioned the next meeting date of October 17, 2025, because we probably will not have the insurance projection in. We don't necessarily need to have that, but if we want to stick with the idea of potentially reviewing the proposed budget then and any other decision making that will affect its adoption or if there are things we need to postpone and not adopt until November than we might want to look at another date. The board agreed to change the November 21, 2025 meeting to Friday, November 7, 2025.

Trustee Peterson asked if the insurance information would be available by November 7, 2025. and Mrs. Paget replied yes, and we will finalize the renewal at that meeting. We went to market last year and the market is very narrow. It is still the same program but it's a different underwriter that is administering it. One company refused to quote because they couldn't meet the program and there was another company that did quote and it was \$40,000 more and there

was one other dynamic that didn't give us the same lines of coverages within the plan that we have right now. We usually go into the market process every 3-4 years. The current carrier with no claims is quoting us between 7-10% increase. A carrier that doesn't have any experience with us is probably going to quote us more.

The broker is the one who negotiates with the carrier. They will get an initial quote from Munich and they might say that is not right for X, Y and Z for this particular client, can we do this or that, so we rely on the broker.

Mrs. Paget asked if there are any changes in requested service levels that the members are considering, for example, water distribution services and water billing services. Those things effect how we plan the budget as well. We are not planning that with anything different right now, but it effects the employees and project planning and we would have to, as a group, know that it will be taken into account. It also effects how we charge out to the members. Mrs. Paget inquired if there is anything the Board wants to discontinue or add in the next month, we would really need to have so that we can include it and be fair to everybody in terms of what they should expect. Trustee Lachterman was asking about water billing because Yorktown has two different systems. Mrs. Paget suggested that she, James, Paul and Gennelle should have a meeting about the ins and the outs of the budget.

Trustee Peterson asked about preparing a line item in the budget for cybersecurity. If the Board will allow it, Mrs. Paget will add \$1,000 a month so it is over in a year and into the administrative component so you can see what the impact is.

Operations Director's Report

Mr. Geho reported that the transformer blew up and we will incur some costs there. Its going to be Con-Ed's overtime to have their staff come in and actually wire in the transformer from the load side of the transformer to our building.

A motion was made by Trustee Scorrano to Declare replacement of Catskill Raw Water Pump Station Transformer an Emergency. Motion was seconded by Trustee Becker. Motion approved 4-0.

Mrs. Paget reported that we have our first PFAS payment and she is going through and reviewing some of the backup with that to insure we understand what we are getting and why, but in terms of its need to be kept segregated and used for a specific purpose so that is the reason for this resolution.

A motion was made by Trustee Scorrano to create separate account for AFFF Product Liability Litigation Settlement payments and project activity. Motion was seconded by Trustee Becker. Motion approved 4-0.

Mr. Geho said that replacing flocculator and scrapper variable frequency drives was budgeted in the intended capital projects list at the January meeting. It was held off to this time so we made

sure we didn't spend the money on other things. The Water Works would like to use the money and go ahead with the project.

A motion was made by Trustee Scorrano to authorize a Bid for Variable Frequency Drives. Motion was seconded by Trustee Becker. Motion approved 4-0.

Mr. Geho informed the Board that the bridge project is underway on Old Crompond Road. Our 24 is there, so we are trying to communicate with the contractor, Montesano, to know it before they dig. The high pressure line is right there. Con-Ed moved the gas this week. We are on it and it needs to be completed by the time the fish start spawning.

Attorney's Report

Nothing to report.

Mrs. Paget mentioned currently exploring how we are going to convert to our website to .gov instead of .com.

A motion was made by Trustee Scorrano at 11:27 a.m. to adjourn the meeting. Motion was seconded by Trustee Becker. Motion approved 4-0

Resolution #2025-65

A motion was made by Trustee Becker to adopt the July 18, 2025 minutes. Motion was seconded by Trustee Peterson. Motion approved 3-0.

Resolution #2025-66

A motion was made by Trustee Becker to accept the Draft Resolution to terminate the provisional appointment of Water Meter Repairer and re-appoint as a Laborer. Motion was seconded by Trustee Peterson. Motion approved 3-0.

Resolution #2025-67

A motion was made by Trustee Becker to accept the Assistant Business Director job description and advertise for candidates. Motion was seconded by Trustee Scorrano. Motion approved 4-0.

Resolution #2025-68

A motion was made by Trustee Scorrano to Declare replacement of Catskill Raw Water Pump Station Transformer an Emergency. Motion was seconded by Trustee Becker. Motion approved 4-0.

Resolution #2025-69

A motion was made by Trustee Scorrano to Create separate account for AFFF Product Liability Litigation Settlement payments and project activity. Motion was seconded by Trustee Becker. Motion approved 4-0.

Resolution #2025-70

A motion was made by Trustee Scorrano to authorize a Bid for Variable Frequency Drives. Motion was seconded by Trustee Becker. Motion approved 4-0.