

April 14, 2016

**I. Attendees:** Chairman Rom French, Commissioners Dan Banach, Ray Hamilton, and David Payne, Clerk-Treasurer Gary Meeks, Director of Public Works Brent Bodine and Assistant Director of Public Works Bill Jensen, Mayor Leigh MacKerchar, Village Engineer Robert Elliott, Public: Pam Griffith

Absent: Bruce LeClaire, Willie Allison

**II. Call to Order at 8:30 am**

**III. Review/Approval of the March 10, 2016 Meeting Minutes:**

*MOTION to approve the Minutes: First Dan Banach, seconded by David Payne; Carried.*

**IV. Public Requests and Comments:** Pam Griffith with Yates Community Center request for forgiveness of Invoice No. 16-00312 in the amount of \$12,978.96 for electrical work/service performed by the Village of Penn Yan:

- Explained that the Community Center is for us as a whole and it's a non-profit
- Discussed the invoice as a board at the community center and whether this is an unreasonable requests
- Discussed the benefits of the community center and the wellness center on Yates County and the Village of Penn Yan
- Prices are kept as low as we can and still keep the center going
- Funds are managed closely on what comes in and comes out
- All the programs are designed to the better and help the community (we also have the K-Train which is a Kindergarten readiness program, we have trainers to help with the members to make sure they have the right workout program
- Rom F. inquired about the electric work done; Brent B. stated it was a new 3 phase service; an estimate was provided to them for the new service and the work completed actually came in under estimate;
- Brent B. the job consisted of taking one slack span from the existing overhead transformer service to the new pole that was set and went underground from there; Dailey Electric was the contractor that worked on the facility.
- Dan B. mentioned that the community center was not charged labor only materials
- Rom F. mentioned that only the Village has been contacted and in turn the rate payers are being asked to subsidize; has the Town of Benton and Yates County been contacted to get some help from them since it's a community center
- Rom F. mentioned ultimately it's the Village Board's final say and he is not inclined to recommend granting forgiveness
- Brent B. mentioned the pole attachment agreement with NYSEG and getting the security lights in place just to provide an update; FYI: NYSEG has alluded to charging us for the engineering
- Ray H. inquired as to whether the County has contributed anything and Pam said no financial contributions but have had their support
- Dan B. recommended that she attend the next financial meeting with Yates County
- Rom F. discussed the rate payers and tax payers and the different budgets involved under the Village

Penn Yan Municipal Board Meeting Minutes

April 14, 2016

- Rom F. suggested looking into the a payment plan; Gary M. said to set up a meeting with him to discuss the payment plan

**V. Municipal Employee: Ben Sward**

- Composting operation: all major construction is done; but there are minor things that are still being worked on (discussed the leaking roof issue and how it is being fixed)
- Mixer and screen are the two major pieces of equipment that need to be commissioned; the mixer is in operation and we are still working on getting the screen commissioned probably early next week
- We have a verbal arrangement with a tree surgeon for chips to use for starting up the composting operation
- Blowers will be moved in once the contractors are officially done with building
- We have the de-watering screw press figured out now and we are getting a consistent product
- Operations will start as soon as all equipment has been checked out and buildings are accepted from the contractor
- Mentioned Kurt has done an excellent job troubleshooting the screw press
- Wood chips are recycled (we get about 80% back)
- Still looking at getting up and running very soon
- Once up and running, it will take about 2 months for the finished compost product
- Brent B. reminded the board that this was a DEC project and there will be follow up sampling to report back to the DEC
- Eventually compost will be available to the public for use
- Goal is to have zero sludge hauling but it is undetermined at this time
- Rom F. mentioned the new road (Elmwood Ave) and that it should become the recommended and preferred access for sludge haulers

Ed Brockman arrived at 9:15 a.m.

**VI. Executive Session:** I move to enter into Executive Session to discuss the Hicks Street Pump station property location with Brent Bodine, Bill Jensen, Gary Meeks, MUB Members, Leigh MacKerchar, Bob Elliott, Ed Brockman, and Danette Eatherton at this time; First David Payne; seconded by Ray Hamilton; carried. Entered Executive Session at 9:17 a.m.; Exited Motion to exit Executive Session at 9:38 a.m.; First David Payne, seconded by Ray Hamilton; carried.

**VII. Audit** dated 4/19/16

Summary:

Paid Before Audit:

General:	\$30,177.14
Electric:	\$335,281.89
Sewer:	\$6,702.03
Water:	\$7,657.05
CRC:	\$0.00
Capital Projects:	<u>\$0.00</u>
Total Paid Before Audit:	\$379,818.11

Penn Yan Municipal Board Meeting Minutes

April 14, 2016

Current Audit:

General:	\$77,460.53
Community Development–CRC:	\$0.00
Electric:	\$43,269.48
Sewer:	\$476,855.99
Water:	\$41,563.14
Capital Projects:	<u>\$ 0.00</u>
Total Current Audit:	\$639,149.14
<b>TOTAL AUDIT:</b>	<b>\$1,018,967.25</b>

*MOTION to approve the Audit as presented: First Dan Banach, seconded by David Payne; Carried.*

**VIII. Treasurer’s Report – Gary Meeks**

1. 2015-16 YTD Revenue/Expense Report: 10 months through the year (83%); Electric: Revenue 78% and Expenses 75% of the YTD; Revenue greater than Expenses by \$158,000; will probably have a surplus of about \$100,000.00 for the end of year.

Sewer: Revenue 85% and Expenses 58%; Revenue greater than Expenses by \$558,000; after factoring in depreciation, we will have surplus of about \$174,000. We had some issues with the WWTP budgets, lab services were over budget and budget transfer was done; utility costs have also increased at the WWTP with the new equipment; are looking into re-using water at the plant

Water: Revenue 79% and Expenses 65%; Revenue greater than Expenses by \$378,000; after factoring in depreciation, we are at breakeven point; we had some payroll issues and performing budget transfers to cover over time due to extended hours that were required while searching for a significant water break and other OT requirements.

2. Review of tentative MUB budgets (Water, WTP, Sewer, WWTP, and Electric): mentioned this year’s budget process was done a bit different-Village budget was done first and then the MUB budgets; all departments were able to hold flat, as instructed/requested; Discussed the Municipal Utilities 2016-2017 Budget Highlights:

**Municipal Utilities 2016-17 Budget Highlights**

General (all budgets)

- CSEA union employees receive pay increase of 2% per collective bargaining agreement
- CSEA new step 25 and increase step 27 by \$.25/hour
- 2<sup>nd</sup> in command position budgeted for water/sewer and electric crews at additional \$1/hour
- Increase the HRA funding by \$50 for each CSEA and non-union employee as per collective bargaining agreement
- Increase of \$50 (from \$200 to \$250) in clothing allowance per collective bargaining agreement
- No increase in salaries for Municipal Utility Board
- Budgeted four weeks salary for Principal Account Clerk (early June and assistance with audit) and full year for Deputy Clerk-Treasurer
- There is \$5K being put in the budgets (General and MUB) for potential upgrades to the Village website. The MUB budgets are picking up \$3K of this budgeted cost.

## Penn Yan Municipal Board Meeting Minutes

April 14, 2016

- IT budget includes purchase of new server (\$8K) which is needed for capacity, and defers most computer upgrade purchases to next budget year
- Increase in healthcare and dental rates effective 1/1/17 assumed to be 12%
- Increase in general property and liability insurance assumed to be 6% increase from last year's actual premiums paid
- All funds benefit from the change to a community rated healthcare plan with Excellus and the lower rates associated with it
- All funds benefit from lower contribution rates for NYS retirement system

### Water and Water Treatment Plant

- Budgeted operational costs for the Water fund are an increase of \$42K or 2.6% driven by higher costs for personal services (rate increases per collective bargaining agreement), higher depreciation costs due to Lake Street water main being added to capital base, and an increase to the contingency budget
- Benefit costs are lower due to less expensive healthcare plan and the lowering of contribution rates for the NYS retirement system
- Overall debt costs (principal and interest) are lower than last year due to a bond refunding completed in fiscal year 2015-16 which lowered interest costs
- Capital investments for the water fund are zero for 2016-17, as capital projects (Seneca Street water main) are being funded by a CDBG grant; investment in fixed assets is to trade in bobcat and replace excavator
- Capital costs for WTP are related to WLR reservoir painting, which is covered by capital reserves already collected
- Water treatment plant budget is down year over year by \$96K, driven by no need for capital reserve funding (for painting West Lake Road reservoir), and lower benefit costs, resulting in reductions in wholesale water customer rates ranging from \$1.09 to \$1.31 per thousand gallons
- Fixed user rate per equivalent dwelling unit is lower than last year due to lower amount of debt
- Variable user rate is slightly lower than last year as slightly higher operational costs are being allocated over a higher volume
- Overall rate change impact to water customers is a slight reduction in water costs year over year

### Sewer and Wastewater Treatment Plant

- Overall expenditure budget is lower than previous year \$13K. This reduction is driven by lower benefit costs (less expensive healthcare plan and the lowering of contribution rates for the NYS retirement system) and is partially offset by higher costs for personal services (pay increases per collective bargaining agreement)
- Overall debt costs (principal and interest) are lower than last year with higher debt for composting plant more than offset by lower debt for WWTP upgrade (due to unspent funds being applied to upcoming year's debt payment) and lower interest costs due to bond refunding completed during 2015-16

## Penn Yan Municipal Board Meeting Minutes

April 14, 2016

- Capital investment for Sewer is \$36,000, covering sewer line improvement and replacements
- Capital investment for wastewater treatment plant is \$46,000 (automatic transfer switch at Cherry Street, automate back gate at plant, and engineering for WWTP water system)
- Overall wastewater treatment plant budget is \$42K less than the prior year budget, resulting in lower billings to Towns of Milo and Jerusalem
- Town of Jerusalem portion of WWTP budget reduced to 27% per agreement reached previously
- Fixed user rate per equivalent dwelling unit is lower than last year due to lower amount of debt
- Variable user rate is lower than prior year, driven by reduced operational costs

### Electric

- Budget assumes hiring of Electric Superintendent at group 10 start rate, and a crew of four linemen
- Overall expense budget is down slightly from last year (\$13K), driven by prior year budgeting error for regulatory commission expense, lower healthcare and retirement costs, and lower cost for Electric Superintendent vs. Line Crew Chief. These cost reductions are partially offset by higher labor costs due to salary increases and costs expected for tree trimming.
- Capital projects requested sum to \$366,000
- In order to avoid using cash from the capital maintenance reserve, it is recommended that the capital budget be reduced to \$300,000 (defer replacing B5-64 at Ryder substation)
- Will continue to have the need to watch the cash position of the electric business closely when making capital investments.

**MOTION to the Finance Committee and the Village Board to the adopt the tentative Water, Water Treatment Plant, Sewer, Wastewater Treatment Plant, and Electric budgets as presented; First Dan Banach, seconded by David Payne; carried.**

Dan B. congratulated all on the budgets and keeping the accounts in order

### **IX. Department Business**

#### **A. Electric – Brent**

1. NYPA Firm Hydro Energy for May – No Reduction and do not project any shortage through November 2016.

2. FYI: MEUA Semi-Annual Meeting, April 27-28, Embassy Suites, East Syracuse; Bill and Brent will attend (5 are pre-approved to go); will need permission to appoint Brent as the delegate (resolution); Bill's room is \$121.00.

**MOTION to Village Board to appoint Brent Bodine as the delegate from Penn Yan for the MEUA Semi-Annual Meeting April 27<sup>th</sup> & 28<sup>th</sup>; First Dan Banach, seconded by David Payne; carried.**

April 14, 2016

3. Electric Superintendent update:
  - We have interview team established: Bill J., Brent B., Carolyn B., David P, and Owen McIntee from Spencerport
  - Interviews are scheduled for Friday April 15<sup>th</sup> and if all goes as planned, should have a recommendation for the May meeting.
  
4. Discussion about Yates Community Center request for forgiveness:
  - Rom F. mentioned that YCRR had to give up a grant that involved water, sewer and electric in the amount of about \$250,000 because they were not ready to do the community center at that time; I knew at that time they would eventually come back to us for forgiveness; I feel badly for them but I can't see where they should expect us to end up subsidizing their program
  - Brent B. mentioned that the Village needs to secure a permanent easement for the diversion of storm water off of North Main Street
  - We have a mitigation approval through FEMA to do the diversion project
  - Brent B. has approached YCRR a while ago: we have 2 options: one is to go across YCRR's property or one is to go across the property to North (which is the Bond property), which will require a substantial amount of tree clearing; my negotiations with YCRR would be that I could offer the amount of money that I would have to spend for tree clearing, in return to be able to go across their property for the easement
  - This would be up to the Village to decide
  - Dan B. inquired if FEMA paid us for the easement; Brent B. stated that FEMA gave us an amount of money to get the job done and it will be on me to get the job done for the amount of money they have given
  - This is involving 25% of the watershed, basically everything North of the hospital towards Benton, comes down North Main Street until it gets to Grant Avenue, and then goes under the street to Jacob's Brook
  - That diversion at Grant Avenue was there from when the state highway was North Main Street; we want to divert up near the driveway entrance to YCRR
  - Most people do not understand that there are two budgets for the Village
  - We need to be consistent with the rate payers
  - Brent B. will respond to the request for forgiveness letter to Pam after the Village Board meeting April 19<sup>th</sup>
  
5. Tree trimming bid results for fiscal year 2016-2017 (Bill):
  - Two bids received for substation clean up and services to the houses, if needed; Ironwood Heavy Highway, LLC original bid was \$123,200.00 and Birchcrest Tree & Landscaping, Inc. was \$102,480.00 (which exceeded our preferred maximum amount of \$80,000)
  - After deciding what our crew would be able to do in house, totals were reduced as follows: Ironwood \$89,600.00 and Birchcrest \$79,600.00.

**MOTION to the Village Board to issue a Notice of Award in the amount of \$79,600.00 to Birchcrest Tree & Landscaping for fiscal year 2016-2017 for tree trimming in the Village; First David Payne, seconded by Dan Banach; carried.**

April 14, 2016

6. Tariff Correction Refunds: VFW- \$76.94; US Army Reserves - \$463.31; St. Michael's School - \$1,847.65: Christine has gone back six years and based on the definition of our tariff for Service Class 1 customers, these are the recommended refunds for them.

**MOTION to Village Board to refund the following amounts to: VFW in the amount of \$76.94; US Army Reserves in the amount of \$463.31; and St. Michael's School in the amount of \$1,847.65; First David Payne, seconded by Dan Banach; carried.**

7. FYI: upcoming electrical outage:

- Silgan Plastic outage has been re-scheduled for July 5<sup>th</sup>
- It will be an 8 hour outage this time
- We will install the switch at that time
- We anticipate not interrupting anyone's power except Silgan Plastics
- Silgan has agreed to rent a generator during this time (they have a scheduled maintenance outage this day)

8. FYI: NYMPA meeting is May 25<sup>th</sup> at 9:30 a.m., Embassy Suites Hotel in Syracuse; if interested in attending please let us know (3 are approved to go)

**B. Water/Sewer - Bill**

1. FYI: Hydrant Flushing the week of April 25<sup>th</sup>

2. FYI: Wholesale Water Customer meeting is May 5<sup>th</sup> at 10 a.m. in the Village Board Room

3. FYI: NYRWA 37<sup>th</sup> Annual Technical Training Workshop in Lake Placid, NY, May 16<sup>th</sup> -19<sup>th</sup>; (3 are pre-approved to attend) Bill J. will be attending; at a cost of \$325.00 plus hotel accommodations

4. American Water Works Association, April 21<sup>st</sup> RCAP/AWWA Small Systems Operator Training in Waterloo; Need permission to send Ron K., Jeff H., Rob A. and Don D. at a cost of \$15.00 per person (This is tentative based on space available at the training)

**MOTION to the Village Board to authorize Ron K., Jeff H., Rob A. and Don D. to attend AWWA training in Waterloo on April 21<sup>st</sup> at a cost of \$15.00 per person; First Dan Banach, seconded by David Payne; carried.**

5. Request for sewer forgiveness: Richard Russell, 132 Cornwell Street is asking for forgiveness in the amount of \$105.52; Bill J. recommends forgiveness

**MOTION to the Village Board to recommend granting sewer forgiveness in the amount of \$105.52 to Richard Russell at 132 Cornwell Street; First Dan Banach, seconded by David Payne; carried.**

6. Town of Milo: Request for credit for water consumption related to their flushing (Brent):

- Brent mentioned putting it out there so MUB could think about; no recommendation regarding this
- Will need to respond to this at some point

April 14, 2016

- Rom F. stated DOH tells them flush and it's not the Village's responsibility to issue a credit for normal required operations; all were in agreement
7. McKinley Avenue (Bill):
- Engineering has been done
  - Estimate with Ron K. to extend the sewer service is about \$17,017.00 (it would be a 2.5 - 3 year payback to us)
  - Might me an additional \$5,000 expenses if we need to purchase another manhole base (will extend the time for payback by about 10 months)
  - This is about a 18 home proposed development
  - No site plan completed yet by Mr. Lane, but he indicates that he will be able to break ground this summer
  - Brent B. mentioned that McKinley Ave. is on the paving plan and we would like to get this done, so that we can move forward with the paving of the road
  - Bill mentioned that Ron K. does have the money in the sewer maintenance account to be able to cover the majority of the project
  - No matter if it's Dale Lane or someone else who may purchase the property, the sewer will need to be extended for the property to be improved

**MOTION to the Village Board to authorize the sewer extension on McKinley Avenue for a cost of \$17,017.00 plus the possibility of an additional \$5,000.00 for an additional manhole base, if needed; First David Payne, seconded by Dan Banach; carried.**

**C. Water Treatment Plant – Bill**

1. FYI: Finished water flow transmitter is in the works to be replaced

**D. Wastewater Treatment Plant –Bill**

1. Letter of intent needed to purchase two S650 T4 Bobcat Skid-Steer Loaders, one for the WWTP and one for Water/Sewer department.

**MOTION to the Village Board to authorize sending a letter of intent to Bobcat of Finger Lakes in Fairport, NY to purchase two S650 T4 Bobcat Skid-Steer Loaders for a total of \$6,415.80 pending approval of the 2016-2017 budget; First Dan Banach, seconded by David Payne; carried.**

2. Permission to re-bid hauling of liquid sludge, since we had no responses to first round; 2 companies no longer offer this service and we have found new vendors to resubmit to.

**MOTION to the Village Board to grant permission to go out for bid for hauling of liquid sludge; First Dan Banach, seconded by David Payne; carried.**

**E. Other –Bill/Brent**

1. Engineering Consultant Agreement Renewal (Brent): no changes

**MOTION to the Village Board to authorize signing the Engineering Consultant Agreement for the period of June 1, 2016 through May 31, 2017; First Dan Banach, seconded by David Payne; carried.**

2. Need to declare Car 4, Truck 2, and Truck 12 as surplus and sell them at fair market value (Bill)

April 14, 2016

**MOTION to the Village Board to declare Car 4 (meter reader), Truck 2 (utility service worker), and Truck 12 (WWTP) as surplus and authorize selling them at fair market value; First Dan Banach, seconded by David Payne; carried.**

3. Need to declare the 1974 Hot stick Trailer as surplus

**MOTION to the Village Board to declare the 1974 Hot stick Trailer as surplus and to dispose of it appropriately; First David Payne, seconded by Dan Banach; carried**

4. FYI: Proposed vehicle rates for 2016-2017 (Bill): it's been updated based on standard rates.

5. PESH – Notice of Violations update (Bill): all violations have been addressed.

**X. Payment Agreements:**

**MOTION to the Village Board to accept the payment agreements in the amount of \$10,271.50; First David Payne, seconded by Dan Banach; carried.**

**XI. Village Engineer's Report – Bob Elliott**

1. Waterfront Sewer Project Update:

- Hick St. pump station needs to get online in order for the project to progress
- Monell St. portion of the project will be started on soon
- Waiting on contractors electricians to finish their work on Hicks St. in order to get transformer installation completed
- The generator has been ordered for the Monell St. pump station

2. Sludge Composting Project Update: all issues have been addressed and getting rectified; should be up and running very soon.

3. Seneca Street – CDBG Update:

- DOH has it and they are apparently backed up, so we are waiting for them
- Once DOH approves it we can out to bid for the project
- Maybe have bidding in July and hoping to start construction in August or September; Ron's crew will do a portion of the project work with the remainder by contract

Bill J. mentioned receiving an email during this meeting about the screen commissioning for the composting building and will have Ben respond.

FYI: Brent B. mentioned Milo trying to organize a meeting to discuss their CDBG grant with the Village, Milo and engineers; no date confirmed as of yet.

**XII. Village Board Meeting – April 19<sup>th</sup>: MUB Member(s) attending**

**XIII. Service Requests:** Reviewed.

**XIV. Executive Session:** Covered earlier in the meeting.

**XV. Next Meeting – Thursday, May 12, 2016 – 8:30 am, MUB Meeting Room**

**XVI. Adjournment:**

*MOTION to adjourn at 11:10 a.m.: First Dan Banach, seconded by David Payne; carried.*

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*Danette Eatherton; Transcribed on 4/14/16*