

Date of Meeting: April 13, 2006
Kind of Meeting: Business
Place of Meeting: Village Hall
Members Present: Chairman Robert Murphy
Allen Rundall
Tracy Durkin
Wayne Osborn
Micheal Montemarano
Robert Liffland

Others Present: David Wise of Gellert & Klein
Jim Fitzsimmons of Dufresne-Henry Consulting Engineers
Seth Sheridan of Environmental Consultants
Steve Mance of Environmental Consultants
Rich Kane of Environmental Consultants

After closing the organizational meeting; MOVED by Tracy Durkin, SECONDED by Wayne Osborn to open the regular business meeting of the Pawling Joint Sewer Commission. The meeting was called to order by Chairman Robert Murphy at: 7:20 p.m.

MOVED by Tracy Durkin, SECONDED by Wayne Osborn to accept the minutes of March 9, 2006 as presented. All were in favor and motion carried.

MOVED by Allen Rundall, SECONDED by Wayne Osborn to accept the treasurer's report of March 1, 2006 through March 31, 2006 as presented. All were in favor and motion carried.

MOVED by Tracy Durkin, SECONDED by Wayne Osborn to approve the March 2006 vouchers and MOVED by Allen Rundall, SECONDED by Tracy Durkin to include the prepaid vouchers as presented. All were in favor and motion carried.

MOVED by Tracy Durkin, SECONDED by Wayne Osborn to accept the Correspondence Log of April 6, 2006 as presented. All were in favor and motion carried.

Old Business

Attorney Report

David Wise said he finished up the amendment to the sewer tenancy agreement for the Christine Polosovsky project.

Dave said with respect to the Baxter Green pump station, there were some further exchanges and he received some helpful information after last meeting with Mr. Zarecki's presentation. He said he did receive a phone call from Quinton Smith from Stewart Berelsons office. Dave said that Mr. Smith agreed right off the bat that the Commission can not contribute any money to the repair of the pump station as Mr. Berelson said.

Dave said it was left that Mr. Smith will speak with Mr. Berelson and get back to Dave with some proposals. Dave said he has yet to hear the proposals. He said in the interim he has sent a letter to Mr. Berelson with the escrow log that he had asked for, thanking him for having Mr. Smith contact him and reiterating that in the interim it was expected that Baxter Green will maintain the pump station and it's failure to do so will result in the involvement of the health department.

Engineering Report

Jim Fitzsimmons said that they are working on the permit with Metro North so they could get started on the manhole repairs. There is an insurance form that he sent to Linda and they are waiting to hear about that.

Jim said he's been working on the Toll Brothers report and is at the point where he can sit down with Chairman Robert Murphy to go through it. Chairman Robert Murphy asked if it would be more helpful if he read it first and then sat down with Jim or would it be better if they went through it together. Jim said he'd rather go through it together. Chairman Robert Murphy said they can try to get together next week some time.

Jim asked if the members had anything to discuss pertaining to the bed and breakfast. Chairman Robert Murphy said they will get to that under new business.

Sewer Operator Report

Seth said the general operations of the facility are good. He said the flows were real good, he imagines it's due to the rain level coming down.

Seth went over items on the monthly report.

Included in the report is a price quote for a new computer. He said the bottom line on that was \$785. Chairman Robert Murphy said it's on the agenda under new business so they can take care of it then.

Chairman Robert Murphy asked Rich if he is taking care of the safety items. Rich said everything is done except for the cabinet. He said he spoke with Doug Warren and he has something possibly lined up because the cabinets are so expensive.

New Business

Chairman Robert Murphy said the first item on the agenda under new business is discussion on the letter received from Tom Bruggemann. REF#153 Mr. Bruggemann was in the audience and Chairman Robert Murphy said he'll give him a few minutes to say something and then he'll open it up to the board for discussion. Mr. Bruggemann presented his case to the board. He spent a few minutes going over the history of the property and the financial burden it has been. He is asking for some relief with the penalties and interest from the water and sewer charges that were on the 1995, 1996 taxes.

Allen Rundall said that when this letter came in he was Chairman and he did some research. He said that all the arrears that get put onto the tax is already paid by the county and therefore not owed to the Commission after that. The customer pays through their tax. Chairman Robert Murphy said that the tax Mr. Bruggemann is talking about is from 1995 and 1996 before they started turning the arrears over and at that time nobody got their money until the bills were paid by the customers.

Allen Rundall said that there is a problem with the sewer lateral coming from the place going into the sewer main. He said a horrendous amount of water is coming from somewhere on the property. Allen said that someplace there is an open pipe underground that is still connected to the existing pipe that goes into the building. Allen said he's wondering if Mr. Bruggemann would be willing to put in a new lateral from the street into the property. Mr. Bruggemann said he would certainly be willing to do what needs to be done to solve these problems.

Chairman Robert Murphy said that one of his biggest concerns would be the precedent the Commission would be setting by waiving something like this. He asked if Dave Wise has anything to say about it from a legal standpoint. Dave said that once it's turned over to the county there is nothing that can be done about it. Mr. Bruggemann said the two he is talking about has not gone to the county. These bills were done before then. Robert Liffland said the penalties were waived at one time, how is it they are back. Allen said the agreement was that the interest was waived if the principal was paid and that never happened. Mr. Bruggemann explained about the time period where the bill was sent to the county but the county hadn't received it yet so he was unaware of it at the time of purchase. Chairman Robert Murphy asked Mr. Bruggemann that if he knew about the one bill for \$15,000 then why didn't he take care of it at that time. Mr. Bruggemann said he didn't have it in the budget at that time. Allen asked if all of the water and sewer bills are paid up to date now. Mr. Bruggemann said he thinks they are a little behind. He said he is looking to take out a loan to pay off everything.

Dave Wise said that without any legal basis for his request the Commission is in essence making a loan. He said its public money that under these circumstances he can't recommend that the Commission do it.

Allen said he wouldn't have any problem waiving the penalty if all the money owed is paid within a month.

Chairman Robert Murphy said he has a grave concern with waiving the entire amount of penalty. He said he feels very uncomfortable waiving the entire penalty, especially a penalty that has been accruing for so many years.

Chairman Robert Murphy asked Dave to look into this matter to see what kind of parameters the Commission can play around with. He reiterated he is reluctant to waive the penalty entirely. He said it's unfair to the other tax payers that do come forward and pay their penalty and that money is a part of the revenues on the budget.

Chairman Robert Murphy told Mr. Bruggemann that Dave will look into it and he will be notified of the decision. Chairman Robert Murphy asked if Mr. Bruggemann had a time frame. Mr. Bruggemann said he is looking to borrow around the 20th.

Chairman Robert Murphy said the Commission received a letter from Mr. Miles Hubbard, (REF#154), who is asking for an adjustment on his sewer bill due to a faulty water softener that caused the bill to be so high. He has taken regular readings since the repair and Linda figured out an average bill for him would give him an adjustment amount of \$267.59.

MOVED by Allen Rundall, SECONDED by Robert Liffland to approve the adjustment of \$267.59 to Mr. Hubbards sewer account. All were in favor and motion carried.

Tracy asked if she could suggest based on the fact that we've had two water softener incidents recently, an insert be put into the next bill reminding people to check their appliances and check for leaks and things like that.

Chairman Robert Murphy said another account up for discussion is the letter received from Fernando Venegas, (REF#162). In the letter Mr. Venegas explained that he had a very, very high amount of water use. Chairman Robert Murphy said that he is a little confused because he doesn't understand why a waste pipe would contribute to his water usage. Chairman Robert Murphy asked for this to be tabled until next month until they can get some more information.

MOVED by Allen Rundall, SECONDED by Mike Montemarano to table this situation until next month in order to get more information. All were in favor and motion carried.

Chairman Robert Murphy said the next discussion is about the letter received from Edward Bardua. (REF#158). He said for some reason this customer has an awfully high water use and there doesn't seem to be any real explanation. Chairman Robert Murphy said they were able to get an average use because of how many readings Mr. Bardua gave them and then another one today just kind of confirmed his average use is nowhere near what he was billed for.

MOVED by Chairman Robert Murphy, SECONDED by Robert Liffland to approve an adjustment for Mr. Barduas sewer bill according to his average use. All were in favor and motion carried.

MOVED by Allen Rundall, SECONDED by Tracy Durkin to approve adjustment of \$26.27 penalty for sewer account #707 due to the bill went to previous owner and new owner didn't receive the bill in a timely manner. All were in favor and motion carried.

MOVED by Mike Montemarano, SECONDED by Tracy Durkin to approve a new computer to be purchased for the plant from Dell Computers as quoted for \$784.55. All were in favor and motion carried.

Chairman Robert Murphy said the next item on the agenda is the correspondence the Commission received from Bob Marvin pertaining to the Bed & Breakfast at 103 West Main St. He said he spoke to Bob Marvin after the town board meeting and basically what they are requesting short term is a letter of support from the Commission stating that we intend to allow them to hook up to the sewer system through a tenancy agreement. Chairman Robert Murphy said that Linda did speak with Dave Wise this afternoon and he said there shouldn't be any problem with doing a tenancy agreement. He said he would like to approve having Dave write a letter on behalf of the Sewer Commission in support of them hooking up so they could go ahead with their financing. Chairman Robert Murphy said he did tell them they will need to set up an escrow with the Commission. He asked Dave for a cost estimate for the tenancy agreement and any costs associated with this agreement and then he asked Jim what kind of engineering fees the Commission will be looking at. Dave said he can get the letter together tomorrow if Jim could give him a call with his cost estimate. Dave said his cost estimate will be, for the agreement, about \$750.00

MOVED by Tracy Durkin, SECONDED by Mike Montemarano to approve having David Wise send a letter. All were in favor and motion carried.

Chairman Robert Murphy said the only other issue that may come up is they will most likely have to have an individual pump station on their property for the Bed & Breakfast. He said the Commission has done that for people in the district and the Commission has paid for the pumps. He asked how it will be done with the property being out of district. Dave said normally that would be the property owners responsibility, then the Sewer Commission will maintain it. Allen said there is a pump station up at Fry's and the Fry's maintain it, not the Sewer Commission. Jim said the people that just recently got connected and had to get a pump have been in the district and have been paying a sewer tax. He said that is why the Commission paid for those pumps. Dave said usually the property owner needs to take care of it. Chairman Robert Murphy said the owners should be made aware of this.

Chairman Robert Murphy asked Allen to take the lead on the discussion about Mead because he knows more about it.

Allen said that when Ed was Chairman and they got into discussion about the easement for the pumping station and the sidewalks, Ed asked him to work with Bart and Mr. Mead in getting an easement for the sidewalk and pump station. Allen said the agreement they finally came up with is that the Commission would have Fastracs hook the Meads up to the system and cave in their existing tank. He said Fastracs is gone now so someone has to hook them up. Chairman Robert Murphy said one of his concerns is the fact that the easements were not in place before they put the sidewalk in front of Meads house. He said the Commission didn't do any of the hook ups for any of the other pump stations and since this seems to be more related to the sidewalk, he said he's wondering if it shouldn't be the sidewalk construction picking up the cost of hooking them up and not the Sewer Commission. Allen said he doesn't think it should be that much of a cost, it's just a couple lengths of pipe. Chairman Robert Murphy said it's not only the cost issue but he wants to be consistent with how everybody else in the district is treated. Robert Liffland said it is in the agreement that the Commission will connect the Meads. Chairman Robert Murphy said that if it's in the agreement then there is nothing they can do. He asked who is going to do it. Robert Liffland said they should do the same thing as what they did with Mrs. Whalen. Rob did Mrs. Whalen and he could do the Meads and bill the Commission. The only other cost the Commission will incur is when Savarese pumps out the septic tanks.

Chairman Robert Murphy said the BAN for the extension projects on Willets/Summit and East Main St. are coming due in May. He said Sal Pennini has been in contact and has come back with a couple of proposals for structuring the Bonds.

Chairman Robert Murphy said there are two proposals. (REF#161) He said one is for a 15 year bond and the other is for a 20 year bond. He explained the payment structure differences between the two. Chairman Robert Murphy said Sal recommended the 15 year. He said looking over the structure of payments he agrees and would like to recommend the 15 year bond.

MOVED by Allen Rundall, SECONDED by Tracy Durkin to move forward with the level debt service at 4.5% for 15 years. All were in favor and motion carried.

Chairman Robert Murphy said the last order of business is right after the bills were set up the Commission received approval from the engineers to pay Savarese for the swale repair, less the retainage. (REF#159). The voucher is for \$3,441.00. Chairman Robert Murphy said Rich Savarese has always been good to the Commission and he would like approval to prepay this voucher.

MOVED by Tracy Durkin, SECONDED by Mike Montemarano to approve prepayment to Savarese for the swale repair in the amount of \$3,441.00. All were in favor and motion carried.

MOVED by Tracy Durkin, SECONDED by Mike Montemarano to authorize the Commission to prepay regular bills as required. All were in favor and motion carried.

Commission member comments:

Robert Liffland asked if the Sewer Commission has thought any more about a new heating system for the plant. He said the Commission has discussed geothermal.

Chairman Robert Murphy said there was a study done and Jim said geothermal was part of that study. Jim said he can update the report to reflect current energy use.

Chairman Robert Murphy said the Commission got the grant for the study from NYSERDA. He asked Jim if there are any grants for construction. Jim said it's always possible; they are always changing their programs.

MOVED by Tracy Durkin, SECONDED by Wayne Osborn to close the meeting and adjourn. All were in favor and motion carried.

Tracy Durkin, Secretary