

DATE OF MEETING: September 5, 2023

PLACE OF MEETING: Village Hall, Pawling, New York

MEMBERS PRESENT: Mayor Lauri Taylor
Trustee John Burweger
Trustee Jerry Locascio
Trustee Arthur Guzzo
Trustee Stephen Pezzella

The meeting was called to order at 7:00 P.M. with the Pledge of Allegiance.

MOTION by Trustee Burweger to open the Public Hearing for apportionment and assessment to cover costs of the water system improvements at 7:00 P.M.

SECONDED by Trustee Locascio. There was no discussion; all were in favor and the motion carried.

Mr. Dan Stone, a village engineer, stated the hearing was to take comments on the proposed rate system for the Village of Pawling water supply. He said they had been working on it for several years and proposed a system comprised of two components: one was a rate based on flow and the other was a service charge which was a fixed quarterly charge. He said the system represents a significant departure from the prior system which had a significantly declining scale because the biggest users paid the least and the littlest users paid substantially more. He stated they believed that the proposed system better balanced that mix between small users and big users. Mr. Stone said he did several presentations on it over the years and he believed there was a PowerPoint on the website that might still be there for people to review but essentially the smallest users would see a very, very tiny increase in costs and the biggest users would see a much more significant increase in cost. He explained they were incentivizing conservation to conserve water. He said it was necessary and was the first rate change since, he believed, 2016. He stated the Village Board proposed a rate change in 2019 but with the advent of Covid it deferred that. Mr. Stone said it was necessary to generate enough money to pay for the improvements made at the Umscheid water supply groundwater source and the Lower Baxter groundwater source which was under construction. He reported Umscheid is online and had been online for about three years and they expected the Lower Baxter source to be online by December of 2023.

Mayor Taylor added that the Village had been under a Consent Order to find new water supplies. Mr. Stone said that was correct – the Health Department issued a Consent Order in 2019 and it had been an ongoing problem because when the reservoir was abandoned in the mid-1980s the village did not have enough water and it sought to overcome that challenge by developing the Baxter Wells. He said they quickly didn't provide enough water for the system (they went into use in about 2000) and the village really didn't have sufficient resources until the Umscheid source was found in 2019. He

said the Health Department issued a Consent Order making the village pursue alternative sources of supply and additional sources of supply. He reported the Department of Environmental Conservation was also involved with the permits and put additional restrictions on usage based on their look at the total environment not just the human environment. Mr. Stone said they have the regulatory approval to do everything that had been done and as soon as the Lower Baxter source was fully online the terms of the Consent Order would be met.

Mayor Taylor said, to be clear, that the water system the village had up until recently had been all bedrock wells that quickly failed for quantity and quality. She said the new water supply systems were sand and gravel wells which the village should not experience any failures with. Mr. Stone said sand and gravel units were much more predictable in terms of their continuous yield of water. He said Russell Urban-Mead, a hydrogeologist of 30 years in the Hudson Valley, identified both the Umscheid source which was pumped and tested and the Lower Baxter source which was also pumped and tested - both of which had excellent quality. He said the water is not as hard as the water from the bedrock wells and they don't anticipate any diminution in source capacity like at the bedrock Baxter source. He stated the quality meets all state and federal drinking water standard limits and in fact is not detected for the new emerging contaminants – PFOA and PFOS. He stated they are both excellent sources of supply.

Mayor Taylor asked Mr. Stone to speak to the Annual Water Report that the village mailed out to every resident where the village was ordered by the Health Department to close a couple of the wells due to those emergent contaminants. Mr. Stone reported when the surface water source was taken out of service in the mid-1980s the Village Board, at the time, sought to install a second well at the Corbin location off Corbin Road adjacent to the Swamp River and it was also down gradient of all the village's use, including the historic industrial uses. He stated not only did it fail to produce anywhere near the amount of water that it was first tested to produce but it also had low level blemishes in respect to PFOA and PFOS. He said it met standards and was used now only as backup in the event of some emergency but as soon as the Lower Baxter Wells fully came online the Corbin Well would be abandoned. He stated the other well that was blemished was the Libby Wells – they were very deep bedrock wells with natural radionuclide contaminants - that was Mother Nature in the deposition of rock in the Hudson Valley and some of that water contained low levels of radioactive chemicals or compounds. He said the Libby Well had not been used at all in 2023 and the Village Board made the determination that it would not be used in 2023. He said if the village did turn it into the system the village would be faced with a violation of maximum contaminant level for that natural radioactivity which was why it had not and would not be used. He said, again, as soon as the Lower Baxter Wells are online and completed works approval is received the Libby Wells will be permanently abandoned.

Mayor Taylor opened the topic up for Public Comment.

Ms. Francine Burden, a resident of 23 Prospect Street, stated she had an empty lot on Westmount Avenue. She said she did not have town water because when they built

their house back in the 70s she was told there were no pipes at that end of the street so they put a well and septic in. She said when the sewer came in they had to shut down their septic and hook up to the sewer line. She said all these years she was paying sewer on an empty lot and her home which she understood. She said she wanted the Board to tell her where the pipes were available for town water. She said there were no pipes because she lived there her entire life – she said it stopped on Westmount and did not go to Prospect Street. She asked if she was to assume that they were going to be putting pipes in for them to hook up to town water and her well would be shut down. She said she was confused. Mayor Taylor said it was her understanding there were water lines on those streets. Mr. Stone said they were all part of Town Water District No. 1. He said he would be in the village the week September 17th and he would be happy to stop by her house and show her the maps of the water mains in her area. Ms. Burden said she would like that.

Mr. Jim Savarese, a resident of 23 Westmount Avenue, said he had similar concerns. He said he lived there 26 years and he went through 2 well pumps and was told that he did not have access to or even an option to explore hook up to the town water. He said he would have liked to have known he could hook up to the town water all these years so he would not have had to put in 2 pumps at a decent expense. He stated he would also like to meet with Mr. Stone.

Ms. Lonnie Powers, a resident of 3 Grandview Avenue, said she was curious as to how they arrived at the figure of a \$120 service charge that was being charged to every household. She stated her second question was why it wasn't just figured in as part of the rate hike because the Board was also raising the rates. Mr. Stone replied that the rate system has two components – a service charge at \$30 per quarter and a rate charge for the actual volume of water used. He stated not every property uses water year round – some people close their house down in the winter and go to Florida and during that period of time they still have the availability of water but they are not using it. He said similarly other folks have undeveloped lots or properties and that lot or property benefits by having the water main available in front of it. He stated if it's ever sold the future developer of that lot can have access to water without having to spend the money on drilling a well and putting in a pump, a treatment system, and a plumbing system for the source so there is a benefit through property not associated with use. He explained that was what the Board was attempting to distribute or capture for each of the properties, whether they use any water they still would be contributing because of the availability of water. He said one of the models they used in terms of developing it was the Dutchess County Water and Wastewater Authority which used a very similar model for their water supplies that they oversee. He said they have a service charge which is fixed and they have a use charge. Mr. Stone stated when they did a comparison of their rates with the rates being proposed he believed in every case Dutchess County Water and Wastewater Authority's rates were higher than what the village was proposing.

There were no further questions or comments.

Trustee Locascio said he was comfortable moving forward – they had been discussing it over the past year and there had been presentations. He stated that he had a vacant lot so he would be paying the additional \$120 a year for a lot that is not built on but has water available. He stated he figured out that his water bill would be increased a little bit.

Ms. Burden said if it is found out there is no pipe in front of her lot what would the next step be. Mr. Stone said if the water main was not available to the lot then she wouldn't be charged the service charge or a use charge. Mayor Taylor said it would only be if the pipe was in front of the lot.

The rest of the Board was ok with moving forward.

MOTION by Trustee Burweger to close the Public Hearing on apportionment and assessment to cover costs of the water system improvements at 7:18 P.M.

SECONDED by Trustee Guzzo. There was no discussion; all were in favor and the motion carried.

MOTION by Trustee Pezzella to approve the minutes from July 3, 2023, July 17, 2023, August 7, 2023 and August 21, 2023. **SECONDED** by Trustee Locascio. There was no discussion; all were in favor and the motion carried.

MOTION by Trustee Burweger adopt the Resolution to complete the Apportionment and Assessment Plan to finance the cost of water system improvements within the village pursuant to NY Village Law §22-2200 (see attached). **SECONDED** by Trustee Pezzella. There was no discussion; all were in favor and the motion carried.

MOTION by Trustee Locascio to award the Lower Baxter Well Field Contract No. 2 to American Pump Service in the amount of \$34,500.00. **SECONDED** by Trustee Burweger. There was no discussion; all were in favor and the motion carried.

MOTION by Trustee Burweger to approve the Constellation termination authorization. **SECONDED** by Trustee Guzzo. There was no discussion; all were in favor and the motion carried.

Mr. Dan Stone reported the 2 main contractors for the Lower Baxter Treatment Plant were Kasselmann Electric and T&A Construction. He said they are both working and met with NYSEG that day. He stated the excavation was down to good hard ground, the footings would be poured that week and the initial foundation to start the following week. He stated he was pleased with the activity.

MOTION by Trustee Locascio to approve payment of the August bills in the amount of \$128,091.93. **SECONDED** by Trustee Burweger. There was no discussion; all were in favor and the motion carried.

MOTION by Trustee Locascio to adjourn the meeting and go into Public Comment at 7:25 P.M. **SECONDED** by Trustee Guzzo. There was no discussion; all were in favor and the motion carried.

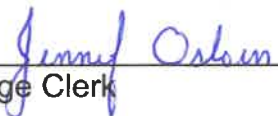
MOTION by Trustee Burweger to go into Executive Session to discuss litigation at 7:33 P.M. **SECONDED** by Trustee Locascio. There was no discussion; all were in favor and the motion carried.

MOTION by Trustee Burweger to close Executive Session at 7:53 P.M. **SECONDED** by Trustee Guzzo. There was no discussion; all were in favor and the motion carried.

MOTION by Trustee Pezzella to reopen the regular session at 7:53 P.M. **SECONDED** by Trustee Locascio. There was no discussion; all were in favor and the motion carried.

Mayor Taylor stated there were no decisions or votes made in Executive Session.

MOTION by Trustee Burweger to close the meeting at 7:53 P.M. **SECONDED** by Trustee Guzzo. There was no discussion; all were in favor and the motion carried.



Village Clerk

At a Meeting of the Village of Pawling Board of Trustees held at Village Hall, 9 Memorial Avenue, Pawling, New York, on the 5th day of September, 2023, at 7:00 PM

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE VILLAGE OF PAWLING

Identifier: TO COMPLETE THE APPORTIONMENT AND ASSESSMENT PLAN TO FINANCE THE COST OF WATER SYSTEM IMPROVEMENTS WITHIN THE VILLAGE PURSUANT TO NY VILLAGE LAW §22-2200

WHEREAS, on August 21, 2023, the Village adopted a tentative apportionment and assessment plan to finance the costs of water system improvements within the Village pursuant to NY Village Law §22-2200 and adopted new water rates to be paid by users of the Village's water supply system in both the Village and Town.

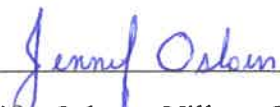
NOW THEREFORE, BE IT RESOLVED, that pursuant to NY Village Law §20-2200, the Board hereby adopts such tentative apportionment plan as the completed apportionment and assessment plan for the Water System Improvements as set forth on Exhibit "A" attached hereto and made a part hereof.

The question of the foregoing Resolution was duly put to a vote, the Board of Trustees voting as follows:

Mayor Lauri Taylor	Aye
Trustee John Burweger	Aye
Trustee Gerald Locascio	Aye
Trustee Thomas Meyer	Aye
Trustee Arthur Guzzo	Aye

I hereby certify that the above is a true and correct copy of the Resolution passed by the Village of Pawling Board of Trustees at a meeting held on September 5, 2023.

Date: September 19, 2023



Jennifer Osborn, Village Clerk

Exhibit “A”

Assessment Plan and Amended Water Rates

Assessment Plan: Service Charge by use category for Properties in the Town and Village connected to the Village Water Supply System or which have frontage on a street with water main

Use Category	Service Charge per quarter, \$	Annual Service Charge per quarter
Vacant Properties with Frontage on Streets with Water Mains	\$ 25.00	\$ 100.00
Single family residential units	\$ 30.00	\$ 120.00
2 Family & Small Commercial Users under 20,000/Q	\$ 60.00	\$ 240.00
Three-family residential units & 2 -5 Apts	\$ 90.00	\$ 360.00
Small Commercial Users 20001/Q > 100,000/Q & 6-10 apts	\$ 150.00	\$ 600.00
Large Commercial Quarterly flow 100,100 > & 11-20 apts	\$ 300.00	\$ 1,200.00
Apartments 21-30	\$ 500.00	\$ 2,000.00
Apartments 31-40	\$ 700.00	\$ 2,800.00
Apartments 41-50	\$ 850.00	\$ 3,400.00
Apartments Greater than 50	\$ 1,000.00	\$ 4,000.00
Industrial & non-public non-residential schools	\$ 400.00	\$ 1,600.00
Public Schools	\$ 850.00	\$ 3,400.00
Residential Schools	\$ 1,500.00	\$ 6,000.00

The Village Board Resolution of August 21, 2023 provides an equation that calculates the portion of the Service Charge associated with debt service in fiscal year ending May 31, 2024 on the Village’s water system improvement bonds issued in December of 2022. Unless changed by a future Village Board action, that equation (using then current fiscal year figures) shall be used in each future fiscal year to calculate apportionment of the Service Charge to debt service in such fiscal year.

**NOTICE OF ADOPTION OF APPORTIONMENT AND ASSESSMENT PLAN FOR
THE VILLAGE OF PAWLING WATER SYSTEM IMPROVEMENTS**

TAKE NOTICE that on September 5, 2023, the Board of Trustees of the Village of Pawling adopted a completed apportionment and assessment plan for the Village's recent water system improvements ("Assessment Plan") pursuant to Village Law §22-2200. The Assessment Plan is on file with the Village Clerk and is available for examination at the Village of Pawling Village Hall, 9 Memorial Avenue, Pawling, New York and on the following webpage of the Village of Pawling website: <<https://www.villageofpawling.org/village-board>> by navigating to: "September 5, 2023" under the green colored heading entitled "Agendas" and then clicking on the link entitled "September_18_2023_agenda and documentation.pdf".

DATED: Pawling, New York
September 19, 2023

JENNIFER OSBORN, VILLAGE CLERK

Schedule "A"
Service Charge Rates Based on Use Category

Service Charge by use category for Properties in the Town and Village connected to the Village Water Supply System or which have frontage on a street with water main

Use Category	Service Charge per quarter , \$	Annual Service Charge per quarter
Vacant Properties with Frontage on Streets with Water Mains	\$ 25.00	\$ 100.00
Single family residential units	\$ 30.00	\$ 120.00
2 Family & Small Commercial Users under 20,000/Q	\$ 60.00	\$ 240.00
Three-family residential units & 2 -5 Apts	\$ 90.00	\$ 360.00
Small Commercial Users 20001/Q > 100,000/Q & 6-10 apts	\$ 150.00	\$ 600.00
Large Commercial Quarterly flow 100,100 > & 11-20 apts	\$ 300.00	\$ 1,200.00
Apartments 21-30	\$ 500.00	\$ 2,000.00
Apartments 31-40	\$ 700.00	\$ 2,800.00
Apartments 41-50	\$ 850.00	\$ 3,400.00
Apartments Greater than 50	\$ 1,000.00	\$ 4,000.00
Industrial & non-public non-residential schools	\$ 400.00	\$ 1,600.00
Public Schools	\$ 850.00	\$ 3,400.00
Residential Schools	\$ 1,500.00	\$ 6,000.00

Amended Water Rate Schedule Effective 9/1/2023

Water Rate first 500,000 per quarter	\$6.50/1000 gal
Water Rate for flow between 500,001 and 1,000,000	\$5.00/1000 gal
Water Rate for flow above 1,000,001	\$3.50/1000 gal

If the Minimum Quarterly flow is 5000 gal or less a minimum quarterly Use charge will be \$32.50 plus the appropriate quarterly service charge.

A single family using the minimal volume can expect on an Annual basis that these charges will be \$130 for O&M plus \$120.

Service Charge for a single family total of \$250.

A single family of 4 is expected to use 12,000 gal per quarter. This family can expect annual water service to cost.

\$312 for O&M plus a Service Fee of \$120 for an annual total of \$432.

A Penalty Bill as calculated below will apply to all users who refuse, after two notices, to allow the Village to install or upgrade the user's water meter.

The customers Quarterly Bill shall be calculated based on a flow of 5000 gallons of use at the rate of \$6.50/1000gal; to this calculated dollar value will be added the customer's assigned quarterly Service Charge.

The customers Quarterly Bill shall then be multiplied by 2.5 and the resultant shall be the Penalty Bill.

Exhibit "B-3"

Mailing Notice to Town Property Owners

Village of Pawling
9 Memorial Avenue
Pawling, New York 12564

Notice to Water System Property Owners located in the Town of Pawling Regarding the adoption of amended water rates.

Dear Property Owner:

Over the last several years, the Village of Pawling has made substantial improvements to its water supply system, including installation of new wells on property acquired by the Village adjacent to Lakeside Park. On December 6, 2022 the Village issued bonds in the amount of \$2,035,842 to finance the costs of these local improvements (the "Water System Improvement Bonds").

You are receiving this notice because you own a property in the Town of Pawling Water District #1, which is connected to the Village water supply system or has frontage on a street with water mains connected to such system.

On August 21, 2023, the Village tentatively adopted amended water rates which include an annual service charge for each property in the Village and Town which is benefitted by the Village's water supply system. As the owner of a [insert use classification] in the Town, the service charge for your property has been set at \$[insert annual service charge for use classification] per fiscal year payable in quarterly installments of \$[insert quarterly amount] each. These quarterly installments will be billed in September, December, March and June of each fiscal year of the Village. The first such bill will be sent in September of 2023.

The service charge for each property in the Town and Village benefitted by the Village water system is based on its use. For example, the annual service charge for a **single family residence** is \$120 per year and for a **two (2) family residence** is \$240 per year. A complete list of the service charge for different use categories is shown on Schedule "A"

These annual service charges will be used to pay the annual principal and interest on the Water System Improvement Bonds as well as certain other costs such as electricity and labor. This annual service charge is in addition to the rates to be charged by the Village to each property in the Town and Village benefitted by the Village water system based on water usage. These rates are also set forth on Schedule "A" to this notice.

A public hearing before the Board of Trustees of the Village will be held on September 5, 2023 at 7:00 pm at 9 Memorial Avenue, Pawling, New York 12564. At this public hearing you and any other any other interested persons may provide objections to the foregoing plan. This plan has been filed in the office of the Village Clerk and can be examined by any person interested therein at the office of the Village Clerk during usual business hours, prior to such hearing.

Respectfully

Jennifer Osborn
Village Clerk

Schedule "A"
Amended Water Rates

Service Charge Rates Based on Use Category

Service Charge by use category for Properties in the Town and Village connected to the Village
Water Supply System or which have frontage on a street with water main

<u>Use Category</u>	<u>Service Charge per quarter , \$</u>	<u>Annual Service Charge per quarter</u>
Vacant Properties with Frontage on Streets with Water Mains	\$ 25.00	\$ 100.00
Single family residential units	\$ 30.00	\$ 120.00
2 Family & Small Commercial Users under 20,000/Q	\$ 60.00	\$ 240.00
Three-family residential units & 2 -5 Apts	\$ 90.00	\$ 360.00
Small Commercial Users 20001/Q > 100,000/Q & 6-10 apts	\$ 150.00	\$ 600.00
Large Commercial Quarterly flow 100,100 > & 11-20 apts	\$ 300.00	\$ 1,200.00
Apartments 21-30	\$ 500.00	\$ 2,000.00
Apartments 31-40	\$ 700.00	\$ 2,800.00
Apartments 41-50	\$ 850.00	\$ 3,400.00
Apartments Greater than 50	\$ 1,000.00	\$ 4,000.00
Industrial & non-public non-residential schools	\$ 400.00	\$ 1,600.00
Public Schools	\$ 850.00	\$ 3,400.00
Residential Schools	\$ 1,500.00	\$ 6,000.00

1. Additional Rates based on water usage:

Water Rate first 500,000 per quarter	\$6.50/1000 gal
Water Rate for flow between 500,001 and 1,000,000	\$5.00/1000 gal
Water Rate for flow above 1,000,001	\$3.50/1000 gal

If the Minimum Quarterly flow is 5000 gal or less a minimum quarterly Use charge will be \$32.50 plus the appropriate quarterly service charge.

A single family using the minimal volume can expect on an Annual basis that these charges will be \$130 for O&M plus \$120.

Service Charge for a single family total of \$250.

A single family of 4 is expected to use 12,000 gal per quarter. This family can expect annual water service to cost.

\$312 for O&M plus a Service Fee of \$120 for an annual total of \$432.

A Penalty Bill as calculated below will apply to all users who refuse, after two notices, to allow the Village to install or upgrade the user's water meter.

The customers Quarterly Bill shall be calculated based on a flow of 5000 gallons of use at the rate of \$6.50/1000gal; to this calculated dollar value will be added the customer's assigned quarterly Service Charge.

The customers Quarterly Bill shall then be multiplied by 2.5 and the resultant shall be the Penalty Bill.