

Penn Yan Municipal Board Meeting Minutes

April 11, 2019

I. Attendees: Chairman Rom French, Commissioners Dan Banach, Ray Hamilton, Lee Sackett, David Payne and Village Trustee Kevin McCloud, Clerk-Treasurer Gary Meeks, Deputy Clerk-Treasurer Holly Easling, Director of Public Works Brent Bodine, Mayor Leigh MacKerchar and Village Engineer Robert Elliott

II. Call to Order at 8:30 a.m.

III. Review/Approval of the last month's meeting minutes:

MOTION to approve the Minutes: first Dan Banach, seconded by Ray Hamilton; carried.

IV. Municipal Employee: Yvonne (with Tyler Ayers)

- Introduce Tyler Ayers; new employee at the WWTP
- Focusing on spring cleaning
- Catching up from the long, cold winter
- Cherry St. – ongoing work; ordered pump to replace one that could not be repaired; have another pump that is making a significant amount of noise, babying that one
- Bob – I&I work seems to be causing flows to get better; no significant events to cause flow to go up; Yvonne – had an ebb and flow with winter melt off
- Upcoming plans –
 - Have a lot of work planned; have items on order for replacement
 - Clarifiers – gear
 - Work at Cherry St. pump station
 - Consent Orders – final portions; SWPP (Storm Water Pollution Prevention Plan) reviewing and updating; new permit has new outfall storm water plan
 - Entertaining the idea of sending someone to BDP factory; BDP is factory that constructed screw press; NY company; make improvements based on experience of WWTP Operators; good idea to send someone to visit and learn more information; there are pieces of the pump from Cherry St that we would like to have back; coordinate BDP trip with picking up parts instead of paying for shipping
 - Also would like to visit Williamson plant; has some improvements; activated sludge with sludge holding tank; good to visit other plants that have experienced same issues; have other operators that would like to visit our operation as well
 - Dan Banach – compost – should publish information again to let people know it is available; Yvonne – the gentleman who purchased compost from us last year would like to purchase more; at least 100 yards available; Brent – sell what you can to him; first come, first served; important to get rid of what is made; Gary – in the best interest of our rate payers anyway
 - Another big project will be replacing M54 and M55 pumps; used for transferring the secondary sludge from the final clarifiers to the thickeners
- How are things going for Tyler? Tyler – lots of moving parts; have a lot to learn; Yvonne – he is doing really well; spending a little bit of time with each person at the plant throughout the day; will pick it up as he goes; Tyler – looking forward to learning; Committee – welcome aboard Tyler

Yvonne and Tyler left the meeting at 8:46 a.m.

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V. Public Requests and Comments:

Joe Dombroski and Tim Haas (KanPak)

- Joe – introduction of Tim – Project Engineer; huge asset so far; stress level has reduced dramatically since hiring Tim; Joe will still be contact
- Some equipment ordered
- Building ordered – picking out colors; want people to notice the best company in the Village; we are working hard to make that happen
- Will be seeing some good changes
- Current wastewater plant at KanPak, doing what we can with it; done everything we can with this system; unfortunately with the sugars and the coffee not doing great; our system can't do the sugars; reason for new plant; doing what we can with what we have
- Working on ways to “catch” loading before it ends gets to effluent; management team is focused on this
- Trying to do our best; unfortunately we have instances; Brent – KanPak has been very gracious and understanding; Village has started issuing Notice of Violations; appreciate you looking into the cause, responding and taking care of these issues; have to protect our system; Joe – hate to see them come across his desk but understands; part of your business; we need to work together
- Rom – newspaper article regarding future expansion; people Rom has talked to are impressed
- Joe – waiting on state; want to get approval; County did their part –Yates County has incentives to bring in and expand businesses; 2 different levels – State and County; YC worked with KanPak to expedite meetings knowing that we have to move as quick as possible; sent same message to the state, haven't heard anything back
- Dan – how much raw milk do you go through? Joe – per day, 5-6 tanker trucks carrying 6-7,000 gallons each; recently switched to a local coop, milk is coming from local farms; Dan – that's the thing people really need to know; Joe – have been running a lot of ice cream and shake mix; have a sister company that has to help us out
- KanPak recently lost their electrical contractor; this contractor had done all electrical since plant opened; recently came down sick; looking for a third party contractor; hard to find a good industrial electrical contractor

Mayor arrived at 9:00 a.m.

- Gary – which organization from the state are you waiting on? Empire State Development? Joe – yes; Steve Griffin has pushed also; state works on their time; no passion in this stuff; county does, but not state; Gary – does new plant hinge on getting money from the state? Joe – it does; already have a couple pieces of property that are being looked at outside of the county; our owner is a business man; can't wait around forever; not going to ask again
- Gary – expect the plant to be open in 2020, is that still the plan? Joe – should still be in that February, 2020 area; can't depend on mother nature; some work cannot be done in certain weather; built incentives into the budget; doing what we can do
- Bob – procuring equipment - please send updated report to Village with POs for equipment; Brent – have OBG create report; Bob - next date is November for equipment install, how is that looking; Joe – again, can't count on the weather; Bob – Village has no wiggle room from the DEC for compliance;

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- Bob – BOD was high in January; Joe – difference in production; ramping up now; doing the best we can; have to run production in order to keep the business here; ran all the lines in January
- Brent – how many employees? Joe – currently have 208; 7 or 8 openings now; still looking for 2 wastewater operators; can't find candidates; have been advertising for several months
- Rom – always appreciate you coming in; helps to get information out to the community

Joe and Tim left meeting at 9:08 a.m.

Grant Downs, Town of Torrey Board member

- Torrey is in the process of putting together two water districts; possibly a third; would like information from the Village of Penn Yan to identify what the Village of Dresden is paying the Village of Penn Yan for water in order to effectively determine our water rates for these new districts; Brent – Dresden won't provide you that information? Grant – Dresden has provided numbers but consistently change
- Mayor MacKerchar – what we charge Dresden doesn't mean that's what Dresden will charge; cost is public record; Brent – don't know how they are determining the numbers that Dresden is giving you
- Gary – Dresden will pay \$2.38/1,000 gallons in the upcoming year; in addition, if there is a capital charge, Dresden will pay 5.68%
- Brent – 3 districts you're working towards putting in place, Torrey will need to contract with Dresden, how is that going? Grant – on hold while work through contract with the Town of Benton; until we finalize that contract and know what they will provide we will wait to negotiate with Dresden
- Mayor MacKerchar – what is the 3rd district? Grant – Arrowhead/Rock Haven Beach area; Mayor MacKerchar – the parameters of the water district for Dresden have been defined; Brent – might help you work toward defining your districts

VI. Executive Session:

MOTION to enter into Executive Session to discuss the work history of an employee with Rom French, Lee Sackett, Dan Banach, Ray Hamilton, Leigh MacKerchar, Gary Meeks, Holly Easling, Brent Bodine and Crystal Bailey; first Dan Banach, seconded by Lee Sackett; carried.

VII. Audit dated 4/16/19

Summary:

Paid Before Audit:

General:	\$ 26,430.69
Electric:	\$269,692.58
Sewer:	\$ 6,115.37
Water:	\$ 6,898.00
CRC:	\$ 0.00
Total Paid Before Audit:	\$309,136.64

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Current Audit:

General:	\$148,507.30
Community Development–CRC:	\$ 0.00
Electric:	\$ 40,344.73
Sewer:	\$ 60,319.31
Water:	\$ 32,830.49
Capital Projects:	\$ 0.00
Trust & Agency	\$ 0.00
Total Current Audit:	\$282,001.83

TOTAL AUDIT: \$591,138.47

MOTION to approve the Audit as presented: first Dan Banach, seconded by Dave Payne; carried.

VIII. Treasurer's Report

1. Water and Sewer Funds 2018-19 Year-to-Date Revenue and Expense Analysis (Gary)
 - 10 months into the year, should be at 83%
 - Sewer fund continues to be in really good shape
 - Revenue 102% without grant funds that were received, would be 89%
 - Expenses 56%

Revenue is greater than expenses by \$1,385,000 but take away grant revenue, depreciation and rent, surplus of \$564,000 in the sewer fund; very healthy; a few budget transfers were necessary; no sign of any expense issues

- Water
 - Revenue 82%
 - Expenses 58%

Revenue greater than expenses by \$925,000; adjusting for depreciation, rent, pilot and excluding revenue for our CDBG project, leaves surplus of about \$67,000; right about where we should be; also had budget transfers this month

2. Electric Fund Cash Flow Statement (Holly)
 - Cash available is up from last month
 - Still not in great shape but moving in the right direction
 - Revenue was up about \$50,000 month over month
 - Capital costs are down now that the Ryder Substation project is done
 - Still have about \$195,000 of rents and pilots on the books that need to be paid
3. Review and approval of tentative 2019-20 budgets
 - Took a different approach on budgets this year; split it up this year – Gary did water and sewer, Holly has developed a cash budget for electric; think this will be a much better process for electric; quite a bit of work that went into that; thank you to Holly for the work
 - Budget highlights are attached

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- Dan – pushing out replacement of generator; how long can WWTP run without power? Need another generator? Is it critical to be back on immediately? Bob – plant could be down for 2 – 5 hours; Holly – current generator does work, just not as well as it should; Brent – tested routinely; might be opportunities to use grant monies to replace the generator so as not to be a burden on the tax payers
- Ray – read that Ontario County landfill will be accepting less. Will this affect us? Brent – don't think so, hoping we are sending less anyway; Gary – short term there won't be an impact; long term could be some problems; landfills are closing regionally; problems ahead region wide
- Holly – electric – identifying cash flows; cash receipts projected increase due to rate request; good to try to do capital projects in house if we can; concerns about getting that done with current staff; Gary – budget is built on full staff of Chief, Senior Lineworker, Lineworker and 2 Apprentices; heading in the right direction
- Gary - Rate case – feel that we are going to get what we asked for
- Rom – thanks to everyone for their time and work on the budget; Gary – thank you to Dan and Dave; important that we all understand this
- Dan – what is the overall MUB budget? Gary – operational? Capital? Everything - \$10-15 million range

MOTION to the Administrative Committee and the Village Board to adopt the 2019-20 tentative Water, Water Treatment Plant, Sewer, Wastewater Treatment Plant, Electric budgets and new water and sewer rates as presented; first Dan Banach, seconded by Lee Sackett; carried.

IX. Department Business

A. Electric

1. FYI: NYPA Firm Hydro Energy: May 1st – 31st ; no reduction
 - No estimated shortages for June, 2019 – November, 2019
2. 2019 NYPA Tree Power Program
 - Buy 1 get 1 free program; usually participate
 - Not recommending participation this time; still have over 25 trees left from last purchase
3. Staffing
 - Currently have 2 qualified Lineman and 1 Apprentice; Eric starting school the week of the 22nd; 1 week at a time, 4 weeks out of the year, over the course of 4 years
 - To work in the primary area, a qualified person is needed in the bucket and a qualified person on the ground; neither can be an Apprentice
 - Have a meeting next Thursday with Bath and Watkins about sharing resources; short term and long term solutions to be discussed; Bath and Watkins are in the same position as the Village of Penn Yan; hope to come to a reasonable combined solution for all 3 communities; hope to avoid having everyone on call 24/7
 - Talked to MEUA Executive Board; they feel they should be part of the solution; topic

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on the agenda for MEUA Semi-Annual meeting

- Have emailed Kerry at Yates County Personnel; have been advertising for a Lineworker for almost 30 days; only received 4 responses (none qualified); asked YC Personnel to consider removing or reducing residency requirement; don't think there is anything we can do to remove these jobs from under the civil service "umbrella"; think the challenge will be at the state level

B. Water/Sewer

1. Lincoln Ave.
 - Our crew has started this watermain project
2. FYI – hydrant flushing to begin April 29th
3. Meter Reader – seems to be happy; doing a good job

C. Water Treatment Plant

1. WTP cleaned out their storage room; Surplus equipment:
 - a. 1 - Aries pan and tilt camera
 - b. 1 - Hach Session 3 Ph meter
 - c. 1 - Hach EC30 Ph meter
 - d. 1 - Hart Communicator
 - e. 1 - Ford truck rear folding seat
 - f. 4 – Turbidimeters
 - g. 4 - controllers
 - h. 4 – thermostat covers

MOTION to the Village Board to declare 1 Aries pan and tilt camera, 1 Hach Session 3 Ph Meter, 1 Hach EC30 Ph Meter, 1 Hart Communicator, 1 Ford truck rear folding seat, 4 Turbidimeters, 4 Controllers and 4 thermostat covers as surplus and sell at fair market value; first Ray Hamilton, seconded by Dave Payne; carried.

D. Wastewater Treatment Plant

1. Operations Report; Yvonne doing a great job
2. FYI - New York Rural Water Association's 40th Annual Technical Training Workshop and Exhibition – May 20th – 22nd at Turning Stone Resort; Yvonne Tucker and Clifton Chase to attend
3. Have started creating a better relationship with Department Heads based on the way we've changed the lineup of Brent's position vs. the Deputy Director position; Tom, Deputy Director, will be starting on Monday, April 28th; going to send him some minutes from the MUB meetings to review ahead of time as well as a list of projects that he will be in charge of; very excited to have him come on board with us

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X. Other:

1. Wholesale Customer Meeting May 2, 2019; no lunch
2. Making the Transition from Staff to Supervisor seminar

MOTION to the Village Board to allow Charlie Bush to attend the Making the Transition from Staff to Supervisor seminar in Rochester on May 8, 2019 at a cost of \$159; first Dan Banach, seconded by Ray Hamilton; carried.

4. How to Supervise People seminar

MOTION to the Village Board to allow Yvonne Tucker to attend the How to Supervise People seminar in Rochester on May 1, 2019 at a cost of \$149; first Lee Sackett, seconded by Dan Banach; carried.

XI. Payment Agreements:

- Colder winter = higher bills

MOTION to the Village Board to accept the payment agreements in the amount of \$9,209.35; first Dan Banach, seconded by Dave Payne; carried.

XII. Village Engineer's Report – Bob Elliott

- Settleable Solids report due to DEC by 5/13; meeting with Brent and Yvonne this afternoon to discuss
- Had a conference call with DEC and EFC re: disinfection study; SPDES Permit has a 5/1 deadline for this study
- Waiting for direction from DEC re: SWPP (Storm Water Prevention Plan) which is due 5/1
- RBCs heavily loaded with growth right now due to loading; RBC maintenance in the budget for 2019-20
- Brent – going to discuss ISUPs; Septage Hauler control; surcharges; Mercury Minimization Plan and SWPP in a meeting with Yvonne and Bob this afternoon

Brent – another “Other”:

- NYPA Initiative; have (50) 50 gallon hot water tanks (electric); Wi-Fi enabled; be able to control the amount of power available to your hot water tank
 - 4 municipalities asked to participate; asked if Penn Yan would participate
 - 3 yr program
 - Could do this through the IEEP program; IEEP would be administering; IEEP developing program agreement with customer; Wi-Fi provided by the customer
 - 3 year program after which the tank would belong to the customer
 - Initial cost and installation would be absorbed by the program
 - Can a customer stop participation? They can after the 3 year program

MUB agrees to participate

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Bob – forgot to mention – WWTP Flow rates; a lot of it rain, weather dependent
Last year our average was 1.33 mgd; this year 1.78 mgd
WQIP (Water Quality Improvement Program) grant through DEC was applied for and denied; will apply for again in July

XIII. Reminder the Village Board Meeting is April 16th at 6:00 p.m.

XIV. Service Request Review and Discussion, if needed.

XV. Executive Session:

MOTION to move into Executive Session at 11:11 a.m.; first Dave Payne, seconded by Dan Banach; carried.

MOTION to exit Executive Session at 11:59 a.m.; first Dave Payne, seconded by Dan Banach; carried.

XVI. Next Meeting – Thursday, May 16th at 8:30 a.m. MUB Meeting Room

XVII. Adjournment: 12:00 p.m.

Transcribed by Crystal Bailey 5/6/19

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Municipal Utilities 2019-20 Budget Highlights

General (all budgets)

- CSEA union employees will receive a pay increase of 2.5% per collective bargaining agreement.
- All non-union employees also receive 2.5% pay increase, unless other arrangements have been approved by the Mayor and Administration Committee.
- No pay increase is budgeted for the Village Board or Municipal Utilities Board
- Healthcare rates are being projected to increase 9.4% at the beginning of 2020. This is the average of the increases over the last five years.
- Dental rates are being projected to increase 5.0% at the beginning of 2020. This is the average of the increases over the last three years since switching to Guardian for dental coverage.
- Increase in general property and liability insurance assumed to be a 6% increase from last year's actual premiums paid.

Water and Water Treatment Plant

- Budgeted operational costs for the Water fund are an increase of \$50K or 2.9%, with the following key drivers:
 - Special items costs are up \$7K due to an increase to the depreciation budget, which is higher due to our addition to the capital base given via recent water main replacements.
 - Administration costs (8310) are up \$3K, driven by pay increases, and partially offset by a reduced rent charge from the General fund for MUB barns.
 - Pumping and purification costs (8320) are up \$31K. Contractual services costs are increasing \$16K to accommodate Hach service on instrumentation. Maintenance on plant costs are up \$18K, due to the need for a PLC software upgrade. Costs for maintenance of the West Lake Road reservoir are up \$4K, and the cost of lab services is up \$3K (blue-green algae testing). Partially offsetting these increases is a lower personal services budget, which is down due to a recent retirement of the WTP Chief.
 - Water transmission costs are increasing \$25K. The key drivers of the increase are engineering costs for water main replacements (\$13K), maintenance on mains/ valve replacement (\$5K), and higher cost for maintenance on meters (\$3K).
 - Employee benefit costs are down \$12K, driven by recent retirements.
- Overall debt costs (principal and interest) are lower than last year by \$10K.
- Capital investments for water transmission are \$580,257 (for water main replacements on Franklin St., Maiden Lane, and Stark Ave). The capital investment for the Franklin St. watermain replacement (\$408,700) will be funded out of current savings. Capital investments for the water treatment plant are \$60K, for the West Lake Road aeration project. Again this year, the capital expenditures for the WTP are covered by adequate wholesale water customer reserves.
- Investment in fixed assets for water transmission is \$6K, which represents the cost of a new bobcat, net of the trade-in allowance.
- The water treatment plant budget is a decrease of \$11K or 1.5%. Lower personal services costs and benefits more than offset other increases. The slight budget decrease, combined with lower volumes projected, results in a small increase in wholesale water customer rates of \$.01 per thousand gallons.

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- Fixed user rate per equivalent dwelling unit is lower than last year (\$8.63 vs. \$8.92) due to a lower amount of debt.
- Variable user rate is slightly higher than last year (\$6.42 vs. \$6.39) driven by higher operational costs as previously described.
- The overall rate change impact to water customers is a slight decrease in water costs year over year (approximately \$2 per year for a single EDU residence).

Sewer and Wastewater Treatment Plant

- The overall expenditure budget is higher than previous year by \$48K or 2.3%, with the following drivers:
 - Special Items are up \$25K from last year, reflecting higher depreciation on a capital asset base that we have added to significantly over the last few years.
 - Administration costs (8110) are up slightly (\$2K) with higher personal services costs being mostly offset by a reduced rent charge from the General fund for MUB barns.
 - Sanitary sewer costs (8120) have increased \$30K from last year's budget. The key driver is an increase of \$20K in engineering costs, and represents engineering to be done on sewer cure-in-place (CIP) projects. Fuel costs and maintenance on meters costs are also up \$3K each.
 - Overall costs for the wastewater treatment plant (8130) have increased \$14K. Higher volumes cause increased budgets for sludge hauling (\$21K), utilities (\$25K), and chemicals (\$21K). Engineering costs have increased \$3K. Maintenance on plant costs have increased \$29K, but are partially offset by the budget for process machinery, which is down \$20K. Significantly offsetting these cost increases is a lower personal services cost (\$64K), as this year we only have one WWTP Chief in the budget due to a recent retirement.
 - Employee benefit costs are down \$21K, driven by a recent retirement.
- Overall debt costs (principal and interest) are slightly higher than last year (\$2K).
- Capital investment for Sanitary Sewer is \$140,500. This investment is for engineering and contracted costs for sewer line improvements (Chestnut St. and Collins Ave.).
- Capital investment for the wastewater treatment plant is \$705,500, with detail as follows:
 - install PISTA grit removal system \$533,000
 - engineering costs for study/plan tertiary effluent treatment/filter \$12,000
 - press filtrate pump station \$53,500
 - septage acceptance hauler controls \$66,000
 - repave front and rear entrances \$26,000
 - engineering costs for installing disinfection system \$15,000
- The overall wastewater treatment plant budget is an increase from last year of \$643K. This is driven primarily by capital investments that must be made to be in compliance with the DEC consent order that we are operating under, and are partially offset by lower personal services and benefit costs.
- Costs to be billed to Towns of Milo and Jerusalem are up \$64K and \$161K respectively from last year.

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- Fixed user rate per equivalent dwelling unit is slightly lower than last year (\$9.78 vs. \$9.81) as slightly higher debt costs are spread over a higher number of estimated EDU's.
- Variable user rate is a decrease of \$.01 vs. the prior year (\$7.97 vs. \$7.98), with higher operational and capital costs being offset by higher revenues and volumes.
- The overall rate change impact to sewer customers is a decrease of less than \$1 for a single EDU residence.

2019-20 Electric Fund Cash Budget Highlights & Assumptions

Revenues & Cash Receipts

- Electricity sales to customers and contributions to village assume a 10.93% increase in base rates effective 6/1/2019 and adjusted for weather normalization
- PPA Revenues are based on prior year purchased power expense, adjusted for weather normalization, less average base cost of power
- Total projected electricity sales are \$353k higher than last year, due to rate increase
- Pass-through collections are fully offset by pass-through disbursements
- No financing from debt service is included in the budget
- No financing from reserves is included in the budget
- \$10k will be reimbursed through IEEP for LED Street light purchases
- Miscellaneous revenues, contributions for extensions, pole attachment revenues, and joint pole agreements all projected using average of history, overall decrease of \$59k
- Sale of vehicles & equipment includes projected sale price \$22,500 for TR 2, planned replacement for utility service worker pickup truck
- Overall cash receipts are up \$328K, after adjusting for pass-through collections that were not included last year, which is in line with electric rate increase request

Expenses & Cash Disbursements

- Purchased power expense – overall decrease \$50k
 - Assume the same electricity purchases as prior year, adjusted for weather normalization
 - PSC general assessment previously passed-through in PPAC now listed separately and incorporated in base rates per Public Service Commission
- Personnel expense assumptions – overall increase \$23k
 - CSEA union employees receive pay increase of 2.5% per collective bargaining agreement
 - Non-union and permanent part-time personnel also receive 2.5% pay increase, unless otherwise approved by the Mayor and Administration Committee
 - No pay increase for Mayor, Village Board, or Municipal Utilities Board
- Employee benefit expense assumptions – overall increase \$15k
 - Increase in healthcare rates effective 1/1/20 are assumed to be 9.4%, based on average increase over the past five years
 - Increase in dental rates effective 1/1/20 are assumed to be 5%, based on average increase since switching to Guardian three years ago
- Taxes – overall increase \$21k
 - PILOT to village calculated using updated method for electric operating property and municipal barns, resulting in an increase of \$19k to PILOT expense
 - Gross receipts tax increase of \$2k, calculated at 1% of increased electricity sales
- Debt service payments total \$78k on 2008 public improvement bond maturing 2024-25

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- Pass-through disbursements are fully offset by pass-through collections
- NYPA 0% interest loan payments \$87k passed through to ratepayers through PPAC
- Increase in general property and liability insurance assumed to be a 6% increase from last year's actual premiums paid, with the allocation to electric being 17.2% based on property value – overall increase \$2k
- General administrative services – overall decrease \$21k
 - New continuous property software annual maintenance fee \$1,950
 - Eric Spencer to year 2 of apprentice lineman school and new hire TBD to year 1 of apprentice lineman school at cost of \$3,700 each, \$7,400 total
 - Rent to village calculated using cost to operate village facilities allocated 30% to electric fund and no longer charging rent for municipal barns, resulting in decrease of \$19k
 - Contractual services down \$18k as a result of reduced cost for BST to prepare an electric rate case \$21k and increased costs for new folder/sort equipment \$2k and maintenance contracts \$1k
 - Computer supplies & service increase \$5k due to increased cost for computer replacements and hosting meter reads through new cellular beacon software
 - Building supplies allocated to electric increased \$1,700 based on purchase history
- Operating expenses – overall increase \$132k
 - Tree trimming costs up \$117k for trimming that has been deferred in prior years
 - Safety tool maintenance & replacement up \$2,500 to outfit new apprentice lineman TBD
 - Engineering services includes general engineering \$7,500, arc flash update \$10k, and stray voltage \$7,500
 - Metering purchases up \$5k for electric portion of new trimble for meter reading
 - Substation transformer maintenance up \$11k for LTC inspection at Ryder
 - Substation breaker maintenance/testing \$25k based on history
 - Operation repairs & maintenance services \$7k based on history
 - Operation materials & supplies \$16k based on history
 - Uniform & clothing purchases down \$2,500 for a total of \$5k based on history
- Inventory purchases not previously budgeted for separately, included in operating expenses based on history
 - Inventory items total \$121k including pole line hardware, transformers, and poles
 - Pole line hardware budgeted based on average annual use at current extended prices from Irby
 - Transformer and pole purchases budgeted based on historical purchases
- Transportation expense not previously budgeted for separately, included in operating expenses using an overhead allocation prescribed by the PSC
 - Vehicle repairs & maintenance budget \$18k
 - Fuel purchases \$8k based on historical gallons used at projected cost per gallon
 - Vehicles \$34,830.63 includes planned replacement for TR 2 utility service worker pickup truck, which is a 100% increase from 2018-19 budget as all vehicles

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purchased were financed through 0% NYPA loan that we pass-through to ratepayers in the PPAC

- Capital expenditures – overall decrease \$118k
 - Engineering down \$12k
 - New materials down \$68k
 - Contractor down \$38k
 - See capital plan included; total cost of projects down \$90k, 1 project being contracted out in 2019-20 and remaining scheduled projects to be done in house with \$28k more in internal labor
- No funding for reserves is included in the budget

Overall Budget Analysis

- Budget is built with a small surplus of \$851.06, essentially a break-even between current year cash receipts and current year cash disbursements.
- Expect to have amounts due to general fund totaling \$195k at the end of 2018-19 that will need to be repaid in the upcoming 2019-20 fiscal year. This will put us at a deficit of approximately \$194k.
- We will discuss with our auditors the implications of having money “due to other funds” on our balance sheet at the end of the fiscal year again in 2019-20, with a plan to repay once our new rates have been into effect for some time.
- We will continue to manage cash on purchases, inventory, and capital projects going into the upcoming fiscal year very closely until we are able to build up a reserve again once our new rates have been in effect for some time.

Wastewater Operations March 2019

Cherry Street Pump Station: Installed the rotating and stationary wear rings on 100 Hp pump position #1, Ingrid. Installed new temperature thermostat on the emergency generator.

Septage Acceptance Plant: On February 9 the UniOp control board and keypad interface stopped working. Kurt was able to use a spare that was purchased several years ago. This equipment is now obsolete and replacement parts are no longer manufactured. Replacement hardware and software have been budgeted for in the upcoming year.

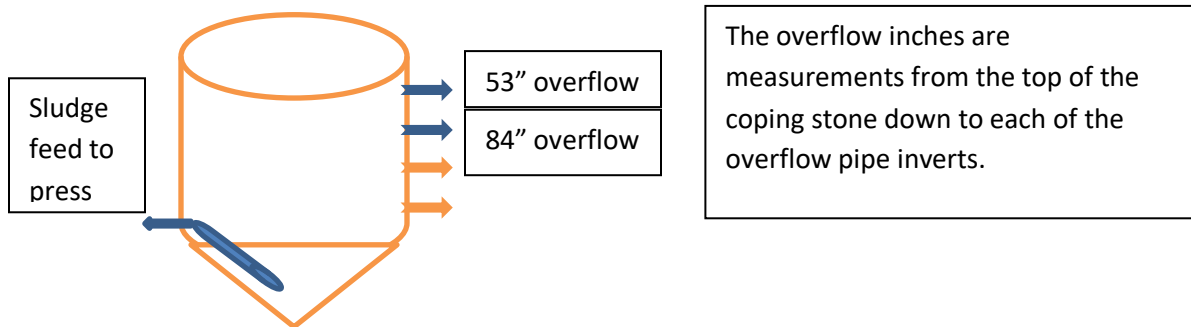
Grit Building: The Grit pump stopped working in automatic. It is designed to operate on a timer with the grit classifier. The grit classifier continued to work on the timer as it should. The grit pump worked in hand, but not in automatic. An electrician was brought in to troubleshoot the problem. After two trips, he found a wire that had come loose in the main control building alarm cabinet. Once that was reconnected the issue was resolved and the pump now works as it should.

RBC: Routine inspection revealed another broken clamp that required replacement. The routine bearing lubrication was accomplished. The belts on the #5 drive gear were worn and had to be replaced.

Anaerobic Digester: The methane gas flow meters (2) were removed from service and sent to California for calibration.

Press Bld.: The press filtrate sump pump was connected to an electric switch and light bulb to indicate its power status. Previous operation was to plug in an extension cord when operating the press, and to pull the plug out at the end of the press operation.

The Press operation was hampered once again by inconsistent sludge feed. At one point, the sludge flow from the digester stopped all together. Another blockage was suspected and thorough water flushing was employed. The water flowed with no problem, however when switching back to the sludge, it would not flow by gravity. The secondary digester supernatant level had been steady at the 84" overflow port for the past several months during the cold winter temperatures. By closing the 84" port and raising the water level to the 53" (highest) overflow port, the increased water level head pressure was sufficient to push and keep the sludge flowing to the press.



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Wastewater Treatment Plant 2019 March

Gallons Sludge Dewatered (Pressed)	116,024 Yards Compost Screened	51
Tons Dewatered sludge to Landfill	39.49 (Pressed) Tons Dewatered	85.2
Gallons Septage Received	104,239 Gallons Wastewater Treated	39,800,000

