

# GLOVERSVILLE BOARD OF WATER COMMISSIONERS

## SPECIAL MEETING MINUTES – JUNE 29, 2021

A Special meeting of the Board of Water Commissioners was held and brought to order at their office, 67-73 South Main Street, Gloversville, NY on June 29, 2021, at 5:00 PM with President Antonucci presiding.

### Roll Call

#### Commissioners-----

Antonucci	PRESENT
Isabella	PRESENT
Mauro	PRESENT
Robinson	PRESENT
Capano	PRESENT

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**Others in Attendance:** Water Superintendent; Anthony Mendetta; Clerk of the Water Board; Christine Linart;

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Anthony explained to the Board that the purpose of this special meeting was to discuss in more detail the Green Infrastructure Grant (GIGP).

The following pertinent information was outlined:

- 1) At last meeting we had Ti-Sales and Master Meter here to make presentations on their Metering Systems and Equipment. However, at the last meeting we did not have enough time to discuss each option and the financial breakdown of each.
- 2) Since the last meeting Christine and Anthony reached out to the references listed by Master Meter. Master Meter had 4 references. The only reference whereby an AMI new meter project was completed by Master Meter was completed in 2019. We spoke to this reference, and they said that they had a few issues in the beginning with some equipment, but now the system was working very well. This reference had approximately 7,200 accounts.
- 3) Ti-Sales, the second company who made a presentation at our last special meeting, reached out to Anthony and wanted to meet with us again. At this meeting the president of the company and the salesman that was here at the last meeting Jason Matt came in to speak with us on behalf of Ti-Sales and their meter system. Ti-Sales have working systems in place since 2006 that are still working today. Ti-Sales also has multiple municipalities in this area that have their AMI System including the City of Glens Falls, Newburgh some of the bigger areas and then they have several small communities in the area such as Northville, Fultonville etc. that they are installing AMI Systems in. Because of their proven history of their metering systems, it brought to light with Anthony and Christine that Ti-Sales has a more proven trusted system.
- 4) Christine broke down the cost of the new system and Anthony stated that we will have to bid this project out. Anthony suggested that we go out to bid with an RFP for this project. If we issue an RFP, we don't necessarily have to take the low bidder, we can base our decision for awarding the project on price and quality.
- 5) Anthony told the Board that the thing that he and Christine liked about Ti-Sales is that they have had a working system in areas since 2006 and also, we like the idea of the outside reader boxes where we would never have to get into a house again.
- 6) Anthony wants to make sure that we are investing our money wisely so that we can finally be done replacing meters for the long term. Anthony is not sure he trusts the battery life on Master Meter's products. Christine has also been doing some research on other communities where their meters are failing for battery life. She stated that it looks like this issue is going to keep happening whether its 15 or 20 years from now. If we have the outside reader boxes, at least we will not have to pay for re-installation again as we can easily change them out ourselves with ease. Anthony also re-iterated that he does not know if

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he can trust Master Meter's products as they have only had this system up and running for 2 years. However, Ti-sales has had several of these systems in place for 10+ years.

7) Ti-Sales will also do everything for us. They will hire a project manager that will oversee the installation of the new meters, the AMI system installation, and the Software installation. With Master Meter they offered the infrastructure for free, but we feel there is still going to be quite a burden on us to oversee their installation processes.

8) We broke down Ti-Sales and Master Meter's estimates of cost for the project. We gave the Board a Bonding Schedule for each proposal so that they could see what it would cost us on an annual basis for each proposal.

9) Anthony also stated that with the information that the AMI system can provide to the customer and with the increase in technology that will benefit all of our customers individually it would not be uncommon or unrealistic to have the residents fund a portion of this project. Customers will be able to realize individual cost savings with the information that this system can provide to them. Anthony and Christine both attended a webinar on the customer portal called Water Smart which comes with an app that residents can download to their phone, laptop or computer. The Water Smart app can send the customer bill reminders, high usage alerts, leak alerts. Customers who go away on vacation can set it up so that the system will alert them under an ( unplanned use ) notification so if any water is used on that meter, it would alert them before the situation becomes major with pipes bursting etc.... This would allow customers to be notified of an issue right away so that they don't have to worry about excessive water bills accumulating. With this system we can also send out mass notifications to customers if we are flushing in the area or if we have a water main break and have to issue a boil water advisory etc....One other great feature is that customers will be able to track their own daily water use and will also be able to set goals for themselves. In this system if a customer does not want their bill to go over a certain amount, they could set it up in the system to be notified when it gets close to the level they have set for themselves.

10) With the upgrades of this system we can now put into place a system whereby we can have the residents fund what we will have to bond for this project and continue to have the customers fund any upgrades that will be needed to benefit them. We have come up with a strategy to charge a small fee to each customer and use this revenue specifically for meters and future meter replacements so that we may not have to Bond again when the next 20 years has passed, and the meters will need replacing again.

11 ) Christine broke the figures down for the Board as follows:

1) For Ti-Sales system to cover the cost of the Bonding and the Annual fee for System maintenance which would include the Annual maintenance fee for the Water Smart and Subscription for the AMI service maintenance fee. This would be \$2.12 per month per customer which would equate to approximately \$12.72 per bill. This would allow us to re-coupe the annual bond payment for this project and not have to dip into our reserves which are dwindling, For Master Meter's system the fee would be \$1.11 per month or \$6.66 per bill. The fee would be about half with Master Meter. Anthony stated that the customer is going to be the one to benefit the most from this system so we feel that they should be paying for this. Christine just noticed a customer that their read seemed high and when she sent Alvin to do a data log the customer was using over 900 cubic feet per day. With this system in place this customer could have prevented themselves from having a huge bill as they could have been notified immediately of the leak. We also have a lot of landlords that contact us wanting us to do a data log or check their properties for leaks now they can track their properties themselves.

2) Anthony then mentioned that Ti-Sales meter that we would be installing in the basements has a manual reading mechanism so if the Meter box dies on the outside of the house or the wiring is compromised, we can still get a read from the meter in the house. Master Meter's new 5G meters are digital, if they die, we will not be able to get a read. However, Master Meter's system will alert you if the battery is starting to fail so you can get into the house and change it out before it dies. Christine has also been reading about a lot of communities where their meters are all dying at once like we had with the old NRH meters from Master Meter. If we go with the outside reader boxes it will be much quicker and easier for us to replace if they all start to die at once.

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12) Anthony also confirmed that Johnstown is also switching to Ti-Sales.

13) Christine also went over Ti-Sales extensive proposal for Project Management to include:

- 1) General oversight of the project and management of the installation contractor to ensure timely and accurate work is compliant with the contract agreement.
- 2) Weekly progress meetings to ensure on time performance and resolve contract issues.
- 3) Management of the AMI Network installation and verification of performance
- 4) Interfacing with Cellular carriers to ensure performance of the cellular network.
- 5) Managing and validating the data flow of the meter information from the installation contractor through to the utility billing software.

14) Anthony also told the Board, as Christine already pointed out that we still have some of our best reading meters in the system our old ARB Style meters that are over 20 years old that are still working that are Neptune meters from Ti-Sales.

15) We discussed how we would notify the Customer of the new System. Anthony stated that we will probably try to issue a special newsletter to all customers first. Commissioner Antonucci was concerned that some customers may say they don't need this. Anthony and Christine both stated that the charge for the system upgrade would be called an automated meter charge to upgrade to a 5G meter and AMI system. It was also discussed that rental properties should possibly pay more as they would benefit from the portal more. It was also suggested that we base it on how many units a property has. Anthony also suggested that we charge more based on the size of the meter as most single-family homes have 5/8" meters. Christine stated that we would have to check on the Fulton Co. Real Property website to verify the classification of each residence we service.

16) Anthony also stated that the only reason we got the \$850,000 grant from the State was because of the amount of meters in our system that had died. We had all these dead meters with no way to read them and no way of accounting for our water loss. Anthony pointed out that with this Water Smart system we will be able to track our daily consumption throughout the city and can compare that to how much water we are putting into the system from the plant. This will allow us to account for our overall unbilled water consumption or water loss.

17) Anthony discussed that we must start getting some required submittals for EFC and the application is due by October 31, 2021. We will probably set it up so that the Company will make (3) attempts to get in a house to get the meter out. If the company can't get in, we would then coordinate with them for us to leave door tags and send letters that the water will be shut off if they do not allow us access.

18) Christine also asked if we would want to bid the project 2 different ways so that we get quotes from both Master Meter and Ti-Sales so that if Ti-Sales comes in higher than we are comfortable with we could still choose Master Meter. Anthony stated that Master Meter could still potentially bid on this project with their meters and equipment if we decide to go that route as they too have outside reader boxes. However, we don't believe that they have the proven history of meter reliability.

19) Anthony also pointed out that if we get an older person who does not use a computer or cell phone, they will still benefit from the system because it will notify our department in the office everyday if there is a potential leak on a property and we could notify the homeowner immediately before it gets out of hand. Anthony also suggested that if we do go with Ti-Sales we may be able to sell all of our current 3G meters heads to other municipalities that still have the AMR system.

Commissioner Mauro made a motion to allow the Superintendent to move ahead with the GIGP meter project via issuance of an RFP for the Replacement of the meters throughout the city with new proven reliable AMI meters and installation of a new AMI meter reading system as proposed by Ti-Sales with outside reader boxes to be attached to the outside of each residence and to include the Water Smart Customer Portal. The motion was seconded by Commissioner Isabella.

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<u>Commissioner</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>	<u>Abstain</u>
Antonucci	X			
Isabella	X			
Mauro	X			
Robinson	X			
Capano	X			

**Miscellaneous Other Business:**

1) Anthony informed the Board that we had met with representatives from Nestle Water which was bought out by the Blue Triton Group. The reps gave us an update of where they are at with the testing on our Dixson site for viable sources of Spring Water. So far, they have some very good readings off of some of the test wells that they installed at the Dixson site. Blue Triton was however delayed due to Covid and are asking to renew the access agreement we have with them for the site to continue their testing. The Blue Triton Group would like to renew the agreement for another 2 years as the current agreement expires on July 2, 2021. After discussion as long as we get the benefit from owning the data being gathered from the site the Board agreed but only to 1 year. Commissioner Mauro is very concerned about our water supply being dried up if Blue Triton comes in and draws too much water out of these springs. Anthony and Christine both agree that we need to be careful, but also noted that there are in place federal regulations that they can't take too much, and they must leave a percentage of the springs water behind they are not allowed to drain them dry.

Commissioner Mauro made a motion to renew the Access Agreement with Blue Triton Group (formally Nestle Water) for their continued access to our Dixson Reservoir Site to accumulate data for the Evaluation of Spring Water Supply Potential. With access agreement to be extended for (1) year. The Board also gives the Superintendent permission to sign said Access Agreement Renewal Contract on its behalf. The motion was seconded by Commissioner Antonucci.

<u>Commissioner</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>	<u>Abstain</u>
Antonucci	X			
Isabella	X			
Mauro	X			
Robinson	X			
Capano	X			

At this time Christine and Anthony wanted to discuss the possible increase of water rates and other related budgetary issues.

Christine handed out some informational handouts for the Board with a discussion of each as follows;

1) Christine found some information from the State on the internet as it relates to how much Fund Balance a municipality should carry over from year to year according to NY State guidelines. The standard is that we should try to have at least 3 months of Revenue and or 3 months of expenses in our Fund Balance. Christine therefore showed the Board that our Revenue for a 3-month period from April to June was \$483,000 and our expenses were \$508,000 and our Fund Balance is \$564,000 as of the date of the meeting. Christine wanted to show them this to show that we are on track for where we should be according to the State recommendations with our Fund Balance.

2) Christine then went over the total of our Accounts Receivable balance for revenue that has not been collected yet. As of this date our overdue Accounts Receivable balance decreased from the last time Christine gave the Board a printout due to us being able to shut water off again with the Moratorium on shut offs being lifted. Also, within the 3 month above quoted revenue figure has other revenue included such as water test revenue, cell tower revenue etc.....

3) Christine told the Board that we have \$742,000 in our Capital Reserve Fund which encompasses a reserve for the Jackson Summit Reservoir Dam Spillway Project and a reserve for maintenance of the Jackson Summit Reservoir Dam. Christine also included a Balance Sheet.

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4) Christine gave the Board a printout of potential rate increases along with estimated revenue to be generated from each percentage of increase and the effect of each level of increase on a resident's average water bill. Christine also gave the Board a summary of our current consumption totals for 2021 up to the date of this meeting. For the Industrial accounts Christine did a comparison of consumption from 2019 – 2021 showing the overall decrease in consumption from 2019 which is coming in at a decrease of over 2 million cubic feet in Industrial consumption from 2019 to now. This would equate to an overall decrease in Revenue of over \$66,000. For Residential customers consumption went down from 2019 to 2020 and then went back up in 2021. Overall residential consumption went down over 371,000 cubic feet with an increase in revenue due to rate increases of over \$8,000. Therefore overall, our revenue decreased approximately \$58,000 between 2019 and 2021.

5) Christine wanted to give the Board this information so that they could think about a rate increase and what they may want to do under the circumstances with our consumption continuing to fall. Christine again directed them to the rate increase comparison sheet with potential revenue for each level of increase. Anthony also informed the Board that we have been giving updated budget sheets to each department head on a quarterly basis so that they know where they are as far as spending and amounts left in their budgets. Christine pointed out that at each rate increase she has shown the amount of potential revenue that could be generated based on consumption for 2020. If consumption continues to fall the amount of potential revenue would fall as well. Christine also mentioned that in previous meetings the Board was contemplating increasing the rates an additional ½ percent or 1% to set aside for a reserve for infrastructure. We would also have to factor in the additional fee for the GIGP meter project upgrade meter fee. Anthony mentioned that we do have the Vireo Health Expansion and Hoffman's car wash coming in for potential water consumption increases.

6) Christine gave the Board a comparison of neighboring communities and their current water rates as compared to ours. Christine also highlighted on some of these rate sheets some other charges that other municipalities are assessing that we may want to consider in the future. Another thing as mentioned by Anthony, is that with our rate schedule, we charge a lower rate as the customer uses more water. In other communities they charge a higher rate to those customers who use more water and tax their systems more. So, we may want to look at changing this structure. Christine also pointed out some fees that we should possibly look at. For example, Albany charges a \$50 fee for a missed appointment.

7) The Board then discussed further the rate increase comparison. Commissioner Mauro also wanted us to start watching our spending closely. We then discussed the current minimum charge schedule and the possibility of increasing the minimum charge along with a rate increase for everyone who uses over the minimum consumption. It was also discussed that maybe we could incorporate the new meter fee within the minimum charge. Christine also suggested that we may want to build a separate rate schedule for industrial accounts so we would not be killing them with a higher rate.

8) Christine told the Board that she will try to a couple of different new rate structures with potential revenue figures. Anthony and Christine will also try to come up with a mock budget for 2022 to see how much of a revenue shortfall we will have to make up. We will come up with this for the next meeting so that the Board will have more information to make an informed decision concerning rate increases. The increase in minimum wage was also discussed along with the possibility of limiting the summer help program.

## OLD BUSINESS:

Anthony gave the Board an update on the Lagoon Project. After we refused the change order from CFI. They told us they wanted a letter releasing them from liability from dumping the sludge on our property. Anthony told them no that we would not. We moved our dumpsite, and they were directed to dump the remaining sludge at the new dump site. They were given 2 options of using our sludge pump to pump the liquid from lagoon #2 to lagoon #1 that was already re-habbed or load the end dumps and dump it on lagoon #1. CFI took everything that was solidified and dumped it in the middle of lagoon #1 and took all the liquid sludge and dumped it at the new location making a huge mess. We were going to shut them down, but they were almost done. They now have all the sludge from lagoon #2 removed, they put the piping back together today, and should be completed by Friday. Anthony stated that he never want's CFI to do another Water Project again and the Board agreed. Anthony also informed the Board that C.T. Male was supposed to provide 20 hours of construction observation for the project of which he called them out on. C.T. Male claimed that they exhausted that and were well over the 20 hours at this time. Commissioner Mauro suggested again that we may want to start looking for a new engineering

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firm for future projects. Anthony agreed but stressed that he would like to keep C.T. Male for all of our Dams as the Inspection maintenance plans and engineering assessments can be extensive.

Commissioner Mauro made a motion to adjourn the meeting. The motion was seconded by Commissioner Robinson.

<u>Commissioner</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>	<u>Abstain</u>
Antonucci	X			
Isabella	X			
Mauro	X			
Robinson	X			
Capano	X			

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The next meeting will be held on Tuesday, July 13, 2021