

**AGENDA**  
**PHYSICAL SERVICES COMMITTEE**  
**TO BE HELD IN ROOM 318**  
**PUTNAM COUNTY OFFICE BUILDING**  
**CARMEL, NEW YORK 10512**  
**(Chairman Albano, Legislators Castellano & Scuccimarra)**

Wednesday

5:45p.m.

July 12, 2017

The meeting was called to order at 5:45 p.m. by Chairman Albano who requested that Legislator Scuccimarra lead in the Pledge of Allegiance. Upon roll call, Chairman Albano and Legislators Castellano and Scuccimarra were present.

**Item #3 - Approval/Physical Services Minutes: June 19, 2017**

Legislator Albano accepted the minutes as they were submitted.

**Item #4 - Discussion/Initial Engineering and Legal Work for Two (2) Sewer District Projects: State Line & Route 6 Corridor (*Danbury to Village of Brewster & Carmel to Somers- Heritage Hills*)/Deputy County Executive Walker**

Deputy County Executive Walker stated that he will speak to these potential projects individually. He stated from a County budget perspective sales tax revenue is the main drive of the counties revenue. He stated behind that is the levy on the real property tax. He stated since 1997 when there was an MOA (memorandum of agreement) with the Department of Environmental Protect (DEP). There has been very little commercial growth in the County, mainly due to lack of sewer and water on some of the main County corridors. He stated that he will first speak to the State Line & Route 6 corridor project. He stated approximately one (1) year ago there was a meeting with the Mayor of Danbury. He stated that Danbury has excess capacity in their Sewer treatment plant. He stated the utilization continues to go down, they believe with the introduction of low flush toilet, and other water quality efficiency advancements. He stated the meeting was had to discuss the possibility of Putnam County tying into Danbury's system and bring it along State Line Road into the Brewster Sewage Treatment plant, like an open valve. He stated that would allow the two (2) systems to be tied together. He stated Deputy Commissioner of Planning Sandra Fusco has submitted grant applications with the potential of this project in mind. He stated the TIGER Federal Grant was submitted and she is currently working to submit Consolidated Funding Application (CFA) Grant. He stated that the County is applying for \$2.4 million. He stated the amount was based on a very preliminary estimate of \$12 million. He stated to this point all of the discussions have been conceptual. He stated there needs to be some level of engineering done at this time. He stated that he has met with a representative of the County's Bond Council, Dan Birmingham regarding the County's ability to bond this versus having the Town bond it. He stated it appears the County can bond the State Line projects because there are two (2) municipalities. He stated in that case the County would set up the district itself and manage similar to the way the Towns manage their districts. He stated the preliminary portion needs to be done to determine what is necessary in order for the County to set up a district. He stated that is a formalized process done through the State of New York. He stated a Facility Study must be done. It enables the identification of the properties that would be involved, what type of affluent, what type of system, how many pump stations, what size pipe would be needed given the effluent. He stated it is a preliminary analysis of the area that enables the County to make good decisions moving forward. He stated it will identify where there may be environmental issues or engineering issues that will need to be resolved. He stated that Don Rossi of Hogan and Rossi Law Firm with regard to setting up the district from the legal perspective that is set by State statute. He stated for the State Line project the Administration is requesting \$50,000 to cover the cost of hiring the J. Robert Folchetti & Associates Engineering firm. He stated they would do the initial engineering analysis. He stated in addition there is \$25,000 being requested to hire Don Rossi to do the analysis to set up the district. He stated there has been discussion in setting

up the district to include an opt out provision. He stated if someone who chooses to opt out now but then decides maybe ten (10) years from now that they want to join the sewer district, they would have to pay back the capital cost.

Chairman Albano questioned if there is any agreement with Danbury.

Deputy County Executive Walker stated that a formalized agreement cannot be formed until the engineering analysis is done. He explained that is part of defining what is needed by the County.

Legislator Scuccimarra questioned why would Danbury be interested in this partnership.

Deputy County Executive Walker stated because they have a sewage treatment plant that is grossly underutilized. He stated the capital charges for their current customers are high. He stated by bringing more customers to utilize the sewage treatment plant it will lower the overall capital costs.

Chairman Albano stated that he would like to see Danbury provide a projected amount stating a range for the County.

Deputy County Executive Walker stated he would put it into perspective, Danbury has 1 million gallons of excess capacity, and they have built out the city of Danbury. He stated 1 million gallons a day is a huge amount. The County is not anticipating getting anywhere near the 1 million gallons. He stated for Danbury it is a win because they will spread the cost over more people. He stated for Putnam County it is a win to be able to use an already existing plant.

Legislator Castellano requested an explanation of the opt out provision mentioned that may be part of the district formation.

Deputy County Executive Walker stated if a person says they do not want to be part of the district, they are not required to be part of it. However if they decide in ten (10) years that they want to join, then they would need to pay the past ten (10) years cost. He stated of course there is more to be learned. This is all preliminary. He stated that the County has estimated the project to cost \$12 million, it may end up to cost \$16 million or \$9 million. He stated there will be a more accurate projection of cost once the study is done. He stated also in order to submit a well written and strong application for potential grants there needs to be as many facts of the projected project supplied.

Legislator Nacerino stated she is very much in support of the feasibility study. She stated she believes foresight and understanding needs to be exercised in the evaluation of this request. She stated it is her opinion the only way to help with the property taxes and to work toward revitalization within our communities is to have sewer and water available.

Legislator Jonke stated he is on the sewer taskforce with Deputy County Executive Walker. He stated that he has spoken to many of the property owners in that area. He stated most of them are 1,000% on board. He stated the infrastructure of the four (4) lane highway makes this a perfect spot to run the sewer line. He stated that there are some environmentally sensitive properties, and the DEP has given their support to this project. He stated this is an opportunity the County should not let pass by.

Deputy County Executive Walker stated the DEP is very supportive of this project because it takes the septic systems that are near the reservoir, off. He stated that he has met with members of the DEP several times on this matter. He stated they are supportive and willing to help in anyway feasible. He stated for the record, his son is a summer Intern at the J Robert Folchetti & Associates engineering firm.

Legislator Sullivan stated that he is also in support of this proposal. He questioned how far into Brewster will it go.

Deputy County Executive Walker stated that it will go through the corner where the Honda Dealer is located.

Deputy County Executive Walker (*discussion began of the Carmel to Somers- Heritage Hills project*) stated that approximately 9 – 12 months ago, Legislator LoBue had written to him, as a member of the East of Hudson Corporation (EOH) regarding Society Hill Condominiums in Mahopac. He stated the request was for the EOH to fund the repairs that were needed to the Society Hill Condominiums sewage treatment plant. He stated based on the EOH charter they were not allowed to fund the project. He stated that he did have a conversation with representatives from the Department of Environmental Protection (DEP) for New York State regarding the Society Hill Condominium. He stated through those discussions and discussions with Town of Carmel elected officials and a representative from the Villa Barrone there has been agreement from the DEP to have the effluent picked up at the Society Hill Condominiums effluent if that sewer line can run down toward Buckshollow Road and tie it into another DEP plant in that area. He stated it would be similar to the open valve that would be used at the Brewster site. He stated via a letter from a DEP representative, Bob Ravallo the DEP has agreed to the proposal as long as the sewer line would pick up at Society Hill and another plant in that area. He stated that there would need to be capacity bought from Heritage Hills in Somers, New York. He stated, similar to the State Line Road area, it would enable the corridor in Mahopac to be opened up to commercial growth. He stated the estimated cost for that project is \$8 million. He stated the County is applying for grant funding in the amount of \$1.6 million through the CFA Grant program. He stated it is difficult to submit for the grant funding with the limited information regarding the project. He stated again a request for \$50,000 to have a facilities study done. He stated that would be done by Insite Engineering and \$25,000 would be spent to set up the district. He stated this district would be different from the Stateline district, because it does not cross two (2) municipalities. He stated it is likely that it will need to be set up by the Town of Carmel. He stated that he met with Town Supervisor Kenneth Schmitt and Town of Carmel Attorney Gregory Folchetti with regard to this. He stated they were both supportive. He stated that there will be a resolution created by Mr. Folchetti and Planning Department Deputy Commissioner Fusco to get the support from the Town of Carmel Board as well.

Legislator Sullivan stated that he did have conversations with local businesses along Route 6 in Mahopac. He stated they are extremely excited about the opportunity to hook onto sewer. He questioned where will the line start and finish.

Deputy County Executive Walker stated that it will be from the Heritage Hills Condominiums in Somers, New York it will come up to Route 6. He stated that they are checking into seeing if the NYSEG Easement can be used. He stated if approval is not given for that the line will come up through Valley Road. He stated at Park Ford the line will make a right and get tied into the DEP Sewage Treatment Plant there.

Legislator Sullivan questioned how far up Route 6 will it go.

Deputy County Executive Walker stated it will go past Villa Barone to the Wallauer's Design Center store on route 6.

Legislator Sullivan questioned if the line will be going towards Baldwin Place on Route 6.

Deputy County Executive Walker stated no.

Legislator Nacerino questioned if there will need to be an inter-municipal agreement with Westchester.

Deputy County Executive Walker stated at this point he is not aware that it is needed. He stated if it is needed, it will come up during the facilities studies.

Deputy County Executive Walker stated he does have an additional request to add \$10,000 to the Budgetary Amendment #17A037 (*new total \$160,000*). He stated that he met with Town of Kent Supervisor Maureen Fleming and Town of Patterson Supervisor Richard Williams regarding putting a full sewage treatment plant in. He stated approximately two (2) years ago the NYS DEC did a Total Maximum Daily Load Study (TMDL) on Lake Carmel and it failed. He stated under the State Pollution Discharge Elimination System Permit (SPDES) under the DEC there will be a TMDL requirement in the SPDES Permit. He stated one of the only ways to address that is by building a Sewage Treatment Plant. He stated that he has met with the Department of Environmental Protection (DEP) many times on this issue. He stated that they are on board with the County to build the Sewage Treatment Plant that would serve the Lake Carmel area and the hope is to run the line down the 311 corridor as far as possible. He stated potentially down to the Town of Patterson to serve as much of the commercial real estate there, down towards Camp Herrlich. He stated that project is not as far along as the other two (2) projects, State Line and Route 6. He stated the \$10,000 would fund a study to find potential sites, where the effluent from the plant would go and what properties would be involved. He stated Insite Engineering will be hired to do this work mainly because they did the engineering for the Kent Manor Site.

Lynne Eckardt, Councilwoman Town of Southeast questioned if the engineering and legal work will go out to bid. She stated if not please provide the explanation.

Deputy County Executive Walker stated no. He explained that the County's procurement policy does not require the bid process if the professional services are \$50,000 or under. He stated the companies mentioned that will be doing the work are familiar with the Putnam County area, and the specific projects. He stated that he would not want to pay an engineer firm and have to educate them on the project when there are multiple firms within the county that are familiar with the projects and have worked on the existing sewer lines.

Lynne Eckardt, Councilwoman Town of Southeast stated that she has read that the Danbury Sewage Treatment Plant is mandated to do a \$102 million fix.

Deputy County Executive Walker stated it is an expansion, not a fix.

Lynne Eckardt, Councilwoman Town of Southeast questioned if the people who sign on to the State Line system will they have to assume some of that cost.

Deputy County Executive Walker stated yes, that is part of setting up the district. He stated the capital costs associated with putting a pipe in the ground and there is a tie in fee with capital costs associated with the actual sewage treatment plant.

Lynne Eckardt, Councilwoman Town of Southeast stated of the \$102 million she believes \$51 million will be paid by the Federal Government that leaves a huge chunk to be paid.

Deputy County Executive Walker explained he looks at this from a business perspective. He stated let's say the project will end up to cost \$10 million the debt will be amortized, probably over 30 -40 years, based on the actual asset and the bonding laws. He stated he believes it would be irresponsible not to do it.

Lynne Eckardt, Councilwoman Town of Southeast stated the State Line project, which is a large commercial retail project, was approved approximately six (6) years ago. She stated that there has not been a shovel put in the ground. She stated she is not clear on why the belief is that a sewer system is going to attract business, when currently the septic systems are operational.

Deputy County Executive Walker stated the only difference of what is on one side of State Line and on the other is a sewer system.

Lynne Eckardt, Councilwoman Town of Southeast stated that she does not see retail going in anywhere. She stated that she does not understand that a sewer line will be an incentive. She questioned if there is any guarantee that the sewage rates in Carmel and Southeast will be the same rates as Danbury and Somers.

Deputy County Executive Walker stated probably not. He stated each district has different Operation and Maintenance (O&M) costs associated to each plant.

Lynne Eckardt, Councilwoman Town of Southeast stated when a municipality can make money off another municipality, where the elected officials do not have to get re-elected, it can be very problematic. She stated she has seen it happen in the Town of Southeast.

Deputy County Executive Walker stated he can understand that. He stated however when the district is set up it will include a contract that will include actual costs for the plant and the O&M. He stated extenuating circumstances can be built in, but that would all be negotiated up front.

Lynne Eckardt, Councilwoman Town of Southeast questioned the condition of the sewage treatment plant at the Heritage Hills location. She stated she did research, but was unable to find any information.

Deputy County Executive Walker stated the DEP is providing the information to the County and has reported the plant is underutilized currently. He stated that the DEP recommended to the County that it would be a good plant to tie into.

Lynne Eckardt, Councilwoman Town of Southeast, she stated that she believes that plant is about 30 years old. She stated that she strongly recommends looking into that. She questioned if the members of the district would be responsible for the full costs of the plants and not the tax payers.

Deputy County Executive Walker stated that the County is subject to the civil law except there is no district. He stated that the benefit would be to the County because the contribution is to the entire County in relative to sales tax. He stated because there is no existing district, it would not fall under the State Laws.

Lynne Eckardt, Councilwoman Town of Southeast stated Liz Hudak, Town of Southeast Councilwoman just joined the Sewer Taskforce. She stated the Town would appreciate knowing about these projects, and not have to find out by seeing them on the agendas.

Legislator Jonke stated that he listened to the audio recording of the Public Hearing from July 11, 2017. He stated at that meeting Lynne Eckardt, Councilwoman Town of Southeast stated that there is no communication between the Legislature and the Towns. He stated after every meeting of the the Sewer Task Force, which he believes they have had three (3) to date, within hours of the end of each meeting he has contacted Town of Southeast Supervisor Tony Hay. He stated for Councilwoman Eckardt to say that there is no communication, that is false.

Lynne Eckardt, Councilwoman Town of Southeast stated then maybe it would be more helpful for Legislator Jonke to come and give a presentation to the Town of Southeast Board.

Legislator Jonke stated he would be happy to. He stated that Councilwoman Eckardt has his cell phone number, she can call him anytime; communication works both ways.

Lynne Eckardt, Councilwoman Town of Southeast stated that is correct. She stated this will be a large project that will go through the Town of Southeast. She stated she believes it behooves Legislator Jonke to come before their board and let them know what is going on.

Legislator Jonke stated he would be happy to do it. He stated however, up until tonight there has not been much to report, there is no approved feasibility study. He stated as soon as there is anything to report he would be happy to accept an invitation to address the Town Board at any time.

Legislator Nacerino stated that Councilwoman Hudak who is now on the task force would be the liaison to the Southeast Town Board.

Lynne Eckardt, Councilwoman Town of Southeast stated yes, but she just got on.

Legislator Jonke stated the Town of Southeast Planning Board Chairman is a member of the task force and has attended every meeting.

Legislator Scuccimarra stated she would think that Town of Southeast Supervisor Hay would have provided an update to the Town Board based on the information that Legislator Jonke provided.

Lynne Eckardt, Councilwoman Town of Southeast stated she speaks to Supervisor Hay approximately every other day, and he too believes the Town has been left out of the mix.

Ann Fanizzi, Town of Southeast Resident stated that she would have appreciated a presentation even if it were rudimentary and preliminary. She stated that this morning she spoke to Supervisor Hay, as she said that she would on the record at the Full Legislature meeting. She stated that Supervisor Hay stated that he told her that he did not feel that he was in the loop. She stated she believes since residents and businesses will be affected by this project she believes an overview presentation would be appreciated. She stated that she has read that the State of Connecticut is having a fiscal melt down. She stated the Mayor of Danbury refuses to be part of it and is looking to bolster his own City. She stated she hopes he is not looking to do it at our expense. She stated that it was an interesting article in the Danbury News Times. She stated in reference to the Heritage Hills Sewage Treatment Plant, it is privately owned, and this week has been down. She stated that they are looking to upgrade the plant. She stated that she knows people who live there. She stated she wanted to remind the Legislature of how happy everyone was when the Sewage Treatment plant was built in the Town of Carmel. She stated the Town of Carmel plant has done nothing other than to allow additional residential housing to be built in Carmel. She stated sewer treatment plants are actually more for residential development than industrial.

Deputy County Executive Walker stated that he looks at this from a business perspective. He stated that they do not have the opportunity to build a sewage treatment plant, but for in this instance, the fact that the lake has failed the TMDL study. He stated the County can take action to fix the problem and at the same time open up the corridor for commercial growth. He stated even if there was not the potential of commercial growth along that corridor, the County has the responsibility to deal with the situation at Lake Carmel. He stated that there is a 214 acre lake that is putrefying and dead.

Ann Fanizzi, Town of Southeast Resident stated that she has no problem with that project to address issues in Lake Carmel. She requested that Deputy County Executive Walker repeat the path of the proposed sewer line for Route 6 in Mahopac from Heritage Hills Condominiums.

Deputy County Executive Walker stated it will go up to where the Park Ford Dealership on Route 6 is, make a right and go down to Wallauer's Design Center.

Legislator Sullivan stated that he believes having sewer assists in the timeliness to get projects approved.

Robert Buckley, Mahopac Resident stated he drives to Connecticut all the time via Brewster. He stated he agrees that area of when it turns into 4 lanes has great potential and opportunity for business development that will benefit the Town of Southeast and Putnam County. He stated that Connecticut and Dutchess County are getting our sales tax revenue. He stated there a people who are against development, but are also against their taxes being increased. He stated a balance has to be found. He stated that he believes that area is ideal for the sewer line. He stated that he believes this is a great project. He stated as you travel from Route 6 into Danbury you see the housing development, he stated the only reason that can happen there is because they have sewer. He stated on Route 6 going into Somers there is a lot of development. He stated Westchester County extended their sewer lines to the Putnam County border. He stated the question was asked earlier if there would be a need for an IMA. He stated that Westchester County does not come into play, because Heritage Hills Condominium is privately owned. He stated that the past three (3) Westchester County Executives have stated that they will not allow their sewer lines to go into Putnam County. He stated he has very good relationships with people down there and he has approached them regarding this, and they state it will not happen. He stated that he believes the two (2) projects Putnam County has on the table currently will provide great opportunities in this County. He stated the residents of Putnam County are going to spend their money, why do we keep giving our money to Danbury, Westchester and Dutchess County. He stated the feasibility study is the next step. He stated that study will result in the answers to many of the questions that were asked tonight by Legislators and Residents. He stated that he believes the money being requested will be well spent. He stated he supports this moving forward.

Chairman Albano stated that he can see where a lot of properties will be affected by the sewer line on Route 6 in Mahopac. He stated sewer plants are designed to work at a certain flow. He stated when they are underutilized it is not cost effective. He stated that he is in favor of these projects.

Bill Nulk, Chairman of the Putnam County Chambers stated he is proud to represent the business community. He stated that what is being requested tonight is to have the opportunity to gather qualitative information for what has basically been hypothetical probabilities – possibilities. He stated he agrees this makes a lot of sense. He stated a sewer system gives businesses the opportunity to expand their operations. He stated he believes it makes sense to make this modest investment now to gather the right answers and the move forward in the County’s request.

Ann Fanizzi questioned how the County can create a district without the Town’s involvement.

Deputy County Executive Walker stated the law has to do with the bonding. He stated the County cannot bond where there is not a two (2) municipality junction. He stated with the State Line Road project the County can bond it. He stated in addition there is another issue, which he believes Ms. Fanizzi is speaking to. He stated for a County owned project, the Monroe Balancing Test applies. He stated under the Monroe Balancing Test the determination is made as to whether the County has the jurisdiction and is not required to follow the Town’s rules, it falls under the higher jurisdiction. He stated it depends on how the district is set up. He stated matters such as this will be flushed out as the process proceeds.

Lynne Eckardt, Councilwoman Town of Southeast stated the County does expect the Town of Southeast to absorb more traffic and headaches without receiving a dime of the sales tax.

Chairman Albano stated that is incorrect. He stated indirectly all the Towns get sales tax. He stated there are services provide, and he could explain it.

Lynne Eckardt, Councilwoman Town of Southeast stated she understands that. She stated she does not believe it is proportionate to the expenses the Town of Southeast will have to absorb.

Deputy County Executive Walker stated he has discussed with Councilwoman Eckardt if the Town of Southeast approves contributing funds to offset the amount that would be bonded then there would be discussion regarding creating a mechanism for sales tax, that would need approval by the Legislature.

Legislator Jonke stated in terms of sharing sales tax revenue, this is a perfect example. He state the County is taking money, spending it on a project that will benefit the Town of Southeast. He stated the potential of the properties on the State Line Road corridor will be maximized. He stated that will increase their property tax base.

Legislator Addonizio stated that in reference to the Lake Carmel many of the homes have their Septic and Wells within 100 feet of each other. She stated a mortgage cannot be obtained, so unless there is a buyer for a home in those cases with cash to buy the house, the houses cannot be sold.

**Item #5 - Approval/Budgetary Amendment (B.A. #17A037)/County Executive/Preliminary Engineering & Legal Work/Creation of Two (2) Sewer Districts (*Danbury to Village of Brewster & Carmel to Somers-Heritage Hills*)**

Chairman Albano made a motion to approve as amended B.A.#17A037 to include an additional \$10,000; Seconded by Legislator Scuccimarra. All in favor.

**Item #6 - Approval/2017 Consolidated Funding Applications (Regional Economic Development Council) (*two (2) projects, locations: Manitou Station Road & Putnam Trailway and Tilly Foster Farm*)**

Chairman Albano stated that when time is of the essence a grant application can be submitted, per the Putnam County Code under the Appropriations section without approval of the Full Legislature, which is the case tonight.

Deputy Commissioner of Planning Fusco stated the deadline is July 28, 2017. She stated one of the applications being made is for Manitou Station Road. She stated that it came up after the June Physical Services meeting.

Chairman Albano stated he is hopeful funding will be received to assist with the work needed to be done on Manitou Station Road.

Chairman Albano made a motion to approve the 2017 Consolidated Funding Applications (Regional Economic Development Council) (*two (2) projects, locations: Manitou Station Road & Putnam Trailway and Tilly Foster Farm*); Seconded by Legislator Scuccimarra. All in favor.

**Item #7 - FYI/Capital Projects Report – Duly Noted**

**Item #8 – Other Business**

Legislator Castellano made a motion to Waive the Rules and Accept the Additional; Seconded by Chairman Albano. All in favor.

**a. Approval/Putnam County Veteran Residence/Lease Renewals**

Chairman Albano made a motion to approve the Putnam County Veteran Residence/Lease Renewals; Seconded by Legislator Castellano. All in favor.

**Item #9 – Adjournment**

There being no further business, at 7:45pm, Chairman Albano made a motion to adjourn; Seconded by Legislator Castellano. All in favor.

Respectfully submitted by Deputy Clerk of the Legislature, Diane Trabulsy.