

NIAGARA FALLS WATER BOARD RESOLUTION # 2022-12-002

**2022 ANNUAL REVIEW OF MISSION STATEMENT,
ADOPTION OF AND REPORT ON PERFORMANCE MEASUREMENTS,
AND REPORT ON OPERATIONS AND ACCOMPLISHMENTS**

WHEREAS, pursuant to the Public Authorities Law and best-practice guidance from the Authorities Budget Office, the Niagara Falls Water Board (“Water Board”) has determined annually to review its mission statement, has prepared performance measurement objectives as a means for the Board and management to evaluate and monitor whether the Water Board’s policies and operating practices are in accordance with its mission, has reviewed those performance measurements, and has developed a format for an annual report on operations and accomplishments that it deems appropriately describes the Water Board’s operations, completed and active projects, as well as material changes in its operations and programs, if any;

NOW THEREFORE BE IT

RESOLVED, that the Niagara Falls Water Board hereby adopts the performance measurements set forth in the attached 2022 Annual Review of Mission Statement, Performance Measurement Report, and Report on Operations and Accomplishments, as well as the reports on those subjects set forth in that document.

Water Board Personnel Responsible for Implementation of this Resolution:

Executive Director
General Counsel


Water Board Budget Line or Capital Plan Item with Funds for this Resolution:

Not applicable.

On December 19, 2022, the question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

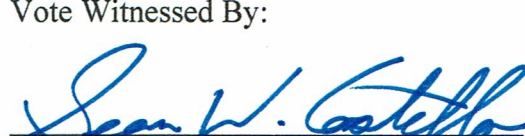
	Yes	No	Abstain	Absent
Board Member Asklar	[X]	[]	[]	[]
Board Member Kimble	[X]	[]	[]	[]
Board Member Larkin ^{1st}	[X]	[]	[]	[]
Board Member Leffler ^{2nd}	[X]	[]	[]	[]
Chairman Forster	[X]	[]	[]	[]

Signed By:



Nicholas J. Forster, Chairman

Vote Witnessed By:



Sean W. Costello, Secretary to Board



2022 Annual Review of Mission Statement, Performance Measurement Report, and Report on Operations and Accomplishments

December 19, 2022

A. Mission Statement

Pursuant to Public Authorities Law Section 2824-a, the Niagara Falls Water Board has adopted a mission statement and reviews that statement annually to ensure its mission has not changed and that its performance goals continue to support its mission.

The Water Board's mission statement, adopted in 2003, is as follows:

The mission of the Niagara Falls Water Board (NFWB) is to provide safe and reliable water and wastewater management services to our community in an economical and efficient manner.

The Water Board has reviewed its mission statement and the following performance goals and is proud to report that its policies and operating practices are in accordance with its mission statement.

B. Performance Goals

The Niagara Falls Water Board has established the following performance goals, and met them during 2022 as follows:

1) Safe:

- **Meet or exceed Department of Health and EPA drinking water quality requirements.**

In 2022, the Water Treatment Plant has operated with no violations, providing clean, ample, and high-quality water for our service area. [In May 2022, the Water Board issued its Annual Drinking Water Quality Report for 2021](#), and it is proud to report that our system has never violated a state established maximum contaminant level.

- **Environmentally sound sewage treatment in accordance with SPDES permit.**

The Water Board has operated its aging wastewater treatment plant as efficiently and effectively as possible, while aggressively seeking funding to convert that 1970's era treatment plant to a more appropriate biological treatment technology. Its only SPDES permit violations in 2022 relate to low-level detections of BHC, and the Water Board has initiated a robust response to address this issue. In October 2022, the Board approved a professional services agreement with AECOM, an engineering firm, to research the cause and solution for the BHC violations, a process which will include sampling, setting and implementing new limits for industrial users, working with DEC on a potential consent order to address BHC violations pending completion of corrective actions, and other work over an anticipated three-year implementation period.

2) Reliable:

- **Invest in capital projects required to maintain facilities and customer satisfaction.**

The Board has invested an average of \$9 million per year in capital improvements over the past three years and plans \$47 million in capital improvements over the next five years. Its capital investments are intended to ensure reliable drinking water and wastewater treatment and delivery of those services through the City-wide network of mains maintained by the Water Board. It also has invested in its vehicle fleet, purchasing equipment in 2022 to allow its outside crews to perform more jobs in-house at lower cost, and it has continued to invest in newer passenger vehicles for employee safety, fuel efficiency, and to reduce maintenance costs and downtime.

3) Economical:

- **Consider burden on ratepayers when determining operational and capital spending.**

The Water Board funds all its operational costs from rates and fees charged to users of its system, and covenants with its bondholders require it to raise the full amount of its operations budget in rates and fees each year. In 2022 and again in 2023, the competitively bid contracts for chemicals increased dramatically. 2023 chemical costs are forecast to total \$10,775,000 or 26.36% of the Water Board's budget, versus \$3,294,000 and 9.63% in 2018. The chemical whose cost most impacts the Water Board's budget is sodium hypochlorite, as the Water Board's outdated wastewater treatment plant uses a physical/chemical treatment technology that requires vast quantities of sodium hypochlorite to achieve treatment and disinfection. The bid price for sodium hypochlorite rose from \$0.3954 per gallon in 2021 to \$1.18 per gallon in 2022 (a 198% increase) and increased to \$2.389 per gallon in 2023 (at 102% increase).

The Water Board has no ability to control these chemical bid prices and uses the chemicals as efficiently as possible given the outdated treatment technology at its disposal. It urgently is pursuing funding from the State and Federal governments to convert its aging wastewater treatment plant to a biological process that will greatly reduce the reliance on chemicals.

To control other costs, the Water Board is keeping expenses in control, including by investing in new equipment for outside maintenance to repair more water/sewer main breaks rather than hire outside contractors for the work, and similarly by hiring temporary employees from trade Union Halls to perform more work in house without contractor markup. Relentless efforts to reduce non-revenue water, are showing considerable results – a 7.4% decrease in finished water produced at the Water Treatment Plant from Jan.-Oct. 2022 versus the same period in 2021 (determining the exact percent of non-revenue water reduction will require full-year production and billing results). It also is keeping personnel costs under control to the greatest extent possible; while two long-vacant management positions were filled in 2022 to ensure proper and professional administration of personnel and facilities, salary and benefits made up 33.7% of the 2018 budget but are 30.8% of the 2023 budget.

In 2022 Water Board staff helped to complete refinancing of the Niagara Falls Public Water Authority's \$37,000,000 Series 2013A Water and Sewer System Revenue Bonds. This refinancing took advantage of favorable interest rates to save approximately \$1,250,000 in debt service costs. Early in 2022 S&P Global Ratings affirmed the Authority's "A" rating with a stable outlook.

The Water Board will continue to explore innovative ways to perform needed work as efficiently as possible while maintaining its existing facilities in the best possible condition. In 2022 it has completed many small and medium-scale projects to restore and refurbish worn surfaces, improve lighting, and to improve the appearance of its properties. These projects are intended to improve employee working conditions, to make the Water Board a better neighbor in our community, and to help to demonstrate to potential funding sources that the Water Board will be a good steward of requested State and Federal investment in the Water Board's wastewater treatment plant.

- **Actively seek grants and cooperative agreements with other government entities to reduce costs.**

In 2022, the Water Board has continued to invest in professional grant writing services and in a consultant to assist with seeking State and Federal infrastructure funds to maximize the grant money it can obtain, as its ratepayers cannot shoulder the cost of all needed system investments on their own. In 2022 the Water Board also approved an agreement with the City of Niagara Falls to place an unstaffed

police substation in the Water Treatment Plant's disused guardhouse for intermittent use by officers, with the presence of police officers and vehicles expected to enhance security at this critical infrastructure at no cost to Water Board ratepayers.

4) Efficient:

- **Leverage advances in technology and science to meet expanding system needs without excess increases in costs.**

In 2022, integration or enhancement of SCADA control for equipment continued to be a major focus of projects at the wastewater treatment plant and gorge pumping station. IT infrastructure has been upgraded, and the Board approved moving the wastewater laboratory information management system to a cloud-based system that will be more reliable and secure. New methods of handling carbon filter beds were employed at the wastewater treatment plant which reduce sodium hypochlorite usage. The payroll and time management system was upgraded to replace existing outdated and cumbersome systems and provide management and staff with improved and efficient access to information.

C. Report on Operations and Accomplishments

There have been no material changes in the Water Board's operations, which are focused on its mission to provide safe and reliable water and wastewater management services to our community in an economical and efficient manner. The Water Board continuously monitors its operations and accomplishments through creation and review of monthly operations and maintenance reports. Reference is made to the full reports which are posted as part of monthly Water Board agenda packets here: [Minutes | Niagara Falls Water Board \(nfwb.org\)](#). For future-looking projects, the Water Board maintains and updates its Capital Improvement Plan, available at [Capital Improvements | Niagara Falls Water Board \(nfwb.org\)](#). Combined, these documents provide a detailed picture of the Water Board's operations as well as its completed and active projects. Interested persons may request a compilation of these reports by contacting the Water Board's Secretary at scostello@NFWB.org.