



MINUTES

Business Meeting of the Niagara Falls Water Board June 23, 2025 at 5:00 p.m.

Water Treatment Plant Conference Room
5815 Buffalo Avenue, Niagara Falls New York 14304

Meeting could be attended in person or via videoconference. Minutes do not represent a complete summary of all matters discussed. Complete video recordings of meetings are posted online at: <https://tinyurl.com/nfwbMedia>.

1. Preliminary Matters

- a. Call To Order
- b. Pledge of Allegiance to the Flag of the United States of America
- c. Attendance:

Cole Present, Dean Present, Kimble Present (Zoom), Larkin Present (Zoom), Sirianni Present.

- d. Presentations
 - i. EFPR – 2024 Annual Audit

John Costilow, CPA, presented to the Board on EFPR's independent audit of the Board's financials for the year ended December 31, 2024. He stated the Board's audit was "clean" with an unmodified opinion. A copy of the presentation slides is available at: <https://nfwb.org/app/uploads/2025/06/EFPR-NFWB-2024-Audit-Presentation.pdf>.

Chairman Sirianni asked Mr. Costilow if he identified any "red flags" in the Board's spending. Mr. Costilow replied that he could not comment on all aspects of the budget but had not noted any spending he would describe as superfluous that could be scaled back.

Board Member Kimble asked for clarification on changes to actuarial assumptions that have decreased net pension and OPEB liability. Mr. Costilow explained that KPMG annually performs calculations of the appropriate discount rate for the NYS pension system, and that is

the source of the numbers. He then gave examples of how changing discount rates increase or decrease net pension and OPEB liability.

Board Member Cole questioned a decrease of \$2.1 million in sewer revenues from 2023 to 2024. Mr. Costello offered that the bulk of that decrease likely can be attributed to an industrial user that was having compliance issues because of their pretreatment plant in 2023 that made significant improvements and therefore reduced the billing surcharges paid for parameters like TSS in 2024. With higher billings for these surcharged parameters, there were higher treatment costs in the form of chemicals used and sludge disposal.

Board Member Dean requested additional information on management letter comments. Mr. Costilow explained there were four comments. First, the NFWB's reliance on manual spreadsheets for financial tracking can result in human errors, which might be less likely using software in place of the spreadsheets. Second, uncollectible billings have reached a total of \$10.5 million accumulated over years. The NFWB is carrying forward this large amount in part because of inadequate documentation regarding what is collected by the City during tax collections, so it cannot tie sums received from the City to water/sewer charges transferred to taxes in a given year. Third, segregation of duties has been commented upon for years. Because of high turnover, duties become concentrated in single individuals. Ideally, each component of a transaction – preparation, approval, payment, and review, should be done by different persons. Fourth, and related to segregation of duties, bank reconciliations are done and performed by the Director of Finance without separate review, which would be a better form of internal control. These issues are presented to the Board in the audit as potential risks that should be assessed, the comments in the management letter are just recommendations and Mr. Costilow recognizes that limited staffing can make it difficult to implement the recommended procedures.

Mr. Costello stated that he would be reviewing the management letter's recommendations with Mr. Smith for further opportunities to improve. Certain steps have been taken in the last year to increase segregation of duties. Revisions to the Staff Accountant job specification have been presented to Civil Service, once approved and appointed this will give more opportunity to separate duties currently being performed by the Director of Financial Services.

ii. Gallagher – Workers' Compensation Insurance

Randy Glenn, Marissa Metzger, Rob Glenn, and Josh Merewether from Gallagher introduced themselves as part of the team that will be involved with the Board's new Workers' Compensation program, giving an overview of their company, of Comp Alliance, and of the services that Gallagher will provide.

- e. Public Comments (All speakers must register with the meeting clerk prior to roll call and are limited to three minutes per person – total time for all speakers may not exceed one hour).**

Rachel Aspland is owner of 521-29th Street. A tenant who was being evicted from that address left early, and a neighbor advised her to check on the property, at which time it was discovered that there was a burst pipe. Her plumber could not turn the water off. Contacted NFWB on

February 5 to request shutoff, was informed because of main breaks could not accomplish immediately. Kept informed by NFWB, but water shutoff was not accomplished until February 13. Would like relief from high bill. Mr. Costello will have NFWB staff review and contact Ms. Aspland.

Zalman, representing the Center for Jewish Life, stated that non-profit had taken ownership of 720 Ashland Avenue, the oldest synagogue in WNY, approximately a year ago. Due to leaking toilets, a bill of \$3,500 received. Also, they did not receive bills because mail was stolen. Now replacing toilets, and requests relief from high bill. Mr. Costello will have NFWB staff review and contact Zalman.

Carivettea Alston, 2944 – 22nd Street, and Catrina Dolson, 2922 – 22nd St., discussed an April 2025 event that resulted in sewer backup into the basement of their apartments, rented from Niagara Apartments. Their renters' insurance did not cover the loss. Requesting reimbursement. Mr. Costello advised that the NFWB has insurance for these claims and Ms. Dolson had filed a notice of claim, which has been referred to the insurance carrier for handling. Ms. Alston will submit a claim.

Awais Rehman, owner of 2658 Main St., a six-unit apartment, requests relief from a high bill at that location. Mr. Costello will have NFWB staff review and contact Mr. Rehman.

f. Letters and Communications

g. Prior Meeting Minutes

i. Draft May 19, 2025 Business Meeting Minutes

Motion by Board Member Dean and seconded by Board Member Cole to accept the May 19, 2025 business meeting minutes.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

2. Executive Director & General Counsel – Sean Costello

a. 2024 Annual Drinking Water Quality Report

Mr. Costello stated that the 2024 Annual Drinking Water Quality report was published on the NFWB website in May and will be inserted in the next rounds of quarterly bills. He wished to highlight that in 2024 the drinking water plant had no violations of State or Federal drinking water quality requirements. He also highlighted ongoing investment to ensure continued high-quality drinking water, which in 2024 included replacement of the WTP roof, 100 fire hydrants replaced, 3,400 feet of water main replaced, and installation of a new emergency chlorine gas scrubber.

3. Engineering – Douglas Williamson

Mr. Williamson reviewed May 2025 activities, including updating Intended Use Plan listings by the May 30 deadline. He is working with CPL to finalize phase 1 and phase 2 budgets for WWTP grant projects, and to prepare grant reimbursement requests for all of the eligible projects. There also have been recent meetings on the Beech Avenue tank rehabilitation and pump station upgrades, and we are expecting approval from DOH soon on plans for replacement of the watermain on Laughlin Drive and Witkop. Labella's College Terrace and Van Rensselaer water main replacement drawings are 85% complete, and work is progressing on the Calumet Avenue sewer main repair project with AECOM. WWTP Sedimentation Basin No. 1 upgrades, under way since 2021, are anticipated to be complete in July. WWTP Project 3, for belt filter press upgrades, is at 95% design.

Chairman Sirianni asked if there are backup generators to power the entire WTP.

Mr. Costello explained that there are backup generators that can power all aspects of the treatment process. Additionally, there are redundant high-voltage power feeds from different substations for both treatment plants. At the WTP, switching between feeds currently is a manual process, but a project approved by the Board will see the addition of an automatic transfer switch, with the work currently scheduled for August.

Board Member Larkin asked Mr. Joyce whether the servers are on emergency power. He replied that some are, and some have battery backups. Priority is on the SCADA system for backup power.

Board Member Larkin questioned if there is an IT disaster recovery plan. Mr. Joyce acknowledged there is, but drills are needed.

4. Information Technology (IT) –Jonathan Joyce

Mr. Joyce noted that CISA and DarkTrace scans have not identified any high-level vulnerabilities. With developments in the Middle East, staff have been reminded to remain vigilant and provided with tips to help maintain IT security.

5. Finance – Michael Smith

- a. Bank Account Balance Report**
- b. Invested Funds Balance Report**
- c. Wilmington Trust Account Report**

Mr. Smith discussed additional information, including on procurements over \$5,000, that must be reported to the ABO through the PARIS system. This is in addition to submitting the audit. He is preparing that information so the reports can be completed shortly after the audit is approved.

6. Administrative Services – Caleb Holman

Mr. Holman reviewed safety training over the past month, including sessions on hand tools and power saws which were offered at the WWTP and WTP, plus a Zoom option. There also was well attended Stop the Bleed training. Mr. Holman trained supervisors with probationary employees on the evaluation process in early June, and in coming weeks will present FMLA training to supervisors. Later in June staff will be offered violence prevention and de-escalation training.

I-9 information is being audited. Corrections are being made when needed for compliance.

Civil Service roster cards have been completed for all current employees, a significant step toward compliance with Civil Service requirements. In this process, HR staff discovered that seven employees had not received longevity step increases that should have been applied in July 2024. These have been corrected, and the employees have been made whole with retroactive pay.

Board Member Cole praised Mr. Holman's employee recognition efforts, including work anniversary and birthday cards. He has received very positive feedback from employees. Employees also have received his efforts to attend events very well.

Chairman Sirianni asked if we plan to leverage savings opportunities through Comp Alliance's safety award program. Mr. Holman replied that we will. Mr. Costello noted we plan to use the Comp Academy to more effectively deliver some trainings.

a. June 23, 2025 Personnel Actions

i. Job Specification – Water/Wastewater Operator Trainee

Mr. Holman noted that the only request from the Board is to approve hiring a WTP Operator Trainee to replace an individual who transferred to the Meter Shop.

Motion by Board Member Dean and seconded by Board Member Cole to the June 23, 2025 Personnel Actions.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

7. Questions Regarding May 2025 Operations and Maintenance Report

8. Resolutions

2025-06-001 - ACCEPTING GALLAGHER PROPOSAL FOR WORKERS COMPENSATION INSURANCE AND APPROVING MEMBERSHIP IN COMP ALLIANCE

- a. 2025-06-18 - Gallagher Workers' Compensation Proposal
- b. New York State Municipal Workers Compensation Alliance Plan Document
- c. Comp Alliance Member Participation Agreement
- d. 2025-06-18 - Roes to Glenn - Comp Alliance Financial Condition and Joint and Several Liability
- e. Comp Alliance 2024 Annual Report

Motion by Board Member Dean and seconded by Board Member Cole to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

2025-06-002 - WORKERS' COMPENSATION SELF INSURANCE

Motion by Board Member Dean and seconded by Board Member Cole to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

2025-06-003 - ADDRESSING WORKPLACE RECORDINGS

- a. 2025-06-20 - Draft Revisions for Audio Video Recordings to Policy on Cellphones Phones in the Workplace

Motion by Board Member Dean and seconded by Board Member Kimble to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

**2025-06-004 - AWARD BID FOR COMBINED SEWER MANHOLE REPLACEMENT,
GARDEN AVENUE AND TENTH STREET**

**a. 2025-06-20 - Draft Revisions for Audio Video Recordings to Policy on
Cellphones Phones in the Workplace**

Motion by Board Member Kimble and seconded by Board Member Dean to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

**2025-06-005 - AUTHORIZING SETTLEMENT OF PROPERTY DAMAGE CLAIM -
WILSON, TYLER**

Motion by Board Member Kimble and seconded by Board Member Larkin to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

**2025-06-006 - AUTHORIZING SETTLEMENT OF PROPERTY DAMAGE CLAIM -
ALFIERE, MICHAEL**

Motion by Board Member Kimble and seconded by Board Member Cole to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

**2025-06-007 - AUTHORIZING SETTLEMENT OF PROPERTY DAMAGE CLAIM -
SMITH, SHEILA**

Motion by Board Member Larkin and seconded by Board Member Kimble to approve.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

9. Unfinished/Old Business

10. New Business & Additional Items for Discussion

NIAGARA FALLS WATER BOARD RESOLUTION # 2025-06-008

APPROVING AND ACCEPTING INDEPENDENT AUDIT AND INVESTMENT REPORTS

WHEREAS, the Niagara Falls Water Board engaged EFPR Group, CPAs, PLLC (“EFPR”), Certified Public Accountants, to perform an independent audit of its financial statements as of and for the year ending December 31, 2024; and

WHEREAS, the Water Board also engaged EFPR to prepare its annual investment compliance report as required by Section 2925 of the Public Authorities Law; and

WHEREAS, the Water Board is in receipt of the independent auditors’ preliminary draft audit and investment reports for the year ending December 31, 2024, and Water Board management has advised that it has reviewed and responded to the auditors’ findings; and

WHEREAS, at a presentation to the Board on June 23, 2025, EFPR discussed the specific changes anticipated to be made to the preliminary draft reports all of which are minor in nature;

NOW THEREFORE BE IT

RESOLVED, that the Niagara Falls Water Board hereby conditionally approves and accepts the independent auditors’ report and investment compliance report prepared by EFPR Group, CPAs, PLLC, Certified Public Accountants, as of and for the year ending December 31, 2025, provided that final drafts are produced within 10 days of the date of this Resolution and that the changes made to the preliminary draft reports are consistent with the specifics discussed by EFPR at the Board’s June 23, 2025 meeting; and

IT IS FURTHER RESOLVED, that should any other or further changes occur from the preliminary drafts beyond those discussed on June 23, 2025 this conditional approval and acceptance is withdrawn and a further Board Resolution shall be required.

Motion by Board Member Kimble and seconded by Board Member Dean to waive the agenda deadline policy to consider Resolution W-2025-06-008.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

Motion by Board Member Kimble and seconded by Board Member Larkin to approve Resolution W-2025-06-008.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.

11. Executive Session (if needed)

12. Adjournment of Meeting

Motion by Board Member Larkin and seconded by Board Member Kimble to adjourn the meeting at 6:57 p.m.

Cole __Y__ Dean __Y__ Kimble __Y__ Larkin __Y__ Sirianni __Y__

Motion carried, 5-0.