

February 13, 2018

VIA EMAIL & MAIL

Mr. Theodore T. Kusnierz, Jr., Supervisor
Town of Moreau
351 Reynolds Road
Moreau, New York 12828-9261

Re: **Project Update**
Route 9 Corridor Sewer Feasibility Project
Town of Moreau, New York

Dear Mr. Kusnierz:

Please be informed that we have completed our initial evaluation of previous Route 9 sewer proposals in an attempt to identify a plan that might draw broad support from proposed sewer district users. Our review determined that since residents along Bluebird Road and northern portions of Route 9 did not support the project, these areas should be excluded from sewer district considerations. Instead, any future sewer district should focus on the commercial area of Route 9 near Exit 17. The Bluebird Terrace Mobile Home Park parcel should also be included since the owner has expressed interest in having a sewer service connection to support his existing business.

Enclosed please find a draft Schematic Plan showing conceptual sewer service areas. Similar to past projects, the new sewer district would discharge to Town's existing forcemain on Sisson Road for final treatment at the City of Glens Falls treatment plant. We completed an cursory study which evaluated discharge to the Village of Glens Falls system appears to be a more costly option since the Town may be required to participate in condition upgrades either as a condition of connection, or potentially during future negotiations. With a connection to the Town's existing forcemain, the Town will only need to negotiate with the City of Glens Falls.

We also completed an initial evaluation of the Equivalent Dwelling Unit (EDU) calculations that were included in the 2016 Map, Plan and Report (2016 MPR). We found that the EDU approach in some instances would cause already developed properties to unfairly pay more toward debt service than large undeveloped commercial parcels whose owner may greatly benefit from receiving sewer service. Instead, we recommend that using assessed value will provide a fair and equitable basis for recovery of debt service costs.

To compare the EDU and assessed value rate approach, enclosed please find a draft User Debt Service Cost Schedule. This schedule shows debt service projections for two sewer district area options. The first option would cost about \$16 million and include sewer service areas 1 through 5 shown on the map, which includes the southern portion of Route 9 north of Exit 17 and the Bluebird Terrace Mobile Home Park. The second option would cost about \$12.5 million and scale back the size of the Route 9 sewer service area and would include only service areas 4 and 5 as shown on the map. Please note that the EDU counts utilized in the schedule are from the 2016 Map, Plan and Report and have not been updated. Please also note that

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Operation and Maintenance (O&M) costs are not yet available. O&M costs cannot be calculated until connection and treatment cost are obtained from the City of Glens Falls.

At this time we recommend that the following schedule guide this project:

- Initial Findings Presentation to the Board – 2/27/18
- Board authorization of financing applications and grant applications – 3/6/18
- Finalize costs with Glens Falls – 3/19/18
- Finalize Map, Plan and Report – 4/9/18
- Public Hearing – 4/24/18
- Resolutions for district formation, bond financing, and SEQRA if required – 5/8/18
- Complete income survey – 5/15/18 (estimated)
- Submit EFC Financing application – June 2018
- Submit NYS Water Grant application – June 2018 (estimated due date)

As always, please call us if you have any questions or comments.

Very truly yours,
LABERGE GROUP

By: 

Donald C. Rhodes, P.E.
Project Manager

DCR: cjb
Enc.