

A special meeting of the Town Board of the Town of Moreau was held on December 16, 2009 in the Town of Moreau Office Building, 61 Hudson Street, South Glens Falls, New York, for the purpose of discussing a proposed Sewer District.

Supervisor Jenkins called the meeting to order at 8:00 p.m.

Town Board Members Present

Todd Kusnierz	Councilman
Tom Cumm	Councilman
Gina LeClair	Councilwoman
Preston Jenkins	Supervisor

Town Board Members Absent

Bob Prendergast	Councilman
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Also Present: Jeanne Fleury, Town Clerk; Tim Burley, Engineer for the Town from Burley & Guminiak; Jesse Fish, Water Superintendent; Martin D. Auffredou, Attorney for the Town; Nick Reisman, Post Star Reporter; Jason Denno from NYS EFC (New York State Environmental Facilities Corporation); and the following Town Residents and property owners in the Town that signed in: Floyd & Debra Smith, Tom Sweet, Nicki Lingg, Rick Kubis, Edward Hyde, Ann Crosier, Adele Kurtz, Harry G. Gutheil, Jr., Alan Oppenheim, Devin Spencer, Jack Kelly, Gerry Trudell, Charlotte Lewis, Dave & Nancy Wilson, Ed Petrush, Bill Smith, James Grande, Richard & Judith Ward, Helen Glen, Chris Johnson, Susan Johnson, Bruce Yarter, Jim Sears, John Benoit

Tim Burley began by giving a little bit of background on how the proposed project was started.

He said there are two funding programs available for sewer projects and they are the Clean Water State Revolving Fund through the NYS EFC and the other is the USDA. He said the USDA prior to the melt down of the economy only gave out \$500,000 maximum in grants. They are now funding up to 75% of grants. The landscape has changed in terms of availability of funding. Moreau is at an intersection whereby it is a good time to try for funding. There is a pre-eligibility determination grant application into USDA for the current scope of the proposed project. There is a good chance that by September 30th the offers from the USDA could go away as the funding now is coming nationally. In his opinion it is important that if the Town wants to move forward with this project they should do it now. The Town may get a preliminary offer in the next two months. There is a chance to change the scope of the project and have it underwritten, but it would have to be done in the next few months.

Tim Burley went on to explain the proposed project and gave his presentation based on a handout that was available at the meeting. He said they looked at properties in the commercial zone along Route 9 for sewer. The waste water system would tie into the line going to the City of Glens Falls now. The City of Glens Falls has a lot of sewer capacity excess in the realm of 4 million gallons per day. A survey was mailed out and of the ones returned there appeared to be an interest in moving forward with this project.

Some of the reasons Tim Burley gave for considering a sewer system are that older subdivisions have small lots and marginal areas available for on-site septic systems based on the latest NYS DOH standards and it would be hard to put in a code compliant septic system on the older lots. Sewer has been requested in the past by some property owners. A big part of Moreau is a sand formation. There is growth in the Town and there has been interest in the past in development near Exit 17 N so part of this exercise is there an ability to put in infrastructure to control growth a little or promote growth. The Town is in a position now for a hardship grant in the drinking water program and the Town is still eligible to compete in the USDA realm before the next census round.

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Tim Burley stated that the proposed sewer district would include the William Street, Adgro, Adams, Grover, Pineview and a few other residential areas along the way.

252 surveys were mailed out and 126 responded in support of the proposed project, 72 did not want the project and 54 were unsure.

He showed on the map the project area and said a bulk of the project takes in Route 9 and then picks up users along the way for an approximate total of 250 +/- residential properties and 100 +/- commercial businesses. There would be a 10 inch PVC gravity sewer main and manholes and PVC force mains with above ground packaged pump stations (9 estimated). There would be individual service connections which include running a 4 inch or 6 inch PVC gravity sewer lateral to the typical residential/commercial structure. An easement would be required to run a lateral onto private property.

There is an agreement now with the City of Glens Falls for a small amount of sewer capacity of about 660,000 gallons per day through an eight inch main. Eventually the Town would need an agreement with the City of Glens Falls for this sewer project for capacity of up to one million gallons per day similar to the water contract between the Town of Moreau and Town of Queensbury.

The estimated cost of the project is \$7,604,000.00. The Town hopes to hear after the first of the year if it will be eligible or not for a grant/loan.

Councilman Kusnierz asked Tim Burley if he knew what the estimated annual cost would be to the customers and Tim responded probably the high \$600 range to low \$700 range.

Jason Denno added that the rule of thumb with the USDA is that the annual cost is 2% of the MHI (Median Household Income).

Tim Burley said the annual cost includes debt and cost to treat the waste water and future capital reserve.

Tim Burley said in Moreau's case the maximum grant Moreau will get is 45%.

Question: Is there going to be a charge for usage plus the annual cost?

Tim Burley replied no.

Councilman Cumm asked about sprinkler systems.

Tim Burley replied there may have to be a minimum charge.

Councilman Cumm asked what the cost of a new septic system is.

Tim Burley didn't give a dollar amount, but stated that in theory they are supposed to be engineered and if a person can't meet setbacks then how can they ever be compliant.

Jason Denno stated that under Article 75A of NYS DOH regulations there are supposed to be PE stamped plans for a septic system today. The cost of the system depends on the design.

Question: Is the annual charge tied into amount of water taken in and paid for?

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Tim Burley replied it could. He looked at the whole project area and all the parcel codes and surveys and he estimated the water usage within a certain boundary. If the usage is 130,000 gallons per day then he would go to the City of Glens Falls and give them this estimate and they would come back with a dollar figure and the Town would then decide whether or not to charge everybody the same or bill people based on meter usage. When the Town goes through the district formation process they try to give the people what the average cost for average household will be.

Question: There are a lot of undeveloped properties along Route 9 that could support future development and if these properties develop in the future would that reduce the annual payment for the other people in the district?

Tim Burley replied yes. The biggest thing that drives this project is the potential for Route 9 development. The proposed main is designed for commercial development. The funding programs have a threshold. We can't apply for sewer for just commercial. We need it to solve problems and include a mixture of commercial and residential. The funding package will come to the Town in the form of a grant and a fixed rate interest loan for 38 years if we go through the USDA. If the pool of users changes with growth then the loan payment will go down.

Question: Is the 10 inch main proposed large enough to support development along Route 9?

Tim Burley replied he is confident that the 10 inch pipe is big enough. He didn't want to propose a 12 inch main and risk making the project unaffordable.

Councilman Cumm asked if the Route 9 main would be gravity fed.

Tim Burley replied yes, to a pump station.

Statement: If the sewer line goes in and Route 9 develops the Town's tax base will increase and hopefully that will offset the costs to the people in the district.

Tim Burley stated that this project is based on the sewer charges. He said if there are 400 debt units and a business comes in and uses 8,000 GPD then that is equivalent to 25 houses so they would get assigned 25 billing units for the one business. So if we went from 400 to 425 units that is a 5% increase in EDU's so the following budget year the Town should be able to lower the debt payment by the increase in users or in this example 5%.

Question: A sewer district would be created?

Answer: Yes.

Question: If we get funding for ½ of the project then would the other ½ of the project costs be paid by the people within the district or the Town.

Answer: By the district.

Question: If there is a lot of development along Route 9 and the tax base increases then all the taxpayers in the Town would get benefit from the reduced property taxes and everybody in the district would still be footing the bill for the loan.

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Tim Burley said this was true, but he didn't know of any other mechanism to redistribute it.

Supervisor Jenkins said the Town has to follow state law.

Question: Is it going to be mandatory to hook into the system.

Tim Burley replied that has to be determined by the Board.

Attorney Auffredou asked Tim Burley to explain what the Town's options are regarding hook up.

Tim Burley stated that normally if a person is within a district then they still have to pay the debt charge.

Statement: There are older citizens in this community that are on a fixed income and they won't be able to afford the annual charge.

Tim Burley stated that the Town's offer will be based on the median household income. In Water District 6 the Town challenged the census and won. The median household income came out to \$33,000.00 not \$40,000.00 and this changed the underwriting in the offer.

Question: Will it be an executive decision by the Town Board or public vote?

Attorney Auffredou replied that the Town Board will hold a public hearing that will be well advertised. The Town Board will go through the SEQRA process. They will then adopt a resolution to create a sewer district. This resolution will be published in the Post Star Newspaper and will be subject to permissive referendum. This means that within 30 days of publication of this resolution a person can file a petition against the proposed district formation with the Town Clerk and if there is a requisite number to support that petition then there has to be public vote.

Question: Do business owners have a vote?

Attorney Auffredou replied yes, property owners within the district.

Question: Even if that business owner doesn't live within the district?

Attorney Auffredou replied yes.

Councilman Cumm asked how many votes per residence.

Tim Burley replied it goes by the deed. If there are two people on the deed then two could vote.

Attorney Auffredou agreed with this response.

Tim Burley said if a person owns multiple properties he thought the owner would only get one vote and Attorney Auffredou said he would have to check on this.

Question: If a person doesn't want to hook up now and two years down the road they want to hook up do they have to pay a hook up fee?

Supervisor Jenkins replied there would be a hook up fee.

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Attorney Auffredou stated that historically the Town Board has rules and regulations for their existing districts that authorize the Town Board to charge fees and they can do so by resolution and those fees can be amended from time to time.

Question: Are rules and regulations unique for each district?

Attorney Auffredou replied yes.

Jason Denno suggested that the Town Board review the DEC model sewer ordinance

Question: Which side of Route 9 is the sewer line being installed on?

Tim Burley replied that has to be determined.

Question: What is the time frame for the project? When is the shovel going to be put in the ground?

Tim Burley replied this time next year and construction in 2011.

Supervisor Jenkins said the Town is at the end of the list with the EFC for funding and asked if it could change.

Jason Denno replied that the Town currently has 23 points and is in category A. Category A is for populations less than 2500. There is a subsidized funding line in category A of 72 points and Moreau only has 23 points. The only financing offer available to the Town of Moreau through the DWSRF program will be a loan guarantee program with an unsubsidized rate of about 4.27% for 30 years. If the Town was under consent by DEC then the Town would get an additional 25 points. Ideally the Town would want to be in a position for a hardship loan and then it would be a zero percent loan. The Town would have to be at the subsidy line or above.

Question: Was the development of Route 9 and the possible need to widen Route 9 taken into account and then the sewer lines would have to be moved?

Tim Burley replied that NYS DOT requires easements along the whole length of Route 9. They don't want the Town's infrastructure in their right of way.

This concluded the meeting at 9:40 p.m.

Respectfully submitted,

Jeanne Fleury
Town Clerk