

A public hearing was held by the Town Board of the Town of Moreau on December 26, 2013 in the Town of Moreau Municipal Building, 351 Reynolds Road, Moreau, New York, for the purpose of hearing all interested persons for or against the establishment of Extension 4 to Sewer District 1.

Supervisor Jenkins opened the public hearing at 7:00 p.m.

The Town Clerk called the roll.

### **Town Board Members Present**

Robert J. Vittengl, Jr.	Councilman
Gina LeClair	Councilwoman
Preston L. Jenkins, Jr.	Supervisor

### **Town Board Members Absent**

Bob Prendergast	Councilman
Todd Kusnierz	Councilman

**Also Present:** Jeanne Fleury, Town Clerk; Karla Buettner, Attorney for the Town; Tim Burley, Engineer for the Town from C2ae; Jason Denno from EFC; and the following Town Residents, Business Owners and Property Owners within the proposed district: Floyd & Debbie Smith, Jennifer Lindsey, W. Lindsey, Don Lindsey, Sue Peters, William Blake, Reed Antis, Bob Kory, Hal Leonelli, Harry Gutheil, Bruce Yarter, Richard Morris, Betty Wimette, Kathy DeTullio, Ron & Dominick Rosati, Joe Billing and Ricky Meyers

Supervisor Jenkins welcomed everyone to the public hearing and then turned the public hearing over to Tim Burley, Engineer for the Town, to give his power point presentation.

Tim Burley gave the same power point presentation that he gave at the December 9<sup>th</sup> Informational Meeting, which was as follows:

### **WHY CONSIDER A SEWER SYSTEM?**

- Sewer survey performed indicated potential support for an affordable project.
- Older subdivisions have small lots and marginal areas available for on-site septic systems based on the latest NYSDOH standards.
- Requested in the past by some of the property owners.
- Desirable for the Town to control growth.
- Available affordable funding available CWSRF (Clean Water State Revolving Fund)
- Many sites are on locations with soils that drain excessively and require modification of the soil to allow for adequate wastewater treatment.

### **2008 SANITARY SURVEY**

- A total of 252 surveys were returned from the surveyed area.
- 126 surveys supported the need for a centralized wastewater system.
- 72 did not support the need for a centralized wastewater system.
- 54 respondents were unsure and wished to see more information.

### **PROJECT HIGHLIGHTS**

- A new collection system would be comprised of primarily 8", 10" & 12" PVC gravity sewer mains & manholes, and PVC force mains with above ground package pump stations.
- Approximately 11.5 miles of sewer mains with MH's.
- 12 Pump Stations

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- Individual service connections which include running a 4” or 6” PVC gravity sewer lateral to the typical residential/commercial structure. (An easement would be required to run a lateral onto private property.)
- Approximately 15.5 miles of sewer laterals.
- \$900,000 for purchase of WWTP Capacity from the City of Glens Falls for approximately 300,000 GPD of flow.

### **SMART GROWTH**

- Growth in Moreau – Route 9 Commercial Area, and support current and recent planning board projects. Using City of Glens Falls existing WWTP Capacity.
- The State Smart Growth Public Infrastructure Policy Act (The Act) of 2010 requires the EFC to determine that a project meets relevant smart growth criteria, to the extent practicable, in order to provide CWSRF financial assistance. The Act is intended to augment the state’s environmental policy by maximizing the social, economic and environmental benefits of public infrastructure development while minimizing unnecessary environmental degradation, disinvestment in urban and suburban communities and the loss of open space resulting from sprawl development.

### **PROJECT WOULD SUPPORT ZONING & PLANNED DEVELOPMENT**

- Town is planning to provide infrastructure to commercial zoned areas on NYS Route 9.
- Some past projects with need for sewer infrastructure on NYS Route 9.
  - Pilot Travel Centers
  - The Buck Group
- Other features that support growth
  - Easy access to Interstate 87 via exit 17
  - Short Drive from Luther Forest Technology Campus
  - Recent Water projects

### **WASTEWATER TREATMENT**

- The Town has an existing agreement with the City of Glens Falls to treat wastewater from the Industrial Park and some portions of the Town.
- There is an existing pump station and 8” force main that pumps wastewater to the City of Glens Falls.

### **FUNDING SOURCE – NYS EFC (ENVIRONMENTAL FACILITIES CORP.)**

Clean Water State Revolving Fund

- Project Number C5-5593-01-00 (Score 13)
- 2013 Funding used a score of 36 as a result approximately 40 plus communities ahead of Moreau for funding.
- 2014 Approximately 950 Million is set aside for projects in 2014 and the program has lowered the scoring threshold that allows Moreau to apply for funds.
- We cannot, with confidence, say monies will be available beyond the current program year. This is the lowest the funding line has ever gone.

### **PROJECT FUNDING AND FINANCING**

- Total System Cost \$14,115,000 (Includes \$1,000,00 Contingency)

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- Project Funding Source is Clean Water State Revolving Fund (CWSRF) administered by New York State Environmental Facilities Corp.

Project had been listed for consideration for 4 years and as a result of a change in funding allocation got it's first chance for funding for the 2014 program year. It has a very low score and ranking and if program allocation changes eligibility for financing in future then funding in the future may disappear. The current offer is available if district can be formed and application submitted February 1, 2014.

Program loans are subsidized 50% resulting in access to 20 year term financing at an interest rate of 2.08%.

- Funding based on Median Household Income (MHI) of the Town. According to the 2010 census, the Town MHI is \$56,008.

**EDU - EQUIVALENT DWELLING UNIT**

- A single family home = 1 EDU
- 2 Family Home = 2 EDU
- School: Students & Staff/15 = #EDU's
- Vacant Lot = 1/2 EDU
- Estimated EDU's 1,813
- Cost/EDU/Year \$595/EDU/YR Based on 30 Year Loan @ 2.08%  
  - \$595/EDU/YR is broken down as follows:
  - Debt \$431/EDU/YR
  - Operation & Maintenance \$164/EDU/YR

Vacant Lots – Without O&M \$215/EDU/YR

Project includes laterals to houses and final connections

Project includes purchasing treatment capacity from the City of Glens Falls

- CWSRF Target Service Charge is \$834/EDU/YR (Affordability Calculation by program)

**PROPOSED PROJECT SCHEDULE**

Submit Engineering Report to Town Board – Adopt Order for Public Hearing	December 12, 2013
Submit Engineering Report to NYSDEC to review and approve.	Revisions Submitted
Public Hearing on or about	December 26, 2013
Complete SEQR Review and make findings and bonding authorization	December 26, 2013
Potential date of district formation on or about	January 25, 2014
Submit final application for funding deadline for 2014	February 3, 2014
Typical tasks if favorable and district proceeds:	
Professional services contracts/authorized by Town Board contingent on district extension approval	Prior to February 3, 2014 (needed as part of application)
Submit design documents to NYSDEC review & approval	Fall 2014
Design documents approved by NYSDEC on or about	February 2015
Advertise for construction bids on or about	March 2015
Bid Opening on or about	April 2015
Construction commences on or about	June 2015
Construction completed on or about	July 2015

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Tim Burley explained about the DWSRF and the ranking system for funding and how there is a documented need around the state in the amount of \$37 billion and \$950 million will be spent this year through the program. The program has been opened up this year to allow communities that have ranked lower on the scoring system to compete. This is the first time the Town of Moreau has had access to funding for sewer. He showed the areas to be served by the proposed sewer system in his power point presentation, which is generally the areas of Route 9 from the Exit 17 Interchange, north up Route 9 to Bluebird Road, east along Bluebird Road to Harrison Avenue Extension and including the Sisson Road area between Bluebird Road and Harrison Avenue.

Tim Burley noted that in the Town's Comprehensive Land Use Plan one of the priorities was water and sewer.

Tim Burley advised that the cost and funding is the same as was noted at the December 9<sup>th</sup> Meeting. He presented a new map to everyone present, but the only change on the map was the addition of the legal boundary description. He said the following things have been accomplished already or are in need of being accomplished:

- Short term closing
- District formation
- Bonding authorization
- Professional services agreement (already in place)
- Sign off by the State Historic Preservation Office
- Town requested Lead Agency Status
- Involved agencies had 30 days to respond (He brought responses with him.)
- Town can now do SEQRA

Jason Denno explained about the short term financing and how the IUP amount is \$14 million. He said the community would be offered 1/2 of that amount or about \$7 million during the first three years of the loan at 0% interest. The Town is above the subsidy line so it will only receive 1/2 of the \$14 million in the first three years. If the Town qualified for a hardship case then the whole \$14 million would be given out the first three years.

Jason also noted that Audit and Control regulates the user rates based on the water/sewer annual report and permission must be obtained from them if the rates are above a certain threshold and he thinks that threshold is \$800 per EDU for sewer and \$700 per EDU for water.

Tim Burley stated that someone had previously asked how much vacant land there is within the proposed district boundaries and the answer is 400 acres or about 42 parcels that can be developed.

If the project moves forward, surveys would be done in the spring of 2014 with design of the project being done in the summer of 2014 and the project would start in 2015 and be completed in 2016. Property owners wouldn't see a sewer bill until sometime in 2016.

Attorney Buettner explained the legal process. This project is an extension of current Sewer District 1 and there has to be a district extension formation. The Town Board has been provided with a map, plan and report and is holding a public hearing now on the proposed district extension. Once the public hearing is closed the Town Board can then go through Part 2 of the long form EAF under SEQRA and then determine what impact this project would have. If it is determined there isn't any significant impact then the Town Board would issue a determination of non-significance under SEQRA. The Town Board would then be able to adopt a resolution establishing Extension 4 to Sewer District 1, which would be subject to a 30 day permissive referendum. The permissive referendum allows a property owner within the proposed district to petition the Town Board to put the district extension out for public vote. If no petition is filed

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within the 30 day permissive referendum period then the Town Board would be able to adopt an order establishing the extension to the district and it would then be filed with the State Comptroller. A bond resolution would then be adopted after the district formation.

The Town Board at this point in the public hearing accepted public comment.

Harry Gutheil asked how the debt was calculated and asked if it was based on the 1,831 EDU's and the answer was yes.

Tim Burley advised that the EFC requires that EDU's within the current sewer district and all three extensions plus the proposed extension be counted. The Home of the Good Shepherd has access to sewer now, but is not part of the original sewer district or any of the previous extensions, but they are included in the debt calculation for this project. Also included are any developments that are pending. He said that the existing developments have already paid towards the O&M and Capital and have already purchased capacity from the City of Glens Falls so they wouldn't have to purchase it again. He noted that all of the parcels within the boundary description will have to help retire the debt. The Town will have to come up with a use and charge law. He also noted that in the water districts that were formed recently the Town recovers their debt and O&M through water charges, the sale of water.

Harry Gutheil asked if there was 16 1/2 EDU's in the Moreau Industrial Park.

Tim Burley said yes, based on the vacant lots in the Moreau Industrial Park. He used Real Property Tax information to arrive at this number.

Tim Burley also noted that the debt and O&M is broken down as follows for this project:

Debt	\$782,000 a year
O&M	\$295,000 a year

Harry Gutheil stated that if property owners already within the district don't have to pay the \$595.00 per EDU then the cost to the rest of the district is going to be a lot more and Tim Burley said or we would purchase less capacity.

Harry Gutheil then asked if the current sewer users are part of the district then the \$595.00 won't change and Tim Burley said this was correct.

Harry Gutheil asked if there is a hardship grant that the Town would be eligible for and Tim Burley replied not in this case.

Jason Denno asked Harry Gutheil if he was questioning the median household income and Harry Gutheil replied that median household income in the Town of Moreau may be a lot less than \$56,000.00.

Jason Denno explained how a community can challenge the median household income, but timing is an issue here with the 2/1/14 deadline.

Harry Gutheil asked about the permissive referendum and Tim Burley replied, that if filed, a petition of 5% of the residential assessed value would trigger a mandatory referendum.

Harry Gutheil asked if an apartment complex is considered residential or commercial and he was told residential.

Harry Gutheil asked if a property owner can opt out of the district or will they be required to be in it. He then said he would support the project if it was affordable, but at the projected numbers he doesn't think

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people will be able to afford \$40 or \$50 a month. He referred to an article in the newspaper about a community that was behind in their collections of sewer bills by about \$800,000.

Supervisor Jenkins stated that everyone in the district will have to pay on the interest and debt and cited a figure of \$431.00 for a sewer tax. He said that a property owner can opt out and they don't have to hook up to the system.

Harry Gutheil stated that this wasn't the position of Supervisor Jenkins at the last meeting.

Harry Gutheil stated that the people need to know in advance what it is going to cost them.

Tim Burley stated that with the Water District 6 project there was 99% participation and with the Water District 1 Extension 2 there was 90% participation.

Harry Gutheil replied that the proposed sewer is almost double the water though.

Harry Gutheil noted that in the Map, Plan and Report it read \$13.858 million for 30 years and he asked where the rest of the cost is.

Tim Burley replied that there is \$139,000 for EFC Direct Financing and \$118,000 for an issuance charge and brings it up to the \$14 million figure.

Harry Gutheil asked how this would affect the Moreau Industrial Park. Will the cost per EDU encourage or discourage companies from wanting to come into the park? He asked if anybody has looked at this and Tim Burley replied no. Harry Gutheil asked if shouldn't they and Tim Burley replied that they could.

Harry Gutheil asked if there is any affect on our constitutional debt limit and Attorney Buettner replied no.

Rich Morris asked if the City of Glens Falls decides to upgrade their sewer treatment facility would the district be on the hook for the upgrades.

Tim Burley replied yes. He also noted that there is a formula in the contract with the City of Glens Falls to determine what Moreau's additional share would be.

Rich Morris asked if the debt service would be mandated and Tim Burley replied yes.

Rich Morris said that the users in the district should be able to vote on this since it is going to be financed by the people in the district and \$14.1 million is a lot of money. He agreed that sewer is needed, but the cost of financing future developments will fall on the backs of homeowners and businesses.

Robert Kory said he had the same sentiment. He isn't against a sewer system, but \$14 million is a lot of money and he thinks the property owners within the district should be able to vote on it.

David Rogge, owner of Lamplighter Acres Mobile Home Park, said he will be a major contributor to this project at 20% of the whole project. When Water District 6 was created he was left holding water meters and told that he had to install them in his park. He said that won't happen again. He will want a contract that spells out all the terms and conditions. He also wants a letter from NYS DOH about his septic systems in the park. It is his understanding that you can't leave an old leach field just sitting there and he wants to know who is going to be responsible for shutting them down. He also wants to know who is responsible for a plugged line.

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Tim Burley stated that if the Town puts infrastructure into Lamplighter Acres then a permanent easement will be required so EFC will have access to the infrastructure and Jason Denno added that they will be responsible for the infrastructure for the life of the loan. Dave Rogge asked what happens when the life of the loan is over. He said he will be 86 years old.

Tim Burley talked about the pump stations in the various developments in Sewer District 1 and how the Town can take them over and use them if they want to. There might have to be an agreement for larger users.

Hal Leonelli stated that everybody he has shown the map to has said that he isn't in the district.

Tim Burley explained to Hal Leonelli that he was part of his own extension to Sewer District 1, but he is part of the whole district.

Ron Rosati of Bluebird Road said that this project should be put to vote. He then asked how they planned to hook up the sewer line to the homes.

Tim Burley replied that they could connect the line between the house and the septic or if it is easier they could reverse the line and bring it to the front, whatever makes sense. They will be going house to house with a drawing of the layout of the property and to assess each individual property and decide how best to hook it up. An access agreement will be required in order for them to come onto each property. If a property owner doesn't hook up and later on down the road wants to hook up then there will be a charge.

A gentleman who lives on Fawn Road asked if check valves were being installed and the answer was no. This gentleman said he has installed a lot of check valves and the purpose of them is to prevent sewage from backing up into the home. Discussion followed.

David Rogge asked if storm water would be discharged into the system and the answer was no, only sewage.

Bruce Yarter asked why the sewer line wasn't going to run north of Bluebird Road along Route 9.

Tim Burley replied that they considered running the sewer line north to the Village of South Glens Falls line. He said there is a mobile home park off Bluebird Road that is under a consent order from NYS DOH (regarding their septic system) and at the time the max we could borrow was \$14 million.

Bruce Yarter asked if sewer could be installed north of Bluebird Road in the future.

Tim Burley replied that it could.

Bruce Yarter asked if he would have to pay to hook up to the system.

Tim Burley replied no, not if he is in the district. If a property owner outside the district wants to hook up they could petition the Town Board and they could be part of a subsequent project.

Hal Leonelli asked if his property was in the calculations that were done and the answer was yes. He said he wasn't in the district though and asked if this was correct and the answer was yes. He was then told that when EFC does the underwriting they consider all of Sewer District 1 including all the extensions.

Discussion followed between Tim Burley and another gentleman about the size of the sewer lines.

Bob Kory stated that at one time a developer was going to pay to bring sewer from Fort Edward Road down Bluebird Road to Route 32. If that project moves forward how much money would it save the Town with this proposed sewer project?

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Tim Burley replied that the developer would be putting in a force main and as an engineer he prefers a gravity system so there isn't any need for a grinder pump.

Bob Kory asked if the Town Board could require that the developer put in a gravity system.

Supervisor Jenkins replied that the plan was for the developer to recover his investment from people who tie into the sewer line and now things have changed and with this project there is no way for him to get his money back so he probably wouldn't want to run the line now. He added that as part of the Planning Board process the only way the developer was going to get his density requested was to put in the sewer line. He doesn't think that the developer would agree to put in a gravity system.

Harry Gutheil asked if the Schermerhorn Development, Sisson Reserve and Hal Leonelli will have to pay towards the debt on the proposed sewer extension if they have already paid for their capacity.

Tim Burley replied yes.

Tim Burley noted that if the Town Board doesn't want to move forward with this project then they could withdraw their application and Jason Denno added that they could withdraw the application up to the time of closing.

Rich Morris asked how the \$14.1 million was calculated and what happens if the project comes in under cost or over cost.

Tim Burley replied that the Town could finance less or finance more. The \$14.1 million was estimated based on linear feet of pipe, manholes, pumping stations, engineering, etc.

Rich Morris mentioned Lamplighter Acres and the closure of the septic tanks in the park and if there was a closure plan for all the septic systems in the entire extension area.

Dave Rogge stated again that he wanted a letter stating he wasn't going to be responsible for disabling the septic systems in his mobile home park.

Tim Burley said he would check on this.

A motion was made by Councilwoman LeClair and seconded by Councilman Vittengl to close the public hearing at 9:10 p.m.

Roll call vote resulted as follows:

Councilman Vittengl	Yes
Councilwoman LeClair	Yes
Supervisor Jenkins	Yes
Councilman Kusnierz	Absent
Councilman Prendergast	Absent

Respectfully submitted,

Jeanne Fleury  
Town Clerk