

An informational meeting was held by the Town Board of the Town of Moreau on December 9, 2013 in the Town of Moreau Municipal Building, 351 Reynolds Road, Moreau, New York, for the purpose of receiving public comment on Extension 4 to Sewer District 1.

Supervisor Jenkins called the meeting to order at 6:30 p.m.

The Town Clerk called the roll.

### **Town Board Members Present**

Gina LeClair	Councilwoman
Bob Prendergast	Councilman
Robert J. Vittengl, Jr.	Councilman
Todd Kusnierz	Councilman (Entered Meeting at 6:40 p.m.)
Preston L. Jenkins, Jr.	Supervisor

### **Town Board Members Absent**

None

**Also present:** Jeanne Fleury, Town Clerk; Karla Buettner, Attorney for the Town; Tim Burley, Engineer for the Town from C2ae; Jason Denno from the EFC; Reed Antis, Town Resident and Planning Board Member; and the following Town Residents and Business Owners with the proposed district extension: Mary & Lloyd Jacox, Joann Smail, Daniel & Marie Linehan, James Grande, Michael Patton, Sam Wahnon, Nancy Ravena, Edwin Robbins, Floyd Smith, Vince Sporrer, John Joseph, Jeff Riggi, Virginia Livsey, Bruce Flayer, David Barnes, Rich Morris, Chris Abrams, Maggie Gannon, Ron & Dominick Rosati, Brian McKenzie, Kevin Elms, John Marcantonio, Mike Shaver, Vince Congdon, Kevin Emerich, Michael Greene, John Schulz, Bob Kory, Tim Sweet, David Rogge, Charlotte Lewis, Lisa & Kevin Ostrander, John Kilmer, Bobbi Spaulding, Mary Jenkins, Barbara Schaffer, Jenn & Don Lindsey, Dana Carpenter, Lance Hillman, Jay Farrell, Jason Vittengl, Adele Kurtz, Margaret & Bob Jenkins; Harry Gutheil, Village Resident; Amanda Metzger, Post Star Reporter

Tim Burley, Water and Sewer Engineer for the Town, explained how this meeting was a lead up to a Public Hearing on proposed Extension 4 to Sewer District 1. Moreau has been evaluating opportunities for sewer since 2008. He spoke about a survey in 2008 that was done primarily along Route 9 and it was a smaller project area that was proposed. He mentioned how NYS DOH likes to consolidate permits and how the Clean Water State Revolving Fund funds sewer projects. GIS was used to highlight Sewer District 1 and extensions that are in place now in the Town and the proposed District Extension.

Tim Burley had a handout available that outlined the proposed project 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.

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### **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
- 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.

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**PROJECT FUNDING AND FINANCING**

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

Jason Denno noted that the target service charge takes into account current and future debt and current & future O&M based on the 2010 median household income.

Jason Denno noted that the 2.08% interest rate is the anticipated rate and the actual interest rate will be known at closing on the short term financing. However as he noted later in the meeting, the interest rate has always been between 1.5% and 3.0% and it was safe to say that the interest rate would be around 2.0%.

The more infill on vacant lots and the more EDU's the more users there will be to help satisfy the debt.

**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

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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

Attorney Buettner stated that forming a special district is a statutory process by Town Law Article 12A and there is a certain process that has to be followed and each step is monitored by a number of days. She explained the time period required for notice of a public hearing and a 30 day permissive referendum period and a SEQRA time period and the time period to create the map, plan and report. Tim and Jason have really stepped up to get the information ready for presentation tonight. Her role is to guide the Town Board through the process.

Supervisor Jenkins stated that in his opinion if a property owner chooses not to come onto the sewer system then they won't be forced to join, but if they choose to join later after the project is finished then they are going to have to pay for the connection and it could be expensive. If property owners join when the project is going on then they will not incur the costs for the connections.

Councilman Kusnierz asked if there was any opportunity for us to receive money from the Regional Economic Development Council for this project.

Tim Burley replied that he assumed that the Town Board would pursue any forms of funding. All the costs they have projected here is the information that other agencies will want to see. Securing a loan like this one is the biggest foot forward that you have in terms of reaching out to other funding agencies. He has seen numerous projects where they got SRF monies and then got State monies under strategic improvement plans. There were 7 or 10 communities in the northern Adirondack area that received economic development money to go on top of their base projects. The Town of Moreau will have a stronger case if the Town has SRF money in their pocket and with district formation well under way, because it shows an incentive to complete the project.

Supervisor Jenkins stated that through the Adirondack Gateway Council the Town applied through the CFA along with Queensbury, Washington County Sewer District and City of Glens Falls for funding of \$240,000 for each municipality. We made it through the first cut.

Lloyd Jacox of 131 Bluebird Road asked if once Route 9 is developed and the Schermerhorn Project comes on board will that lower the EDU rate.

Tim Burley replied that it will increase the number of EDU's and as a result there will be infill of the vacant parcels and they will share in the expense of the debt.

Jason Denno stated that you are creating a co-funding window. As we move forward and make the project more competitive we will also lower the EDU count of \$595. If we add an additional grant component, say from the Governor's Office with the Consolidated Funding Application, it will help the end users and as commercial development takes place it will lower the EDU count also.

Rich Morris asked if the \$14.1 million covers everything in the blue area on the map or does it include future districts.

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Tim Burley replied that it covers only the properties today that are within the proposed district boundaries and the system would be built for the needs, structures and things of today. We can incorporate some growth for the future, such as, sizing of the pump stations. However, we can't build the system to address 100 years from now.

Rich Morris asked what the annual carrying cost would be and Tim Burley replied \$595.

Rich Morris asked if someone doesn't sign on how does the debt get paid back annually.

Tim Burley said basically the price would go up. Historically we have had 90% participation in the water districts.

John Kilmer from 45 Spier Falls Road asked what percentage of people hooked up to the water district.

Tim Burley replied almost everybody in Water District 6 hooked up and some of the properties that weren't hooked up were sold and the banks required that the house be connected to the water system.

Bob Kory of 566 Gansevoort Road asked if the Landmark Motel was included in the 1,813 EDU's and the answer was yes. He then asked if they would pay the \$595 too and the answer was no. There would be a different number of EDU's calculated for a motel. Tim Burley stated that the EDU's would be calculated based on the number of rooms and it would be something like every three rooms would be one EDU. Jason Denno added that when it comes to commercial the EDU's are assigned differently than for residential.

The question was asked, how much is the override in the \$14,115,000?

The answer was \$1,000,000 in contingency.

Sam Wahnnon a business owner on Route 9 asked how the EDU's are calculated for a hotel or shopping center.

Tim Burley replied that some are based on square footage and some are based on the number of employees. He said he prefers to take a meter reading and divide it by 200 gpd and set the EDU that way and determine how much debt they will pay.

Mike Shaver from 7 Pinevalley Drive asked if a housing development goes in within the boundaries of the district will there be a buy-in cost that the developer will have to pay.

Supervisor Jenkins replied that hasn't been established yet, but there will be some adjustments obviously.

Mike Shaver asked if they will have a capital expense plus the EDU charge.

Tim Burley said that is typical.

Mike Shaver asked if it is too late to extend the boundaries.

Tim Burley replied that he could tweak the boundaries a little, but once they go to Public Hearing there won't be any opportunity to change the boundaries and then go to another Public Hearing.

Lisa Ostrander said she was a property owner of 1451 Route 9 and was also representing a client who owns 180 Bluebird Road where there is about 19 acres of land and very close to the district boundary lines as proposed and where there is a potential for about 20 homes to be built. She asked what the chances would be of this property being tied into the sewer district extension.

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Tim Burley said this was the type of thing that he needs to know.

Mike Shaver said there is one school in the proposed boundary lines and asked how it would affect the project.

Tim Burley replied that the number of students and staff would be divided by 15 and the total would be the number of EDU's assigned to that property.

Kevin Elms of 380 Reynolds Road said it sounds like this proposed extension doesn't have much extra capacity.

Tim Burley replied that they can't size it for a 24 inch line.

Kevin Elms said it sounds like this proposed extension won't support extra growth and asked how much it will support.

Tim Burley replied 1,000,000 gpd.

Kevin Elms said he noticed on the map that the district boundary includes a short distance down Fortsville Road.

Tim Burley stated he tried to go where they brought in Water District 6.

Susan Johnson owner of 1591 Route 9 asked if she could use her existing well and the answer was yes. There is a pump station proposed to be sited on her property and she asked if it could be moved. Tim Burley replied yes and then elaborated.

Rich Morris said he was in favor of the project, but asked if 40% or 50% of the property owners don't sign on he wonders how the annual debt will be paid.

Supervisor Jenkins anticipates a majority of the property owners will sign on and said that with the last water district extension the biggest advocates against the water district extension at the beginning ended up signing on.

Rich Morris said he didn't hook into the water system, but felt this project was important. However, he doesn't know how the Board will know who is going to hook up and who isn't when there are undefined costs. This project is extremely important for growth and for bringing businesses to the community.

Councilman Kusnierz asked Tim Burley if won't all the members of the sewer district extension have to pay the debt.

Tim Burley replied that is a Town Board decision.

Jason Denno stated that most communities charge a debt service. Some may not charge for O&M.

Supervisor Jenkins was of the opinion that users will pay and non-users won't. If a property owner hooks into the system at a later date then they will pay.

Rich Morris asked if a quick survey might be feasible to determine who is going to sign on and who isn't.

Tim Burley said it would be hard to survey before the loan offer.

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Jason Denno stated that Attorney Buettner will have to stipulate in the bond resolution what the costs will be and how the Town is going to pay for it. He added that the first three years will be at 0% and then after the closing the interest rate will kick in.

David Rogge owner of Lamplighter Acres advised everyone present that his mobile home park was included in the district boundaries and that his tenants are 20% of the users of the proposed district and if he elects not to hook into the system then everyone else's costs will increase 20%. He said he doesn't know how his tenants will be able to afford this. The cost per year is prohibitive and the cost has to come down to make it affordable. He said he is the only one in Town with affordable living except for the development over on Sisson Road that nobody wants. If they make it affordable he is in 100%. He then asked about his 15,000 square foot vacant building on Route 9. How many EDU's is that?

Tim Burley replied the building would be considered one EDU unless it was occupied.

Dave Rogge asked if the EDU would be based on usage and Tim replied yes.

Kevin Elms referred to the comment made by Jason Denno about the interest rate being 0% for the first three years and how at closing the interest rate would be determined. He was concerned over the fact that we don't know what the interest rate will be.

Jason Denno replied that the interest rate has always been 1 1/2% to 3%.

Kevin Elms said he has never taken a loan out without knowing what the interest rate will be.

Jason Denno replied that when the closing takes place the interest rate is set. It is safe to say that it will be around 2%.

Mike Shaver asked if on the vacant lots and properties where the owners don't want to hook up are there going to be laterals put in.

His question wasn't answered. Discussion followed between Mike Shaver and Tim Burley.

Adele Kurtz from 11 Snowberry Lane asked what the potential number of infill is.

Tim Burley replied that in Water District 6 the infill was about 116,000 to 120,000 gpd of capacity divided by 200 gpd comes out to around 5,000 homes that he asked for extra capacity for and that was approximately the same project area. An 8 inch line can carry 400,000 gpd of flow and a 10 inch line can carry 700,000 gpd and a 12 inch line can carry 900,000 gpd.

Adele Kurtz said she would ask it a different way. She asked if the 1,800 was a percentage of a number.

Tim Burley replied no. When he does an allocation he has to account for all the properties and make an assessment and he tried to be a little bit conservative.

Rich Morris asked if the lines would be laid by open trench or bore.

Tim Burley said if the line had to be run to the opposite side of the road it would be by bore and if it was on the same side it would be excavated in.

Adele Kurtz asked how a commercial business was counted and Tim Burley said it would be one EDU.

Adele Kurtz asked what kind of impact a referendum would have on this project.

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Attorney Buettner replied that the Town wouldn't be able to apply. The district has to be formed before the funding application deadline of February 1<sup>st</sup>.

Adele Kurtz asked what happens if the Town Board decides it is not mandatory for property owners to hook up.

Attorney Buettner replied it would still be subject to permissive referendum.

Councilwoman LeClair said that one thing that might help people make a decision about this was what Tim Burley did during the creation of the last water district extension and that was to tell the people what the buy-in would be. People looked at that and realized that if they agreed to hook up and they didn't take the water, but at least agreed to pay for the debt that it would be 20 years before the cost on the debt would break even with what it would cost to hook up and if they want the water within the 20 years then they are ahead.

Tim Burley stated that at the Public Hearing they will show the house, lateral and calculations.

Councilman Kusnierz stated that there is a 1972 opinion on the books where a municipality should charge all property owners within the district for debt service. He asked how common it is for municipalities not to do that.

Tim Burley replied that is unusual. Some recover the cost through the rates and most have a debt service charge and they charge for O & M or they charge a flat rate or through consumption. Once the debt is paid in full then there is just the O & M to charge for.

The question was asked when the property owners would start paying for the sewer and the answer was probably 2016. The person stated that we are worrying about today. In 2 1/2 years think about all the projects that will come before the Board and the potential for growth.

Councilman Vittengl stated that in the past four years in the horrible economy in the little pink and purple areas on the map there have been and is going to be 700 EDU's added and that equates to \$100,000,000 in growth.

Harry Gutheil stated that in the past decade several people have wanted to build apartments in our commercial zone and zoning is so critical. He said that if they put sewer down Route 9 we will end up with residential development in that area. He mentioned the Buck Group. This Town has a master plan and it is all about commercial and industrial growth. He said build it and they will come. He said there is \$3 million tied up in the industrial park and in almost 20 years one tenant and one lot. He said everybody wants water and sewer and to build residential apartments. That isn't what we want to attract in our commercial zone. We need to be careful of our zoning. You are looking at PUD's right now and getting away from the zoning and he said the Board was going to take away the character of our community. He said the Board needs to be very, very careful.

Lisa Ostrander asked if Lamplighter Acres doesn't hook up can the district boundary lines be redrawn to include other developments in the Town. There are a lot of developments in the area that could benefit from it. Value wise, residential or commercial, your property value increase with public sewer. This is huge for our community. We will never get big businesses like a grocery store, etc... without sewer.

Tim Burley replied that is the reason for this informational meeting and normally we would take a couple passes at it, but with the funding window we have to work with and the fact we are the lowest score on the list we won't have time. That is why he made such a SEQR area to include as much as possible the first time around.



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Bob Kory referred to the proposed housing developing behind his house off Bluebird Road. He thought the developer was supposed to run a sewer line from Fort Edward Road to Route 9. He asked why we have to pay for the line to be run down Bluebird Road then.

Supervisor Jenkins stated the plan was for the developer to earn their money back from other users coming onto the system. Assuming this sewer project goes through that will change that fact, because they will be paying towards the debt too. The whole policy will have to be reviewed if we go through with this sewer project.

Bob Kory asked how much less the project would cost us if we didn't have to pay for the Bluebird Road stretch.

A gentleman in the audience said the developer would probably charge us to hook into the line then if they put it in and paid for it.

Bob Kory agreed.

The gentleman said it is the same money.

Tim Burley stated that the developer will pick up the debt they won't be dodging the bullet. If they come in on the heels of this project then they will be paying on the debt for the whole 30 year time frame. He said the developer would put in a force main and he preferred a gravity system like the one we are proposing. A gravity system will last longer and is easier to maintain. The force main is more for just meeting their needs.

Bob Kory asked if it would be the developer's choice of what type of system to put in or the Town's.

Tim Burley said the Town would decide. As an engineer this is a better system than what was being negotiated.

The question was asked at what point does a person have to commit to be part of the system.

Tim Burley said they would have to give permission for the Town to put the lateral in. If an access agreement isn't returned then the Town will know that property owner doesn't want to be part of the system.

Councilman Prendergast stated that the Town Board does an annual budget and we look years ahead. We have been reducing budgets and taxes and we work hard to do that. As we look into the future the one thing we need to do is attract commercial business and to do that we need sewer and the area to do it is Route 9. That will affect school taxes and town taxes and it will create jobs. The benefits to the town will be wide spread.

Brief discussion followed.

This concluded the Informational Meeting at 9:00 p.m.

Respectfully submitted,

Jeanne Fleury  
Town Clerk

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