

Town Board Minutes
January 25, 2022
WD # 1 Special Hearing

The Special meeting called for a public hearing on Water District 1 cost increase was held on January 25, 2022 at 60 Cornelia Street, Dresden New York and called to order by Supervisor Martini at 7:30PM.

Present: Supervisor Peter Martini Councilman; Colby Petersen, Lawrence Martin, Grant Downs, Bruce Henderson

Others present: Jeremy DeLyser- CLP formally Clark Patterson Lee, George & Rosa Thompson, Joe Patrick, Patrick Flynn, Ken McClure, Robert Miller, Vanessa Goff, Marion Zuafle, Nancy Sarver, Chet Briggs, Tim Chambers, Jim Smith, Don Sottile, Sharon Tyler, Scott & Ruth Osborn, Mary Chappell, Walt & Deb Mayo.

Mr. Martini led the pledge of allegiance.

Mr. Martini introduced engineer Jeremy DeLyser of Clark Patterson Lee and Mary Chappell of Municipal Solutions.

Mr. DeLyser explained the construction cost increase, as the lowest bid for construction was \$824,000 over budget. This hearing was called to present to the residents and property owners within Water District 1 for their input and to determine if the project should move forward or stop the project.

The cost incurred by the Town General Fund to date is approximately \$ 165,610.00, if the majority of residents and property owners decide to stop the project, these funds will still need to be repaid, each property owner in the district will reimburse the Town of Torrey General Fund.

Don Sottile owns two parcels. He questions the quality of water as he is at end of loop on waterline.

He also stated he does not want to share the burden of repayment on Serenity. If the water district does not proceed how will the cost be equitably spread out in the district.

He will pay for ½ EDU for his Davy Rd parcel. He questioned formula used for repaying present debt if needed.

Mr. DeLyser stated the Department of Health requires water sample testing per month, the loop will be flushed as often as needed. How the debt is to be paid will be determined by the Town Board, be it Assessed value, Debt unit, etc.

Marion Zuefle owns a home in the district. She stated she has a good water supply from her well and this district will put a burden

on her finances as Covid has caused her husband job loss. She questions the delay in the project which resulted in the considerable increase of cost.

Mr. DeLyser explained due to easement issues, the route had to be reconfigured and mapped. During this time Covid made construction materials cost skyrocket.

Mr. DeLyser explained the process of moving ahead with project. This project went out to bid and there were two bids in consideration that have agreed to lock in their bids for 6 months while the Town seeks additional grants & loans.

Scott Osborne fully supports this project and would like it to move ahead. His home and winery have public water from Town of Benton and he is very happy with it.

Jim Smith supports moving ahead with the project. He has 3 properties in this district and does not want to repay the Town \$10 grand and have nothing for it.

Sharon Tyler has property on Serenity Road and needs clarification on easements. She was not asked to sign an easement for her property. All easements for this project have been signed and recorded. No easement was needed for many parcels due to the water line located in the public right of way.

Rosa Thompson has two parcels in the district, she stated her appreciation of Scott Osbornes comments. She explained her present water situation, they do not use water from the lake for several months after springtime to fall for health concerns. The water system is quite costly and does not insure or guarantee good water quality.

Vanessa Goff is a new property owner and supports the water district. She questioned the actual cost and will it fluctuate? Mr. DeLyser stated the cost may fluctuate as more users tie in. Jim Smith stated if EDU's go up it is only logical that the debt service goes down.

Mrs. Goff inquired what the lifespan of the water pipe?

Mr. DeLyser stated the lifespan of Ductile pipe is 70 years, and PVC 70-80 Years.

Questions on future repairs and whom would be liable. The district possibly would absorb \$20,000-\$25,000, after that it would be the homeowner's expense.

Question on cost of connection, from the right of way to home usually runs \$10.- \$20. Per foot.

From the ROW to house, contractor is residents' choice.

Funding is available to finance contractor if resident is having issues. Rural Development has the paperwork for this.

Mr. DeLyser explained the process if a petition is presented.

Jim Smith inquired as to the time period for petition.

Mr. DeLyser stated 30 days from adoption of resolution approving increase in the maximum amount to be expended for improvements in Water District 1.

Tim Chambers- Torrey Highway Superintendent has been through this water district process as past Mayor of the Village of Dresden. There are so many advantages to municipal water. One big advantage is access to fire hydrants for lower cost on fire insurance. No concern on water quality or supply.

Supervisor Martini addressed the audience. It is very important that the town help residents obtain water. The Town has committed the American Rescue Plan Act funds to Water District 1.

Supervisor Martini thanked Mr. DeLyser and Mrs. Chappel of Municipal Solutions for their guidance and attendance to answer questions and concerns of the residents and property owners in attendance. He extends his appreciation to Rural Development for funding. He then closed the public hearing at 8:40 pm

Mr. Downs offered the following resolution, seconded Mr. Martin,

**RESOLUTION AND ORDER APPROVING AN INCREASE IN THE MAXIMUM AMOUNT
TO BE EXPENDED FOR IMPROVEMENTS IN THE
TOWN OF TORREY WATER DISTRICT NO. 1**

WHEREAS, upon Resolution adopted on February 14, 2017, the Town Board of the Town of Torrey has previously approved the establishment of the Town of Torrey Water District No. 1 in the Town of Torrey, pursuant to Article 12 of the Town Law, said water district extension having been approved in accordance with the details in a map, plan and report dated November 2015 and revised June 2016 and prepared by Clark Patterson Lee, said map, plan and report having been filed with the Town Clerk of the Town of Torrey; and

WHEREAS, pursuant to said February 14, 2017 resolution, the maximum amount authorized to be expended for the initial creation of the Town of Torrey Water District No. 1 was \$1,605,000, with this maximum amount being reduced to \$1,576,000 based on the revised cost estimate contained in the November 27, 2017 letter of Clark Patterson Lee; and

WHEREAS, Clark Patterson Lee has prepared a Project Budget/Cost Certification as an amendment ("Amendment No. 1") to the aforesaid map, plan and report, dated November 8, 2021, showing an increase in the maximum amount to be expended for the Town of Torrey Water District No. 1 of an additional \$820,420.00. Amendment No. 1 further shows that USDA Rural Development has approved two grants to the Town of Torrey in the amounts of \$684,000 and \$324,000 to be applied to the total cost of construction. As required by the \$324,000 USDA grant, the Town must apply \$96,000 the Town will receive from American Recovery Plan funds and must also contribute \$4,000 of local funds; and

WHEREAS, Amendment No. 1 sets forth that the Town of Torrey had solicited bids for the initial construction of the Town of Torrey Water District No. 1 based on the construction design contained in the map, plan and report and that "All bids received exceed the current budget and cannot be considered or awarded at this time."; and

WHEREAS, Amendment No. 1 to the map, plan and report detailed some of the factors that have contributed to the higher pricing, which included:

- The material supply chain shortages and pricing increases following the COVID Pandemic of 2020. DIP pricing has doubled since 2019 and PVC has nearly tripled, resulting in higher pricing. There are also worker shortages at the factories and foundries making the pipe and appurtenances needed for pipe utility projects.
- The delay in obtaining all signed easements: Easement Maps and Descriptions were first sent to the Town Attorney in February 2020; the last signed easement was obtained June 2021; USDA Forms were not submitted for approval until July 2021. This extended period delayed the potential advertisement for bids over a year.
- The Occupation Fees for installation of the water main crossings of the Norfolk Southern Railroad were not disclosed until receiving the Agreements in February 2020 (Original fees were \$62,500, and later negotiated down to \$39,500 by CPL, with an additional \$8,000 for construction flagging/inspection by the Railroad).

- Additional installation requirements by Norfolk Southern for all crossings, but additional review for Caton Road crossing due to the easement relocation.
- Recent material price increases have risen above the normal inflation rate.
- The Project Capital Budget was established in 2016 and Water District No. 1 was formed in 2018. Costs have escalated in the six (6) years that have passed for products that comply with the American Iron and Steel (AIS) requirements.; and

WHEREAS, Amendment No. 1 concludes, "In reviewing the project, we do not believe that altering the current design will benefit the Water District No. 1 long term" and establishes that the new Estimated Capital Cost of the Town of Torrey Water District No. 1 is \$2,400,000, rather than \$1,576,000, an increase in the maximum amount to be expended of \$824,000; and

WHEREAS, a hearing on increasing the maximum amount to be expended by \$824,000 was duly held by said Town Board on January 25, 2022 at 7:30 p.m. in the Dresden Methodist Church Hall, 60 Cornelia Street, Dresden, New York, at which all interested persons desiring to be heard were heard; and

WHEREAS, notice of such public hearing was published in the official newspaper of the Town on January 19, 2022 and duly posted on the Town signboard, specifying January 25, 2022 as the date, at 7:30 PM on said day as the time, at the Dresden Methodist Church Hall, 60 Cornelia Street, Dresden, New York as the place where the Town Board would meet and consider approving increasing the maximum amount to be expended by \$824,000, and would hear all persons interested in the subject thereof, concerning the same, and to take such action thereon as is required or authorized by law; and

WHEREAS, pursuant to Part 617 of the Implementing Regulations pertaining to Article VIII (State Environmental Quality Review Act), it has been determined by the Town Board that approving this increase in the maximum amount to be expended for the initial construction of the Town of Torrey Water District No. 1 as aforesaid would not have a significant effect upon the environment and could be processed by other applicable governmental agencies without further regard to SEQRA; and

WHEREAS, said Town Board has duly considered all of the evidence given at such public hearing.

NOW, THEREFORE, BE IT RESOLVED AND DETERMINED:

That an increase in the maximum amount to be expended on the Town of Torrey Water District No. 1 by an additional \$824,000 from

\$1,576,000 to \$2,400,000 is hereby ordered, authorized and approved;
and be it further

RESOLVED AND DETERMINED:

1. That the total number of equivalent dwelling units (EDU's) in the Town of Torrey Water District No. 1 will decrease from 64.5 to 55.5.
2. That the estimated first year debt service for the new total amount to be financed of \$1,292,000 is estimated to be \$55,715.
3. That the annual debt service charge per EDU based on the new total amount to be financed of \$1,292,000 is estimated to be \$1,003.87 thereby increasing the estimated annual debt service charge per EDU in the first year from \$714.00 to \$1,003.87.
4. That the annual commodity charges covering water usage is estimated to remain \$438.
5. That the total estimated first year charge (debt service and an estimated annual commodity charge for water used) to a typical property will increase from \$1,152 to \$1,442, and it is further

RESOLVED AND DETERMINED:

That this Resolution is subject to a permissive referendum as provided in Section 209(e) of the New York State Town Law.

This by roll call vote:

	<u>Aye</u>	<u>Nay</u>
Peter J. Martini	<u> X </u>	<u> </u>
Colby J. Petersen	<u> X </u>	<u> </u>
Grant J. Downs	<u> X </u>	<u> </u>
Lawrence J. Martin	<u> X </u>	<u> </u>
Bruce Henderson	<u> X </u>	<u> </u>

5 Ayes 0 Nays Adopted

Supervisor Martini made a motion to adjourn, seconded Mr. Downs carried by all at 8:50 PM.

Respectfully submitted
Betty M Daggett