

**Oneida County Sewer District SSO Abatement Project
Steering Committee Meeting Report
July 30, 2009
5:30 p.m.
New York Mills Main Municipal Building**

Municipality	Representative	Attendance
The Village of Clayville		
Chief Elected Official OR Designee	Nancy Sheppard	
<i>Community Delegate</i>	Mike Steiger	
The Town of Deerfield		
Chief Elected Official OR Designee	Scott Mahardy Peggy Boshart	
<i>Community Delegate</i>		
Town of Frankfort		
Chief Elected Official OR Designee	Joseph Kinney	
<i>Community Delegate</i>		
Village of Holland Patent		
Chief Elected Official OR Designee	Michael Bennison David Wilcox	
<i>Community Delegate</i>	Peter Gaige	
The Town of Marcy		
Chief Elected Official OR Designee	Brian Scala Keith Schuderer	
<i>Community Delegate</i>	Carson Sorrell	
The Town of New Hartford		
Chief Elected Official OR Designee	Earle Reed Roger Cleveland	x
<i>Community Delegate</i>	Scot Owens	
Alternate	Christine Krupa	
The Village of New Hartford		
Chief Elected Official OR Designee	Donald J. Ryan Don Bathke	
	John Grygiel	
<i>Community Delegate</i>	Richard Sherman	
The Village of New York Mills		
Chief Elected Official OR Designee	Robert Maciol Joseph Urban	x
<i>Community Delegate</i>	George Majka	x
The Village of Oriskany		
Chief Elected Official OR Designee	Don Rothdiener Mick O'Connnor	x x
<i>Community Delegate</i>	Chris Burch	

The Town of Paris		
Chief Elected Official OR Designee	Felix Cardillo	
<i>Community Delegate</i>	Jim Hogel	
Town of Schuyler		
Chief Elected Official OR Designee	Kenneth Dodge	
<i>Community Delegate</i>		
The City of Utica		
Chief Elected Official OR Designee OR Designee	David Roefero Deb Day Mike Mahoney	
The Village of Whitesboro		
Chief Elected Official OR Designee	Richard Pugh Chester Kowalski	x
<i>Community Delegate</i>	Joe Lazenby	
The Town of Whitestown		
Chief Elected Official OR Designee	Charles R. Gibbs II Sal Granato	x
<i>Community Delegate</i>	Bill Schmitt	x
The Village of Yorkville		
Chief Elected Official OR Designee	Bruno Petruccione Anthony Leone, Jr.	
<i>Community Delegate</i>	Ken Schaaf	x
Oneida County		
<i>Community Delegate</i>	Bruce Brodsky	x
<i>Community Delegate</i>	Harvey Yando	x
<i>County Executive Chief of Staff</i>	Al Candido	
Oneida County Sewer District		
Commissioner	Steve Devan	x
Counsel	Peter Rayhill	x
Project Consulting Team		
Shumaker Engineering	Karl Schrantz	x
	Jim Luz	x
Paige Group	Nancy Pattarini	x
Paige Group	Liz Warfel	x
Paige Group	Diane Stirling	x
Fiscal Advisors	Mark Colopy	x
Guests in Attendance:		
New York State DEC, Region 6	Judy Drabicki Skip Shoemaker Steve Botsford	x
League of Women Voters	Mary Anthony	x

Meeting Highlights:

Welcome

The July 30 Steering Committee meeting began at 5:34 p.m. Roger Cleveland, Steering Committee Chair, welcomed guest, Steve Botsford, of the New York State Department of Environmental Conservation.

General Announcements

Mr. Cleveland requested village and town maps be returned with locations circled to indicate suspect areas for sump pumps and/or roof leaders tied into the sanitary sewer system—especially areas that lack storm sewers or roadside drainage facilities. Mr. Cleveland also indicated the need for towns and villages to fill out the CMOM assessment forms. These forms are available online, and Mr. Cleveland had printed forms available to distribute.

Storm Sewer Mapping

Karl Schrantz, P.E., from Shumaker Engineering, requested towns and villages in the district submit available storm sewer mapping to aid the engineers in their system assessments.

DEC representative Botsford indicated that because all communities subject to the MS4 regulations are required to have all stormwater outfalls mapped and many of these maps are likely to already be on file. Mr. Botsford suggested contacting Joanne Faulkner from the Oneida County Soil and Water Conservation District Office for further information.

Manhole Rehabilitation Contracts

Mr. Schrantz advised the committee that bids for an interim manhole rehabilitation contract are due August 12. He reported that the consultant engineer team formulated the bid package for this work by estimating the number and type of repairs that could potentially be done based on financial contributions of the affected towns and villages. The project budget is estimated at \$200,000 based on the quantities listed on the bid form. The contract will be open for one full year in order to have a contracting mechanism in place as additional defective manholes are found and as additional funds are allocated. It was also pointed out that the project has been set up such that each municipality will contract directly with the selected contractor and pay for work done in its community in accordance with the unit price fee schedule submitted at the time of bid. This is the method of contracting that the committee has been advocating.

Smoke Testing

Smoke testing has been underway the past few weeks, Mr. Schrantz reported. The testing currently is taking place in New York Mills. It already has been completed in most of the Village of New Hartford, two areas of the Town of Whitestown, and in the Village of Yorkville. He noted that testing results vary in each area, and that the process is going well. Mr. Schrantz commended community crews for their helpfulness and cooperation, such as assisting with clearing drains. Mr. Schrantz indicated that in about a month, the

engineering team hopes to be in a position to submit a more thorough report about the findings from the smoke testing.

Funding Alternatives

Steven Devan, P.E., Oneida County Commissioner of Water Quality and Water Pollution Control, said he has submitted his proposed 2010 budget for county review. Included in the proposed budget is an additional \$1.2 million, which he determined is an initial amount needed to fund small projects as well as debt service for initial project work for the towns and villages serviced by the Sauquoit Creek Pump Station. Budgeting this amount now would also introduce the practice of building a debt-service reserve fund, to begin to cover the costs of taking out bonds to pay for needed repairs, he noted.

Mr. Devan said that, as recommended in concept by the Steering Committee, the \$1.2 million will be raised by surcharging every account serviced by the Sauquoit Creek Pump Station. For 2010, a flat rate surcharge of \$25 per quarter (\$100 annually) per account will be needed. Devan noted that this charge would only take care of system repair needs for that one year; and in the next three to four years, the fund would have to build – requiring an annual increase to the flat rate. The intent is that this approach would generate enough revenue to fund the debt service fees for the district to bond for all needed repairs under the consent order. Commissioner Devan stated, however, that County Executive Anthony Picente asked that he, in conjunction with the committee, develop alternative ways to raise those monies besides the \$25 per quarter flat surcharge.

Mr. Devan researched options, and discussed several possible alternatives in addition to a single flat rate, which were discussed by the Steering Committee:

- Consumption – an additional charge tied to water consumption.
- Flat Rate plus consumption – a lower flat rate (\$10 or \$20 per quarter) plus an added charge based on water consumption.
- Flat Rate plus Ad Valorem—a lower flat rate (\$10 or \$20 per quarter) plus an added charge based on each account's property value.
- Ad Valorem—a rate structure based on assessed valuation for all account properties.

Steering Committee members discussed some of the advantages and disadvantages of each type of funding option and the impact of the overall assessments both immediately and long-term on district communities. It was decided that the Working Group should outline each funding alternative with actual financial calculations and prepare that information for the August Steering Committee meeting. Members could then review the alternatives and vote on which option to recommend.

Commissioner Devan stated that a consumption-based funding alternative is difficult to budget around because the variable nature of consumption has an uneven impact on revenues. He also reported that household and business water consumption levels are down considerably. Just to compensate for reduced consumption revenues during this current budget cycle, he anticipates that the FY 2010 may need to raise the sewer use rate by as much as 19 cents per 1,000 gallons of water usage just to make up the difference..

Devan indicated a timely recommendation must be made from the Steering Committee in order to coordinate appropriately with the budget process. He noted that the County Offices review the proposed 2010 budget in the third week of August, and then in October the County Legislature's Ways and Means Committee reviews it. The entire Legislature approves a final budget figure in early November. Only after that, usually at the last meeting of 2009, does the legislature approve a sewer district rate schedule for the year ahead. Ideally the Steering Committee will be able to make a recommendation at its August meeting, he said.

It was recommended by Bruce Brodsky, Oneida County community delegate, that a meeting be scheduled with Oneida County Comptroller, Joseph Timpano, to assure that the Comptroller is thoroughly informed about all financial issues relating to the OCSO overflow abatement project and its budget requirements. In the event the district seeks bonding to fund the repairs, Mr. Timpano will need information about bonding impacts that must be flushed out in advance, Mr. Brodsky said.

Institutional Structure Resolution

The Steering Committee members present unanimously passed a resolution to recommend an expanded scope of services to be provided by the Oneida County Sewer District to the its member municipalities. The resolution will be forwarded to the County Executive and County Board of Legislators. Items proposed for expanded services include sewer system administrative support; funding research and grant application preparation; sewer system maintenance and technical support; and/or administration of construction projects for the member municipalities. This additional county-level support is being sought until a longer-term regional sewer system organizational structure is established. In the approved resolution, the Steering Committee also requests funds to study the options for determining a long-term organizational structure of the regional sewer system.

Potential structural options were discussed. Mr. Cleveland noted that in prior Steering Committee discussions, ideas had been presented, and these had included the ideas of forming a sewer district authority or joining other existing area authorities (Mohawk Valley Water Authority; Oneida-Herkimer Solid Waste Authority). Mr. Cleveland also indicated he has received information from Mike Quinn on how Erie County developed its sewer district organizational structure initiative. The report contains various rate structures for review, concepts for possible institutional structures, and much other helpful information, Mr. Cleveland said.

General Discussion

Discussion was held about presenting rate increase information to the municipal leaders of the district, Steering Committee members who have been absent from meetings thus far, and the general public. It was agreed that the Public Information team will develop a detailed presentation on the rationale for needed funding as well as the consequences the district and region will face if system repairs are not immediately addressed.

Some consequences of not complying with the DEC consent order were listed by Mr. Brodsky. These included high fines, legal ramifications, a situation where no further commercial development and no new home building could take place. Mr. Botsford, representing the NYS DEC, responded to that statement. He noted that the Mohawk River is officially considered by the state and federal governments to be an impaired waterway because of the overflows going into the river system. He said that if the communities of the district fail to comply with the consent order, there could be far-reaching and serious legal and operational ramifications, including escalating the issue to the authority of the Federal Environmental Protection Agency and other federal agencies. Because an impaired waterway limits development, he noted that this issue could affect an entire portion of the Mohawk Valley and its communities as far as Rome and Herkimer, including their potential future commercial, industrial, housing, and economic development. Mr. Bosford then stated that the NYS DEC is counting on the elimination of the overflows from the Sauquoit Creek Pumping Station and the City of Utica CSO's in order to remove the Mohawk River from the impaired waterways list.

Mr. Botsford also informed the committee that the DEC will be hosting a seminar entitled, "Elected Official Training on Wastewater Management" on Wednesday, December 2nd. This seminar will be held at Marcy Town Hall and he encouraged elected representatives from the affected municipalities to attend.

Public Information

Nancy Pattarini, Public Information Consultant from Paige Group, informed the committee of recent public information and public affairs activity. Included in that report was an outline of public presentations held, news releases issued, media coverage achieved, government official informational briefings, and informational materials that have been distributed since the last Steering Committee meeting held on June 25, 2009.

Closing Remarks

Appreciation for the working group's time and efforts in between monthly Steering Committee meetings was expressed by Richard Pugh, Village of Whitesboro. Chairman Cleveland thanked New York Mills Mayor Maciol and the community officials there for hosting the night's Steering Committee meeting, and for providing accommodations to help facilitate monthly meetings.

The next Working Group meeting will be held at 2 p.m. on August 21 (location TBD). The next Steering Committee meeting will be held at 5:30 p.m. on August 27 at the New York Mills Community Center.

The meeting adjourned at 6:40 pm.