

Organization Town of Champion

Board Sewer Board

Date and Time Wednesday, September 10 2008 at 4:30 PM

Place Town of Leray Offices Board Room 8650 Leray St Evans Mills NY

Contact [Chris Vargulick](#) Town Clerk Phone (315) 493-3240 Fax(315) 493-2900

Minutes

TO: NYS ROUTE 3 CORRIDOR SEWER BOARD

FROM: Christina Vargulick, Secretary

DATE: September 11, 2008

RE: Minutes of September 10, 2008 meeting

Present: *Board members/voting representatives* - T. Buckley, L. Carpenter,
R. Cramer, L. Longway,
and R. Taylor

Others: K. Amyot, M. Gillette, S. Harter, S. Lillie, K. Montegelli, B. Perry,
J. Putnam, M. Smith, T. Stewart, C. Tuttle, C. Vargulick,
and C. Woolley

Excused: G. Eddy

The NYS Route 3 Corridor Sewer/Development Board met on Wednesday, September 10, 2008 at the T/Pamela Municipal Building. L. Carpenter called the meeting to order at 4:30pm.

The Board reviewed the minutes for August 13, 2008. Motion by T. Buckley, seconded by R. Taylor to approve the minutes as presented. Ayes-5, Nays-0. Motion carried.

Operating Report

C. Tuttle reviewed the August 2008 period summary noting that to date, eighty-five percent (85%) of the total budgeted revenues and seventy-two percent (72%) of total budgeted expenditures have been posted.

The total sewer flow was 5.2MG, down from 6.2MG last month. The flow is slightly below the historical average.

Budget

C. Tuttle presented the draft 2009 NYS Route 3 Sewer/Development Board budget and thanked the clerks for providing necessary data. The 2009 projected revenues total \$696,455 including two quarters of variable revenue from T/Rutland Phase 2 and an increase in the number of billable EDU's from the Dorr Farm project. Ms. Tuttle reviewed projected expenses noting an increase in O&M, with the addition of T/Rutland Phase 2, and a 3.5% markup. The administration contract also increases by 3.5%. The budget assumes an annual blended rate of \$420 (\$240 capital/\$180 variable). The budget projection also assumes that \$15,000 of the DANC O&M cost will be paid by the capital project.

R. Cramer questioned how the rate for collection and treatment (C&T) is set. C. Tuttle explained that DANC is charged a percentage of the City's O&M based on a flow weighted average of all outside users. The budget estimates for C&T are based on known rates and projected rates set by DANC and the C/Watertown during their budget process.

L. Longway commented on the impact that the offset \$15,000 in O&M will have on future budgets and the Route 3 Sewer rate.

C. Tuttle reviewed draft scenarios for the Route 3 Sewer Board rate projections with future phases constructed.

Scenario#1 - Without Allied

	Year	Financed Project Costs	Additional EDUs	Annual Debt	Increase in Annual Debt	Blended Rate	Rate Increase EDU
Rutland Phase 2	2009	\$2,250,000	134	\$323,383		\$420	\$10
Rutland Phase 3	2010	\$2,200,000	126	\$430,822	\$107,439	\$430	\$10
Gardner Tract	2011	\$1,300,000	60	\$468,921	\$38,099	\$440	\$10
	2012		0	\$472,951	\$4,030	\$455	\$15

	2013		0	\$475,561	\$2,609	\$465	\$10
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Assumptions:

1. NYSEFC 50% Rule for All EFC Financing; 0% Interest Rate for 30 yr.
2. 1% Growth/Yr in additional EDUs; not related to construction of new sewer projects
3. Reserve and contingency not increased annually and kept at approx. \$22,500/yr

Scenario #2 - With Allied

	Year	Financed Project Costs	Additional EDUs	Annual Debt	Increase in Annual Debt	Blended Rate	Rate Increase EDU
Rutland Phase 2	2009	\$2,250,000	134	\$333,651		\$420	\$10
Rutland Phase 3	2010	\$2,200,000	317	\$430,822	\$97,171	\$420	\$0
Gardner Tract	2011	\$1,300,000	60	\$468,921	\$38,099	\$435	\$15
	2012		0	\$472,951	\$4,030	\$435	\$0
	2013		0	\$475,561	\$2,609	\$435	\$0

Scenario #2 assumes no construction cost for the line between Allied and the project's mainline. C. Tuttle reported that she has spoken to a representative from Allied who expressed interest in a connection to the line. A meeting is tentatively scheduled for October, 2008 between the Administrator and Allied.

T. Buckley stated that T/Rutland Phase 3 is only feasible if Allied commits to the project due to the significant increase in the blended rate to all users without the additional EDU's. C. Tuttle stated that the Gardner Tract project is essentially a break even project. S. Harter suggested that the Route 3 Sewer Board may want to consider incentives for Allied. L. Longway and T. Buckley emphasized that a timely decision from Allied, is necessary to allow the Board to make decisions regarding future projects. The Board directed C. Tuttle and J. Putnam to review and report on the projected cost of construction for Gardner Tract and the cost of constructing a line from the Allied facility to the sewer main for the October meeting.

M. Smith stated that information relative to the 2009 capital charges needs to be forwarded to the county. M. Smith and C. Tuttle discussed the need to amend the per KG rate to reflect current charges to the Sewer Board.

Motion by T. Buckley, seconded by L. Longway to approve the draft budget as presented. Ayes-5, Nays-0. Motion carried.

South Black River (SBR) Phase I

J. Putnam reported that all punch list items have been completed. Closeout documents are being processed.

South Black River (SBR-2) Phase II

J. Putnam reported that he estimates a total contingency balance of \$15-\$20,000 after payment of the \$88,000 committed for the purchase of water meters for the V/Black River. K. Montegelli suggested that a portion of the remaining balance be used to purchase billing software for the Village. T. Buckley stated that the balance should be used to offset the cost of design which would benefit all users. All other board members agreed.

Town of Rutland Phase II

J. Putnam reported that easement documents have been forwarded to Mr. Gleason with revisions. The project will be advertised pending execution of the easement. J. Putnam anticipates mobilization to proceed despite a December award.

Other Business

A quote for repairs was received from Al Mudge, Black River for damage that purportedly occurred when mulch was blown onto his home. J. Putnam will follow-up with the contractor and resident inspector. Any costs incurred for damages would be the responsibility of the contractor.

Planning

K. Amyot updated the Board in regards to the encumbrance of the QDC-Fort Drum Initiative grant and progress on the Black River trail.

Motion by R. Cramer, seconded by L. Longway to adjourn the meeting. The meeting adjourned at 6:10pm.

The next regular meeting of the NYS Route 3 Corridor Sewer/Development Board will be held on

Wednesday, October 8, 2008 at 4:30pm at the V/Black River Municipal Building.

Christina Vargulick

Christina Vargulick, Secretary

NYS Route 3 Corridor Sewer/Development Board