

**Oneida County Sewer District SSO Abatement Project
Steering Committee Meeting Report
September 24, 2009
5:30 p.m.
New York Mills Community Center**

Municipality	Representative	Attendance
The Village of Clayville		
Chief Elected Official OR Designee	Nancy Sheppard	
<i>Community Delegate</i>	Mike Steiger	x
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	x
The Town of New Hartford		
Chief Elected Official OR Designee	Earle Reed Roger Cleveland	x
<i>Community Delegate</i>	Scot Owens	
Alternate	Christine Krupa	x
The Village of New Hartford		
Chief Elected Official OR Designee	Donald J. Ryan Don Bathke	x
	John Grygiel	
<i>Community Delegate</i>	Richard Sherman	x
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
<i>Community Delegate</i>	Chris Burch	x

The Town of Paris		
Chief Elected Official OR Designee	Felix Cardillo	
<i>Community Delegate</i>	Jim Hogel	x
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	x x
The Village of Whitesboro		
Chief Elected Official OR Designee	Richard Pugh Chester Kowalski	x 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	
The Village of Yorkville		
Chief Elected Official OR Designee	Bruno Petruccione Anthony Leone, Jr.	x
<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 Counsel	Steve Devan Peter Rayhill	x
Project Consulting Team		
Shumaker Engineering	Karl Schrantz 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	
League of Women Voters	Mary Anthony	x

Meeting Highlights

Chairman Roger Cleveland began the meeting by welcoming the Steering Committee and reminding them of two important agenda action items. Noting that there has been little progress over the last four meetings in providing information requested regarding the local sanitary sewer systems, he asked that each steering committee member personally telephone the person who manages their community's sewers to obtain the information needed.

He specifically asked for return of village and town maps with indications of suspect areas for sump pumps and/or roof leaders tied into the sanitary sewer system. Mr. Cleveland also asked that the towns and villages fill out the CMOM forms and noted that these are available online at <http://www.epa.gov/npdes/pubs/cmomselfreview.pdf>.

Mr. Cleveland also requested that district towns and villages submit available storm sewer mapping to aid the engineers in their system assessments. Because all communities subject to the MS4 regulations are required to have all stormwater outfalls mapped, many of these maps are likely to already be on file. Joanne Faulkner from the Oneida County Soil and Water Conservation District Office was suggested as the contact for further information.

Consulting engineer, Karl Schrantz, clarified that smoke testing is not a replacement for the maps requested by Mr. Cleveland. Although smoke testing has given the engineering team useful information, the maps are to make use of any community institutional knowledge indicating consistent problem areas.

Alternative Rate Structure and Working Group Report

Mr. Cleveland reviewed actions taken at the August 27, 2009 Steering Committee meeting. At that meeting the members present decided by consensus to recommend a \$25 per quarter flat rate charge to raise the needed \$1.2 million allotted in the proposed 2010 Oneida County Sewer District budget for debt service and to begin making repairs. After the vote, some communities still expressed concerns regarding equity, as did the Oneida County Executive, when told of the Committee's recommendation.

As a result, the Working Group met to discuss possible alternative means to raising the \$1.2 million reserve fund. Invited to the session were Mayors Don Ryan, Village of New Hartford, and Don Rothdiener, Village of Oriskany; both had expressed concerns about a flat-rate approach.

The Working Group reviewed two major questions. First, would communities prefer to pool the resources and use the monies to fix the biggest problems in the system? Or would they rather recoup the community's input percentage to fix problems in their own municipal systems? The Working Group members determined the preference would be to pool total resources and accomplish the projects that have the greatest overall impact in satisfying the consent order.

Secondly, Mr. Cleveland reported, the Working Group's discussion of equity concerns resulted in the proposal of an alternative approach to raising the reserve fund. The Group suggested that each community collect a consumption-based charge for the sewer, using the third part of the Mohawk Valley Water Authority bill (under the category, "municipality") as the vehicle for collecting the funds.

Next, Mr. Cleveland clarified two amounts listed in the proposed 2010 Sewer District budget for repairs. He noted that \$630,000 has been proposed in the District FY 2010 operating budget to fund district-wide items. This will affect all municipalities in the Sewer District.

Additionally, \$1.2 million is budgeted to fund a capital project debt service account and to begin repairs in the municipalities tributary to the Sauquoit Creek Pump Station (therefore affected by the consent order). It is proposed that a supplemental sewer use rate specific only to customers within the Consent Order area be used to fund this account.

Mr. Schrantz then reviewed a chart of preliminary cost projections for sewer repairs for each community. He noted that these cost projections form the basis for the current funding requests to New York State Environmental Facilities Corporation and are based on engineering evaluations completed to date. Fieldwork such as smoke testing, sewer televising, flow metering, manhole inspections, and consideration of the system's age were all used to develop these initial cost projections. Mr. Schrantz noted that these projections are likely to fluctuate in the future as system evaluations continue and sewer system rehabilitation work progresses.

Mr. Schrantz also explained the system-wide amounts shown on the charts. A figure of \$79.2 million is the amount projected for community-specific sewer repair costs, while the overall project is estimated to total \$158 million. Mr. Schrantz noted that the preference is to perform as much repair to the community-specific sewers as possible in order to remove the maximum amount of inflow and infiltration (I/I) while also performing critical structure improvements to numerous sections of sewers showing severely deteriorated physical conditions. The goal is to eliminate enough I/I to fully satisfy the NYS DEC consent order. If the community fixes leave a residual amount of I/I that cannot cost effectively be removed by sewer repairs alone then the second phase of the project may require upgrades to the Sauquoit Creek pumping station, its forcemain, and water pollution control plant resulting in a total projected cost of \$158 million.

With the concerns regarding equity and the new cost estimate information, Mr. Cleveland asked to reopen the issue of the structuring of rates and to discuss how the water bill mechanism might be used to levy a consumption-based charge within each municipality. Steering Committee Vice Chair, Carson Sorrell, pointed out that using the water bill to collect the charge means that the communities whose budget year begins in June would not have a six-month lapse in collection.

A member of the Steering Committee asked what the consumption-based charge would mean to the typical family. Based on his estimates, Mr. Schrantz said it would be about \$10 for a retired couple, a little over \$20 for a typical family of four, and it could be anywhere from one to three thousand dollars for a business, depending on its size and various uses of water.

The resulting discussion included concern expressed over businesses being presented with a substantial increase in fees without adequate advance notification. Concern also was expressed regarding the fluctuating nature of consumption and how that might affect the monies collected. There was a request made for a list of projects that would be completed using the funds borrowed with the \$1.2 million. Also noted was that public communication would need to show clearly that the new charge for 2010 was just the beginning of the costs of the overall sewer repairs, and that in the next few years the public would see that charge increase. A range of alternate rate structures discussed included a combination of a flat rate and a consumption-based charge. It was also suggested that a flat fee rate could be adjusted based on meter size to address the concerns of equity.

After discussion, the Steering Committee then voted by consensus to rescind the recommendation made at the August 27, 2009 Steering Committee meeting to raise the \$1.2 million reserve fund by a \$25 flat-rate quarterly charge.

Mr. Cleveland then asked the Committee members to decide on a resolution that the \$1.2 million reserve fund be raised through a consumption-based charge in communities within the Sauquoit Creek Pump Station area, and that the vehicle for collecting that charge be the third part of the Mohawk Valley Water Authority bill. The monies collected would go into a separate reserve fund to be used only for the Sanitary Sewer Overflow Abatement project.

The Steering Committee voted by consensus to pass the resolution. There were no objections. Mr. Cleveland noted that the September 24 recommendation will go to the County Executive and then to the Board of Legislatives for consideration. If it passes, it will be instituted on January 1, 2010.

Manhole Rehabilitation Contract

Mr. Schrantz reported that Oneida County has awarded a Manhole Rehabilitation Contract for work within the sewer district. The award is structured such that each municipality is able to contract directly with the selected contractor and take advantage of the favorable unit prices. The consultant team will meet with the municipal sewer system operators to explain the program and to assist with identifying manholes that require repair in the respective communities.

Institutional Structure

Mr. Cleveland introduced the draft Institutional Structure document developed by the consultant team for discussion purposes. He noted that the NYS DEC has asked about the District's intentions for future organizational structure to manage the sewer repairs and administration of the funding. It is necessary for the communities to determine whether they want to keep operating as separate entities or whether they would like to work cooperatively and try to benefit from efficiencies in maintenance and cost. Mr. Cleveland asked the committee to review the presented document and come prepared to discuss the topic at the next Steering Committee meeting.

Closing Notes

Mr. Cleveland noted that the next Working Group meeting is Friday, October 16, 2009, at 2:00 p.m. at Kunsela Hall at SUNY IT. Mr. Cleveland said the next Steering Committee meeting will be held on Thursday, October 29 at 5:30 p.m. at the New York Mills Community Center.