

**Informational Meeting
for**

Proposed
Alexander & Pike Roads
Water District
&
Proposed
Rose Road
Water District

January 30, 2008

Agenda

- Introductions
- History – Public Water Investigations
- Current Funding Opportunities
- Additional Funding Opportunities ?
- Water District formation process
- Next steps and Schedule

Introductions

History–Public Water Investigations

- Alexander and Pike Roads
- Rose Road

Current Funding

- USDA – Rural Development
Preliminary Eligibility Determination's(PED)

Alexander and Pike Roads

Grant - \$479,200

Loan - \$696,000

Rose Road

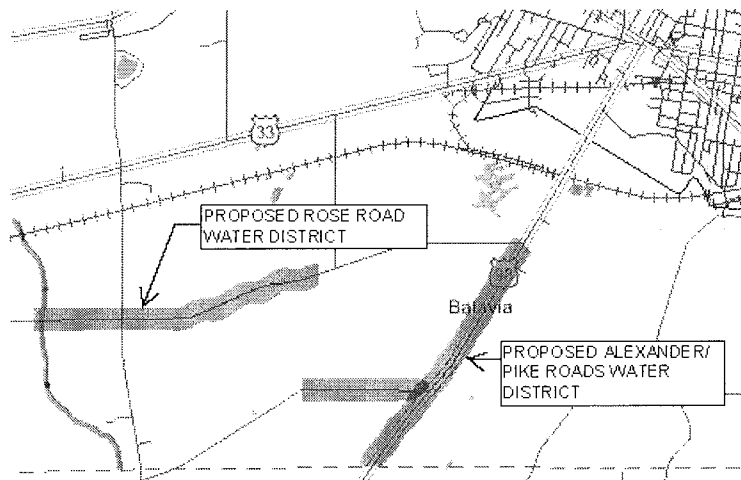
Grant - \$481,600

Loan - \$177,000

Additional Funding Opportunities

- Governors Office of Small Cities
- Other

Proposed Projects



Typical Water District Formation Process:

- Two options for District Formation
 - Option 1: Legal petition by property owners
 - Option 2: Town proposes creation of District on its own
- Town Board sets a Public Hearing
- Public Hearing is held
- Town Board determines by resolution whether or not to establish the District

OPTION 1:

- LEGAL PETITION BY PROPERTY OWNERS
 - NOT subject to permissive referendum
 - Subject to NYS Comptroller approval?
 - If user cost is less than \$613 per year, then automatic approval
 - If user cost is more than \$613 per year, then application is submitted to the NYS Comptroller for review and approval or disapproval

OPTION 2:

- STARTED BY TOWN BOARD
 - Subject to permissive referendum
 - If petition to hold a referendum is submitted
 - A referendum vote is then held
 - If the vote fails, the District is not formed
 - If the vote passes, the District is formed subject to the NYS Comptrollers approval
 - If no petition to hold a referendum is received
 - The District is formed subject to the NYS Comptroller's approval
 - Subject to NYS Comptroller approval?
 - If user cost is less than \$613 per year, then automatic approval
 - If user cost is more than \$613 per year, then application is submitted to the NYS Comptroller for review and approval or disapproval

COST OF WATER/PROJECT

Consist of 2 Parts:

1. Capital Cost of Project – Debt Service
2. Supply of Water and Operation/Maintenance of System

Debt Service Calculation Methods

1. Benefit Basis – Based on number of units
2. Ad Valorem –Based on property assessment
3. Combination

Note: All recent Water Districts have been formed on a Benefit Basis

Benefit Basis - Definition of a Unit

| | |
|--|-----------|
| Residential Property – Single | 1 Unit |
| Residential Property – Double | 1.5 Units |
| Residential Property – Triple | 2.0 Units |
| Developable Vacant Lot | 0.1 Unit |
| (Does not include land in an Agricultural District or outside a Smart Growth area) | |
| Developed Non-Residential – Based on Required/Actual Water Usage) | |
| (Minimum of one unit, number of units equals usage divided by 300gpd) | |

Water Usage Information

Estimated Water Usage Per Unit

63,000 Gallons per Year

or

175 Gallons per Day

Water Rate Information

Total Current Water Rate is **\$4.11/1,000** Gallons Used

- Current water rate is \$4.04 per 1,000 gallons of water used
- Quarterly meter maintenance cost (5/8" meter) is \$4.00 per year or \$0.07 per 1,000 gallons (\$4.00/63,000 per 1,000)
- Total rate equals \$4.04/1,000 gallons + \$0.07/1,000 gallons = \$4.11/1,000 gallons

Estimated Project Costs

Alexander and Pike Roads

| | |
|--|------------------|
| Construction cost with 10% contingencies | \$942,400 |
| Legal, Administration & Engineering | <u>\$232,800</u> |
| | \$1,175,200 |

Rose Road

| | |
|--|------------------|
| Construction cost with 10% contingencies | \$528,200 |
| Legal, Administration & Engineering | <u>\$130,400</u> |
| | \$658,600 |

Estimated Unit Costs Alexander and Pike Roads

| | |
|--|-------------------|
| Capital Project Cost | \$1,175,200 |
| Grants applied (USDA Rural Development) | \$ 479,200 |
| Total Debt (amount to be borrowed) | \$ 696,000 |
| Annual Debt Service (38 yrs, 4.375%) | \$ 37,900 |
| Annual Debt Service/Unit (80 units) | \$ 474 |
| Average Annual Water Cost/Unit (\$4.11/1,000 gallons @ 63,000 gal./year) | \$ 259 |
| Total Estimated Average Unit Cost (Also, maximum not to exceed cost) | \$733/Year |

Estimated Unit Costs Rose Road

| | |
|--|-------------------|
| Capital Project Cost | \$658,600 |
| Grants applied (USDA Rural Development) | \$481,600 |
| Total Debt (amount to be borrowed) | \$177,000 |
| Annual Debt Service (38 yrs, 4.375%) | \$ 9,700 |
| Annual Debt Service/Unit (20 units) | \$ 485 |
| Average Annual Water Cost/Unit (\$4.11/1,000 gallons @ 63,000 gal./year) | \$ 259 |
| Total Estimated Average Unit Cost (Also, maximum not to exceed cost) | \$744/Year |

Estimated Unit Costs Without Grants

- Alexander Road - \$1,059/year
- Rose Road - \$2,052/year

Other Costs (One Time)

- | | |
|---|--------------|
| ■ Service line from property line to house/structure estimated cost | \$8-12/LF |
| ■ Well abandonment or separation estimated cost | \$200- \$600 |
| ■ Interior plumbing and disinfection estimated cost | \$100- \$400 |

Comparison of Unit Costs for recently formed Water Districts throughout Genesee County

| | |
|--|-------|
| ■ Town of Stafford Water District #4 | \$815 |
| ■ Town of LeRoy Ext. #1 to Consolidated Water District | \$870 |
| ■ Ext. #3 to Consolidated Water District | \$770 |
| ■ Ext. #8 to Consolidated Water District | \$725 |
| ■ Town of Batavia Lovers Lane | \$715 |
| ■ Town of Batavia Putnam/Shepard Roads Water District | \$759 |
| ■ Town of Batavia Wilkinson Rd. Water District | \$768 |
| ■ Town of Batavia Pearl Street Road Water District | \$749 |
| ■ Town of Batavia Ellicott Townline Roads Water District | \$461 |

Other Miscellaneous Information

- What can I do with my well?
 1. Abandon the well.
 2. Keep well but separate it from public water plumbing.
 3. Keep well and install backflow prevention (RPZ)
- A service line will be installed to all existing residents up to the property line.
 1. There will be no future hook up charge for existing residents that do not connect right away.
 2. Service lines will not be installed to undeveloped lots and a future hookup fee would be required.

Next Steps

- Revise the Map, Plan and Report as necessary based upon this meeting
- Need to hear from the people if they want to continue.
- Options available
 1. Town Board proposes to establish District (subject to permissive referendum)
 2. Legal petition submitted by owners (not subject to permissive referendum)
 3. Process stops due to lack of interest

QUESTIONS

