

VILLAGE OF SHERMAN

AUGUST 1st, 2018

PUBLIC HEARING OF THE PROPOSED WATER & SEWER RENTS LAW AMENDMENTS LOCAL LAW 2018-1 AND LOCAL LAW 2018-2

REGULAR MEETING OF THE VILLAGE OF SHERMAN BOARD

Members: Mayor Meeder Trustees: Gratto, Higginbotham, Reyda and Ayers
Others Present: Jay Irwin, Clerk Ramm and eight members of the public.

Mayor Meeder welcomed everyone to the meeting at 6:00 pm and lead everyone in the pledge of allegiance. She explained the purpose and format of the public hearing and encouraged public participation; she further explained that the regular meeting of the Board of Trustees would follow the public hearing.

RES 2018-08-01.1:

Motion to authorize the mayor to enter the Public Hearing for presentation of the Proposed Water & Sewer Rents Law Amendments Local Law 2018-1 and Local Law 2018-2.

Moved: Trustee Higginbotham Seconded: Trustee Gratto

Ayes: 4 Higginbotham, Gratto, Reyda, Ayers

Nays: 0

Mayor Meeder asked the clerk to give each member of the public an informational handout and stated that she would explain how the new rate structure will affect individuals, how it compares with what we had, and how this money is going to be used going forward. The first page of the handout showed the projected budget, which our engineer had assisted Mayor Meeder in developing. This budget is basically the most accurate estimations incorporating the new rents law rates and the last billing cycles' revenues (current usage and current equivalent dwelling units - EDUs). Mayor Meeder noted the debt repayment to the general fund, explaining that the sewer department would repay \$105K over the next three years. This budget also sets funds aside to start building reserve funds. Other good news is that the EFC has removed the overall 25% ceiling cap, which means that where previously we could not get more than 25% funded by grants in total, we can now get up to 75%, depending on how we qualify. Mayor Meeder addressed issues with both the funds, highlighting that both the sewer fund and the water fund have no reserves. The main issue with the water is that our rates are too low, we're below 0.7% of our median household income (MHI) and the State wants us to be between 1.5% and 2%. The main issue with the sewer is that whether people use it or not, the costs remain the same. For this reason, the engineers were pushing us to have just a base sewer charge with no usage, but this would more than triple bills for users on the low end. In our attempt to keep costs lower we have kept a usage portion for the sewer. Mayor Meeder went over other New York State averages in detail and explained that with

our proposed numbers, the average, based on current usage, for water would be \$490 per annum (which is 1.3% of the MHI) and sewer would be at \$600 per annum (which is 1.7% of the MHI). Therefore, our total average would be \$1090 per EDU which is 3% of the MHI, this is the lowest we can be and still qualify for funding. Based on the Sherman MHI (median household income) of \$35,000, New York State says our goal is to be between \$1050 and \$1400 for the combined average annual water and sewer. If we don't comply with these requirements we will not qualify for any funding.

Mayor Meeder explained that the plan is to change to bi-monthly billing starting October 1st, 2018. This means people will get billed every other month. Practically it is only an extra two billing cycles per year, but it will assist the residents with managing their budgets. Again, she covered how to read the spreadsheet explaining how much each person could expect to pay each month for both the utilities. The EDU (equivalent dwelling unit) was readdressed. The EDU determines how the base charge is applied to each dwelling. Mayor Meeder added that both the lawyer and engineers advise that vacant properties need to be contributing to the infrastructure. She reminded everyone that the EDU charge will be determined from the property's tax code specified on the village tax roll.

Mayor Meeder then read the proposed local laws as follows:

WATER RENT LOCAL LAW #2018-1

Section I. Title

The Village Board of the Village of Sherman hereby amends its Water Rent 2-1980, as follows:

Section II. Findings and Rates

The fees for the Water Rent are hereby amended to

- A. ALL properties with water connection are to receive water usage fees and sewer usage fees where applicable
- B. Increase usage fee to \$4.60 per hundred cubic feet of discharge for Village residents
- C. Increase usage fee to \$6.90 per hundred cubic feet of discharge for residents outside the Village
- D. Remove the Water Reserve Fee of \$5.00 per Meter
- E. Establish a \$25/month base water service charge per EDU (equivalent dwelling unit)
- F. Terms of Payment
 - a. **BILLING:** Bills will be sent out to consumers on a bi-monthly schedule, but failure of consumer to receive a bill promptly shall not excuse non-payment of the same.
 - b. **DISCOUNTS:** Timely payment received within thirty (30) days of bill date is recognized for select organizations:
 - i. Library and School Athletic Field are eligible for a 50% discount on all water and sewer charges billed.
 - ii. Religious organizations are eligible for a 35% discount on all water and sewer charges billed.

- c. **NONPAYMENT:** If any water/sewer bill is not paid within thirty (30) days from the bill date, a 10% penalty fee is assessed.
 - i. **RE-LEVY:** Village properties with outstanding water or sewer balances as of March 30th, the amounts shall be re-levied onto the property owners tax bill.
 - ii. **SHUT OFF:** Outside properties with outstanding water or sewer balances after forty-five (45) days from the bill date are susceptible to shut off without board approved payment. arrangements to remedy amounts in arrears. Shut off will commence with five (5) days' notice.
 - iii. **OFF/ON Fees:** Shut off for non-payment will receive a \$50 Shut Off Fee, and an additional \$50 Reconnection Fee when service is returned.
- d. **USAGE CHARGE:** This bill is based on the number of hundred cubic feet (or its equivalent conversion in gallons) of water that have been recorded by the meter as used and discharged into the sewer system. Bills are sent six (6) times a year. Meters are read a minimum of four (4) times a year. All water passing through a meter will be charged for, whether wasted or used.
 - i. Properties outside the Village are charged one and one half (x1.5) times the usage fee set for Village property consumption.
- e. **SERVICE CHARGE:** This is a flat rate fee and will be sent regardless of whether or not a dwelling or lot is vacant. It is based on the service provided or available to a dwelling or lot and maintenance on the water/sewer lines, pumps, and plant. The base SERVICE charge for EACH unit within the dwelling or on a lot is determined as specified on the Village Tax Roll.
 - i. Village properties and properties outside the Village receive the same charge per EDU (equivalent dwelling unit) allocation.
 - ii. Attached Row Building, Residential Multiple Dwelling, and Apartment property classifications will be evaluated on site to determine the number of EDU's (equivalent dwelling unit) for each property.
 - iii. Residential Vacant properties that are not Landlocked are to be billed one quarter (1/4) or twenty-five (25%) percent of the service charge for an EDU (equivalent dwelling unit) on the tax bill.
 - iv. Commercial Vacant properties that are not Landlocked are to be billed one half (½) or fifty percent (50%) of the service charge for an EDU (equivalent dwelling unit) on the tax bill.
 - v. Properties that are classified as Storage without water service connection are to be billed one half or fifty percent of the service charge for an EDU (equivalent dwelling unit) on the tax bill.
 - vi. Barns, Garages, and Pools, where the property owner has elected to have an additional meter installed and read will receive water and sewer base service charges, where applicable, at the rate of one EDU (equivalent dwelling unit).
 - vii. Laundromat(s) are to be billed one and one half (x1.5) times the service charge for an EDU (equivalent dwelling unit).
 - viii. The main school campus is to be billed fifteen (15) EDUs (equivalent dwelling units).

- ix. Parking lots as classified by the NY State Property Tax Class Code which are specified on the Tax Roll are not subject to water and sewer base service charges and are not included as an EDU (equivalent dwelling unit).

SECTION III. Terms and Conditions

All other terms and conditions of the Village's Water Rent Law shall remain in full force and effect, except as may be amended herein.

SECTION IV.

This Local law shall take effect Monday, October 1st, 2018, on all usage and service charges accumulated beginning October of 2018. This Local law shall take effect after the passage by the Village Board and filing with the Secretary of State in the manner provided by law.

SEWER RENT LOCAL LAW #2018-2

Section I. Title

The Village Board of the Village of Sherman hereby amends its Sewer Rent Law 2-1980, as follows:

Section II. Findings and Rates

The fees for the Sewer Rent are hereby amended to

- A. ALL properties with water connection are to receive water usage fees and sewer usage fees where applicable
- B. Decrease usage fee to \$4.00 per hundred cubic feet of discharge for Village residents
- C. Decrease usage fee to \$6.00 per hundred cubic feet of discharge for residents outside the Village
- D. Increase the base sewer service charge to \$40/month per EDU (equivalent dwelling unit)
- E. Terms of Payment
 - a. **BILLING:** Bills will be sent out to consumers on a bi-monthly schedule, but failure of consumer to receive a bill promptly shall not excuse non-payment of the same.
 - b. **DISCOUNTS:** Timely payment received within thirty (30) days of bill date is recognized for select organizations:
 - i. Library and School Athletic Field are eligible for a 50% discount on all water and sewer charges billed.
 - ii. Religious organizations are eligible for a 35% discount on all water and sewer charges billed.
 - c. **NONPAYMENT:** If any water/sewer bill is not paid within thirty (30) days from the bill date, a 10% penalty fee is accessed.
 - i. **RE-LEVY:** Village properties with outstanding water or sewer balances as of March 30th, the amounts shall be re-levied onto the property owners tax bill.

- ii. **SHUT OFF:** Outside properties with outstanding water or sewer balances after forty-five (45) days from the bill date are susceptible to shut off without board approved payment. arrangements to remedy amounts in arrears. Shut off will commence with five (5) days' notice.
 - iii. **OFF/ON Fees:** Shut off for non-payment will receive a \$50 Shut Off Fee, and an additional \$50 Reconnection Fee when service is returned.
- d. **USAGE CHARGE:** This bill is based on the number of hundred cubic feet (or its equivalent conversion in gallons) of water that have been recorded by the meter as used and discharged into the sewer system. Bills are sent six (6) times a year. Meters are read a minimum of four (4) times a year. All water passing through a meter will be charged for, whether wasted or used.
 - i. Properties outside the Village are charged one and one half (x1.5) times the usage fee set for Village property consumption.
- e. **SERVICE CHARGE:** This is a flat rate fee and will be sent regardless of whether or not a dwelling or lot is vacant. It is based on the service provided or available to a dwelling or lot and maintenance on the water/sewer lines, pumps, and plant. The base SERVICE charge for EACH unit within the dwelling or on a lot is determined as specified on the Village Tax Roll.
 - i. Village properties and properties outside the Village receive the same charge per EDU (equivalent dwelling unit) allocation.
 - ii. Attached Row Building, Residential Multiple Dwelling, and Apartment property classifications will be evaluated on site to determine the number of EDU's (equivalent dwelling unit) for each property.
 - iii. Residential Vacant properties that are not Landlocked are to be billed one quarter (1/4) or twenty-five (25%) percent of the service charge for an EDU (equivalent dwelling unit) on the tax bill.
 - iv. Commercial Vacant properties that are not Landlocked are to be billed one half (½) or fifty percent (50%) of the service charge for an EDU (equivalent dwelling unit) on the tax bill.
 - v. Properties that are classified as Storage without water service connection are to be billed one half or fifty percent of the service charge for an EDU (equivalent dwelling unit) on the tax bill.
 - vi. Barns, Garages, and Pools, where the property owner has elected to have an additional meter installed and read will receive water and sewer base service charges, where applicable, at the rate of one EDU (equivalent dwelling unit).
 - vii. Laundromat(s) are to be billed one and one half (x1.5) times the service charge for an EDU (equivalent dwelling unit).
 - viii. The main school campus is to be billed fifteen (15) EDUs (equivalent dwelling units).
 - ix. Parking lots as classified by the NY State Property Tax Class Code which are specified on the Tax Roll are not subject to water and sewer base service charges and are not included as an EDU (equivalent dwelling unit).

the fill is still settling, so it will need further fill later, as with the hole from the water leak in front of the bank.

SEWER REPORT FROM CHIEF SEWER OPERATOR:

Mr. Irwin reported that the dechlor building is built and should be fully equipped by Friday which means we should be able to meet the permit requirements by November. We borrowed the Microwedge from Peek n Peak which is working well, it speeds up drying times and allows for more sludge to be processed; and borrowing this equipment has saved us \$7500. The mini “DIP” system we plan to test will be installed at Mr. Nelson’s home before winter. This equipment costs between \$1700 and \$2000, which is less than a grinding system and the technology is the same as our Direct Inline Pumping (DIP) system, just on a residential scale. This test equipment is being supplied at no cost to us, and our plan is to use it for a few years and determine its savings and benefits. Our intention is to study this pump with Findley Lake in mind. Other benefits include that it is smaller (requires less storage space), it can be installed in a basement and it has a smaller carbon footprint.

MAYORAL ADDRESS:

CODE ENFORCEMENT: Mayor Meeder is meeting with the Code Enforcement Officers next week to follow-up on the properties that needed to be cleaned up by August 3rd. Most of the properties have complied and their files are closed.

In our effort to organize all existing documents, we plan to refile all paperwork pertaining to properties in the village. We currently have many files per property, for example, the property next door to the office has files under Woody’s, The Grill, Hart Street Grill, Michelle Reinken, etc., as well as electrical inspections and building permits filed by year in other folders. Our goal is to consolidate these by property tax identification number.

FINANCIALS: Mayor Meeder talked about our current annual financial report (AUD) and stated that it would be submitted before the end of August, which is a requirement for our current funding from the USDA Rural Development for the loader. We’re also hoping to receive more funding for our sewer project from the USDA. These financial reports also keep us in compliance with the CDBG funding agency where we are required to inform them of how much federal and state funding we’re received and used this year.

LEGAL: The mayor told the trustees that she and Deputy Mayor, Isaac Gratto would be meeting with the village attorney, Peter Clark, to go over the water and sewer rents laws, the memorandum of understanding with regards to the engineering study, and some properties with zoning issues.

NEW BUSINESS: Some paint was donated to the village office and since it has been longer than ten years since the office was originally painted it was decided to repaint.

RES 2018-08-01.5:

Motion to approve the hiring of Keziah Ramm and Jessica Ramm to perform painting and possibly other clerical work on an occasional temporary employment basis, at a rate of \$10.40/hr.

Moved: Trustee Gratto

Seconded: Trustee Reyda

