

To: Town of Lima Town Board

From: Jason Molino, Executive Director 

Date: August 28, 2024

Subject: Proposed Water District Public Engagement

Following the March Town Board meeting, the Town Board requested that the Livingston County Water and Sewer Authority (Authority) provide a timeline and action items for a public engagement process to receive public comment and further evaluate the community support for an additional water district. This was requested as part of an effort to evaluate the viability of a smaller, more focused, water district to serve residents that have expressed interest and/or need in receiving public water, as opposed to the Town wide water district proposed in 2023. In addition, the Town Board wanted to evaluate the possibility of utilizing, at least in part, existing grant funds the Town has received from the United States Department of Agriculture (USDA) by a grant awarded in September 2023.

The Authority implemented the following public engagement activities between the months of April and July, 2024. They included:

- The creation of a public website (<https://lcwsa.us/town-of-lima/>) with project related information such as map of proposed scenarios, spreadsheet of cost summaries, general water district Q&A sheet and an electronic format for the public to submit questions and comments.
- The publication of an on-line public survey to receive interest from the public regarding a potential water project.
- Letters were sent to 695 property owners in the Town that currently do not have water, encouraging them to review the website and complete the public survey. Letters were sent on April 26th and then again on June 4th. The Authority mailed out surveys to residents/property owners that requested hard copy surveys. The survey was closed on July 30th.
- The Authority received over 291 responses to the survey. Attached please find the survey data. Names, addresses and contact information of specific respondents have been redacted.
- Public meetings were conducted on May 29th and June 15th to provide an overview of potential water projects and answer questions from residents/property owners. Both public meetings included a brief presentation of potential district scenarios followed by individual conversations between Authority/CPL staff and the public regarding specific interests and concerns relating to their property. Also, the public had access to review large printouts of potential scenario maps and were encouraged to mark and comment on the maps with specific thoughts. There was also a comment box for anyone to submit comments. Both meetings were well attended.

Due to expressed concerns regarding transparency and manipulation of feedback and support related to the prior project, the Authority approached public participation in an un-biased and non-intimidating setting. This helped obtain the most reliable data regarding the community's support (or lack of support) concerning the various

water project options. Throughout the process all residents were encouraged to complete the on-line survey, provide factual data and information regarding specific interests with regard to public water expansion and to offer opinions in favor of or against various scenarios.

Executive Summary

Attached please find four maps and one cost summary. Below is a description and explanation of each map and a cost summary of a possible water district that has the apparent support of the majority of property owners within its boundaries, based on the data from the original petition, most recent public survey and public meetings.

Fig 1: Water District No. 5 Petition Results - includes all the properties that signed the Water District #5 petition in 2023.

Fig. 2: Public Water 2024 Survey Results - includes all responses from the public survey that was conducted from April – July 2024. Any response that was in favor of a water project is mapped in green, responses opposed to a water project in red, and responses that were undecided or maybe in yellow.

Fig. 4: Agricultural Exemptions and PDR Properties – includes all properties within the Town that receive agricultural tax exemptions, have restricted future development rights through conservation easements (PDR), or have been accepted in the PDR program but are awaiting completion of the process.

After collectively mapping the original petition and survey responses, the results were then analyzed to determine if there was one or more areas of concentrated interest in favor of obtaining public water. *Fig. 3: Recommended Scenario* shows a potential project that shows significant support (including the combined responses from the 2023 petition and 2024 survey) along the following areas: Doran Rd., Pond Rd., Poplar Hill Rd. and parts of Jenks Rd., Gleason Rd., Heath Markham Rd., Dalton Rd., Egan Rd., Corby Rd., and York St. These areas collectively resulted in a 79% favorable response rate supporting a public water project.

It should be noted that any property owner that signed the petition in 2023 but responded to the survey in 2024 with a “No” or “Maybe” response, was mapped based on the survey response. This was intended to ensure, to the greatest extent possible, that the results accurately reflect if any prior supporter of the former town-wide water proposal had changed their mind and is no longer in support of a public water project, even on a more limited basis. If a property owner signed the petition, but did not complete the survey, it was mapped based on the petition results as being in favor of a more limited water project. All other properties that responded to the petition and/or survey (either in support of or against a future water project) not along the roads referenced above were removed from the map, as they did not result in a concentrated area of interest in favor of water and would not be impacted by the creation of a future water district or water project.

The *Cost Summary* spreadsheet (dated August 27, 2024) is a cost estimate of the proposed water improvements identified in *Fig. 3: Recommended Scenario*. The cost estimate includes proposed boundaries, pipe size, costs and units. As with all water infrastructure projects, in addition to construction costs, an allocation for contingency and legal, engineering and administration costs were included to determine an estimated total construction cost of \$16,280,000.

Several assumptions made in the *Cost Summary* include:

- Allocation of \$6,349,200 in USDA grant funding which was awarded to the Town in September 2023.
- Allocation of \$5,000,000 in WIIA grant funding. This funding would have to be applied for in the 2025 WIIA grant round.
- After grants, the net local project cost of \$4,930,800 was amortized over a 38-year term with an estimated 2.875% interest rate based on the USDA's financial award package.
- The possible project scenario includes a transmission main from Doran Rd. to the Village line that would feed part of the newly proposed district off Health Markham Rd., as well as existing Town Water Districts #2 and #4, and the Village of Lima. Because this is considered a transmission main only, properties along the transmission main would **not** be included in the proposed district and would not pay any cost associated with the improvements. Should any of the properties along the transmission main decide to connect at some point in the future, they would be assessed the same debt charge as properties within the water district, which would result in a reduction to the debt service charge of each household within the district.

The transmission main would allow for lower cost water supply to existing Town Water Districts #2 and #4 and the Village of Lima customers. Because those customers are not paying directly for the debt service as part of a newly created water district, additional revenue from those customers can be charged based on volumetric water sales. This additional revenue is estimated at ~\$45,000 annually, which can be used to offset debt service costs for the newly formed water district. An agreement with the Village would have to be negotiated to outline wholesale water charges.

- While the total equivalent dwelling units (EDUs) would need to be finalized with the creation of a Map Plan and Report for the proposed water district, an estimated EDU based on existing parcels in the proposed district is estimated between 200-250. This would result in an annual debt service payment per unit between \$679 - \$848.

In closing, after comparing the results of the original petition, public survey and public engagement meetings, it would appear there is a demand and interest for public water in limited sections of the Town of Lima, as 79% of the respondents in the proposed water district area supported public water. While these limited sections of the Town are significantly smaller than the originally proposed Water District #5, the *Cost Summary* suggests that by utilizing part of the USDA funding and pursuing an application of WIIA grant funding, the project can be affordable. In addition, by including a transmission main from the proposed water district to the Village, and Town Water Districts #2 and #4, existing water customers can benefit from receiving a reduced water rate while providing the additional benefit of offsetting the debt related to the proposed water district.

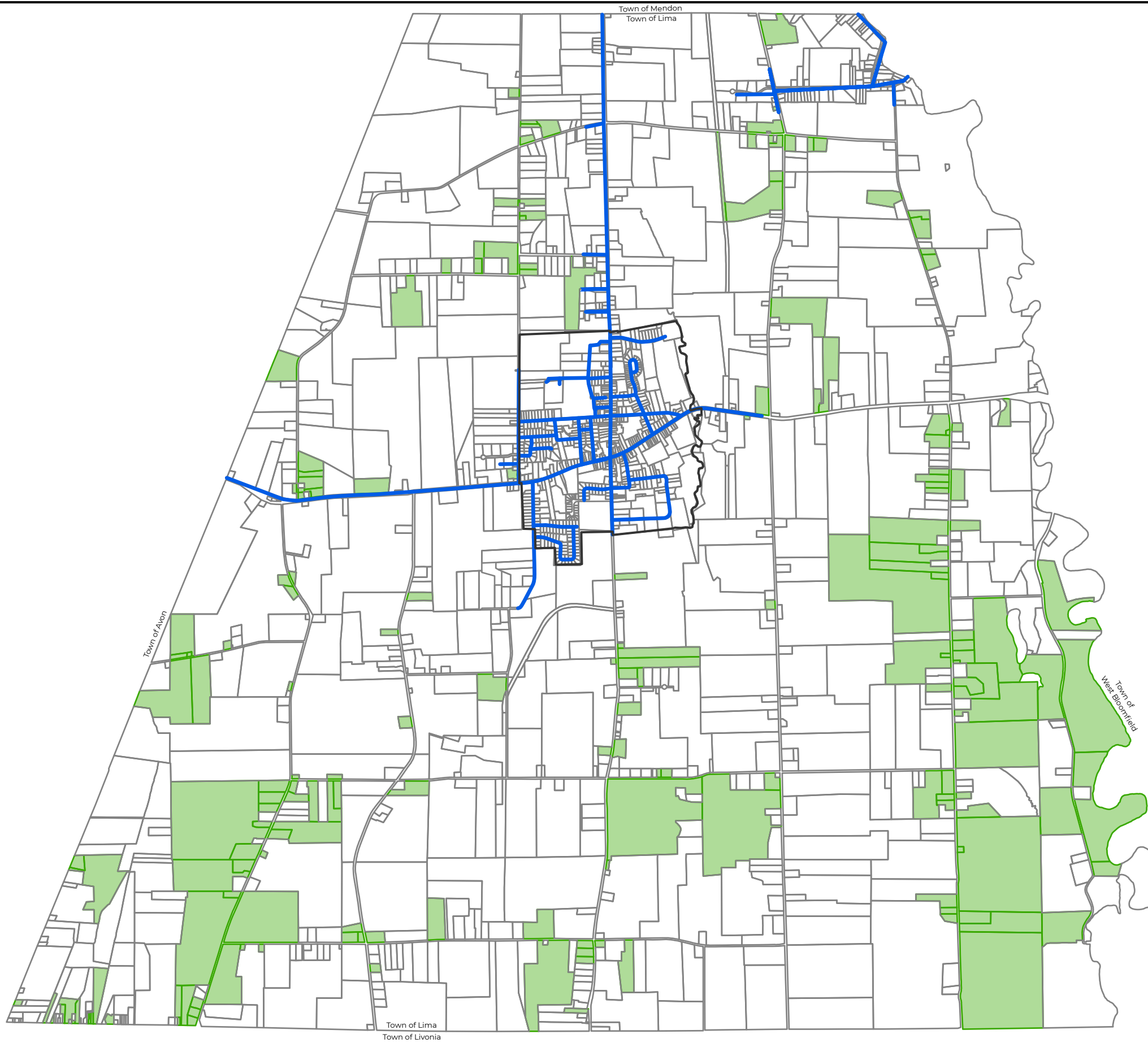
Potential Next Steps

Based on this evaluation, should the Town wish to proceed further in exploring a water project based on the above results, the next step would be for the Town Board to authorize the preparation of a formal Map Plan and Report to provide a detailed proposal for establishment of a water district and the construction of water improvements based on the proposed water district area outlined in *Fig. 3: Recommended Scenario*. It should be noted that moving forward with a Map Plan and Report (MPR) does not create a water district or commit the Town to the development of a water project.

An MPR will require the Town Board to adopt a resolution, subject to permissive referendum, directing the Town Engineer to create the MPR. An MPR would provide the following outcomes:

- Water district boundaries will be identified by tax parcel.
- Equivalent Dwelling Units (EDUs) would be defined and finalized based on real property classifications.
- Cost estimates would be finalized using construction estimates, expected grant offsets and EDU counts.
 - This process would involve discussion with USDA to receive a determination on the amount of grant funding would be allocated for the proposed water district.
 - Discussions with the Village should begin regarding basic terms for a long-term water supply agreement.

An MPR will take approximately three months to complete. Prior to finalizing the MPR, a draft would be presented and discussed with the Town Board. If the MPR is accepted by the Town Board, the next step would be to determine if the Town desires to proceed with establishing a water district.



Legend

- Village of Lima
- Existing Waterline
- Signed Petition

0 0.25 0.5 1 Miles



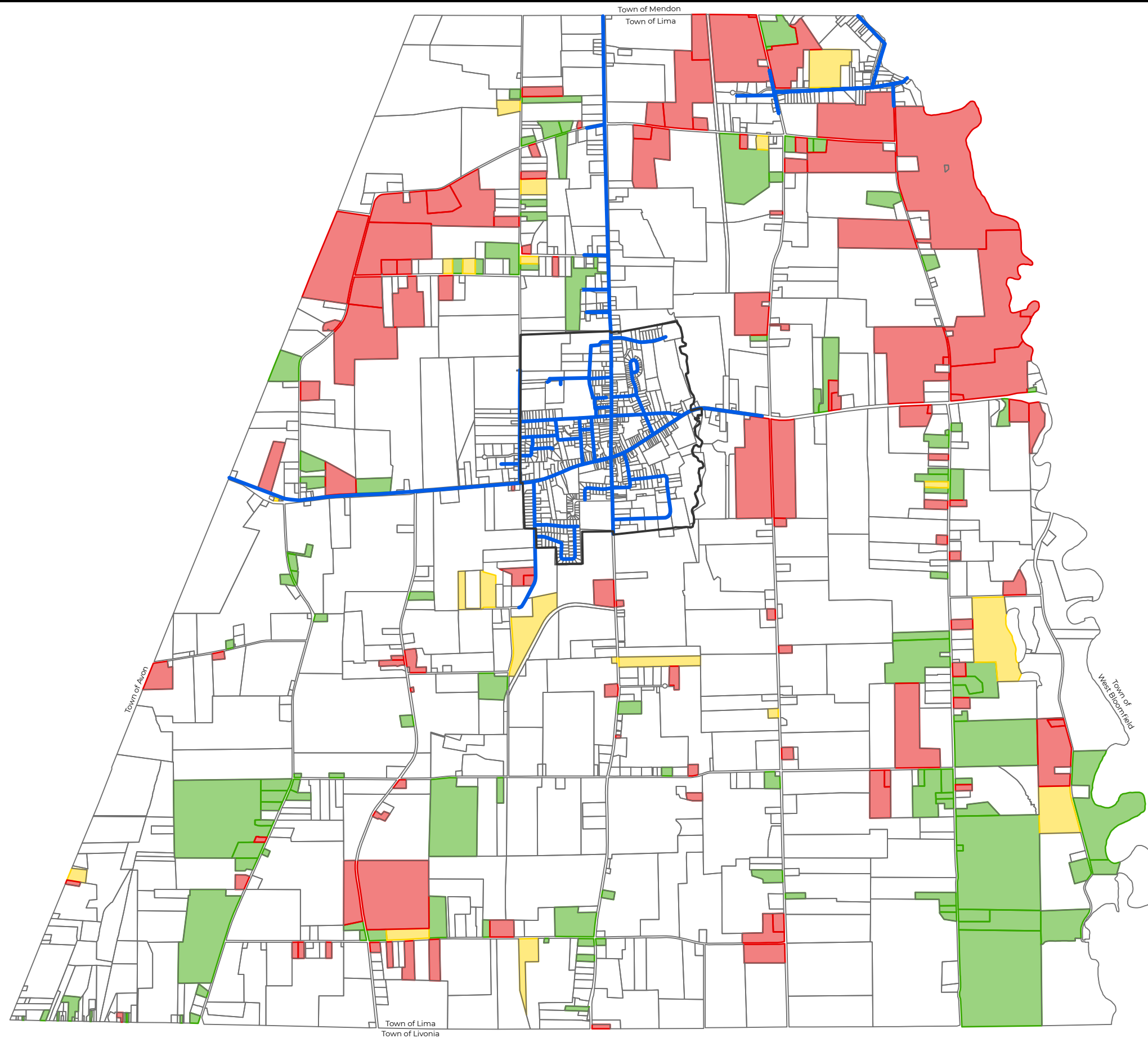
255 Woodcliff Drive
Suite 200
Fairport, NY 14450
www.cplteam.com

DATE:	08/28/2024
DRAWN:	KNL
CHECKED:	EW
SCALE:	1:42,000 USFT
PN:	R1814639.00

Water District No. 2 Petition Results 2023

Water District No. 5
Town of Lima, NY

Fig. 1

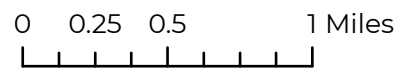


Legend

- Village of Lima
- Existing Waterline

Public Water Interest

- Yes
- Maybe
- No
- N/A



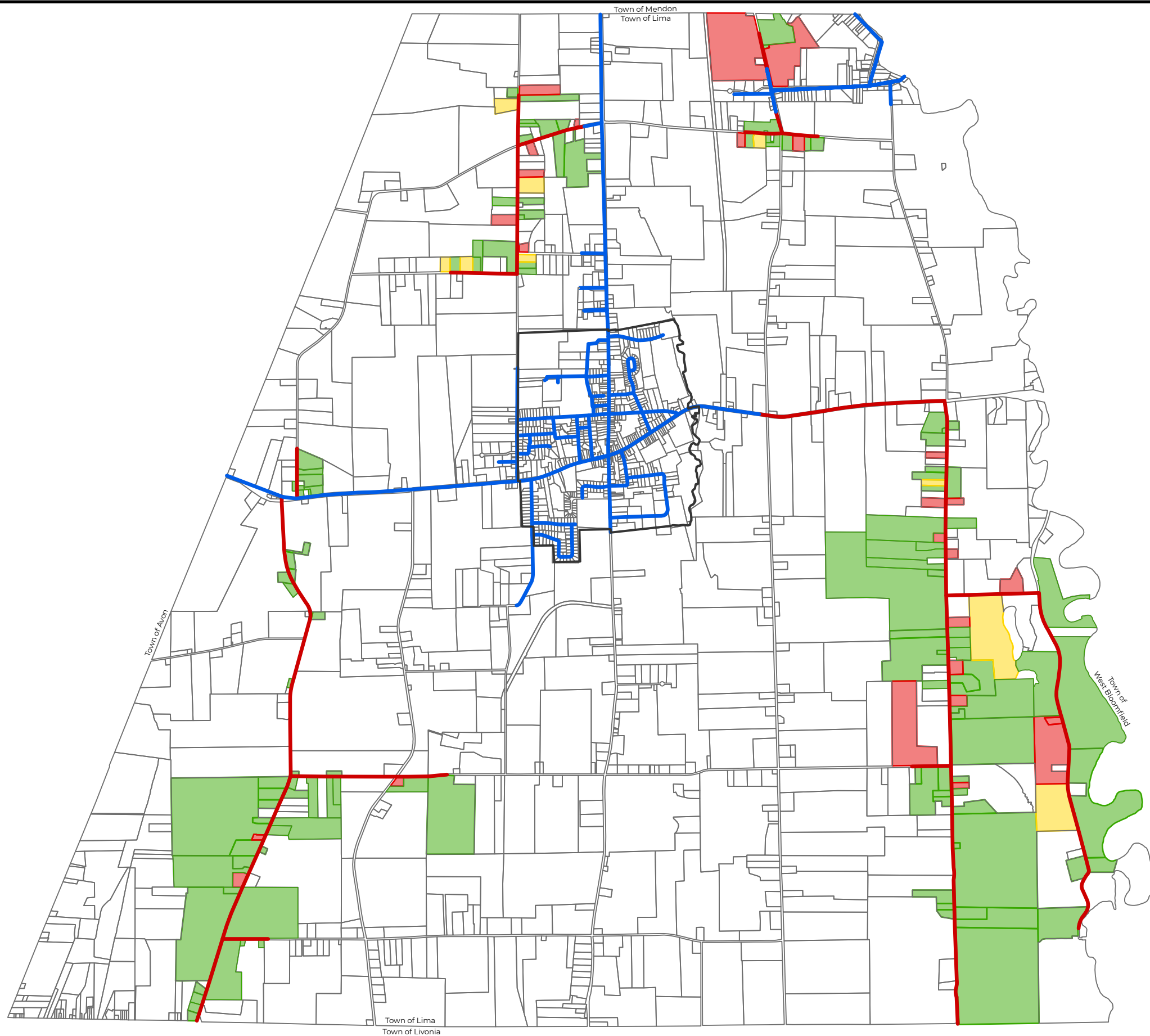
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Public Water 2024 Survey Results

Public Water Supply Town of Lima, NY





Fig. 2

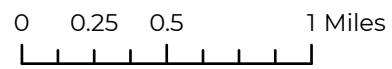


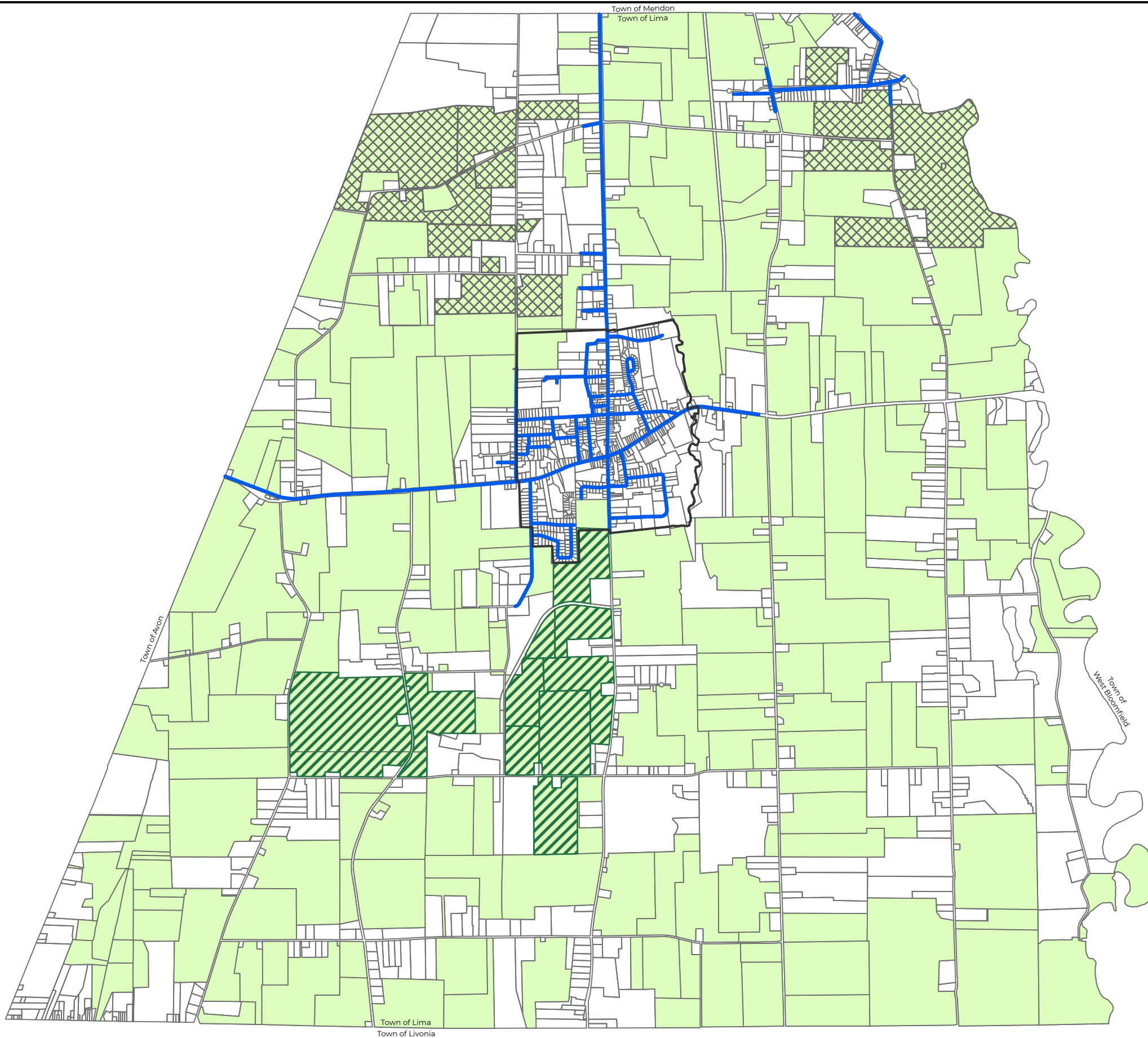
Legend

-  Village of Lima
-  Proposed Waterline
-  Existing Waterline







Public Water Interest

-  Yes - Survey & Petition
-  Maybe
-  No
-  N/A





Legend

-  Village of Lima
-  Existing Waterline
-  Potential PDR Parcel
-  PDR Parcel
-  Agricultural Exemption
-  Tax Parcel

0 0.25 0.5 1 Miles



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Agricultural Properties
Town of Lima, NY

Fig. 4

**TOWN OF LIMA
PROPOSED WATER DISTRICT
COST SUMMARY
August 27, 2024**

	Fire Protection with Village Supply Option			Survey & Petition		
				Yes	No	Maybe
	Cost	Size (Inches)	Units			
Doran Road (E. Main St to Gleason Road) =	\$ 660,000	12	27	15	5	0
Doran Road (Gleason Road to Chase Road) =	\$ 550,000	8	19	13	3	0
Doran Road (Chase Road to 2954 Doran Road) =	\$ 720,000	8	18	14	1	0
Pond Road (Gleason Road to Pump Station Driveway) =	\$ 894,000	12	10	3	2	2
Pond Road (Pump Station Driveway to South End) =	\$ 390,000	8	4	3	0	0
Gleason Road (Pond Road to Doran Road) =	\$ 360,000	12	4	0	1	1
East Main Road (Doran Road to Village Line) =	\$ 1,260,000	12	0			
Poplar Hill Road (West Main Road to South Lima Road) =	\$ 1,800,000	8	35	25	2	0
Jenks Road (Poplar Hill Road to 6970 Jenks Road) =	\$ 495,000	8	10	7	1	0
Chase Road (7900 Chase Road to Doran Road) =	\$ 110,000	8	2	2	1	0
Woodruff Road (Poplar Hill Road to 6577 Woodruff Road) =	\$ 150,000	8	4	3	0	0
Heath Markham Road (West Main Road to 1863 Heath Markham Road) =	\$ 110,000	8	6	5	0	0
Heath Markham Road (Dalton Road to 7246 Heath Markham Road) =	\$ 230,000	8	10	5	2	0
Dalton Road (Egan Road to Heath Markhem Road) =	\$ 420,000	8	21	7	3	2
Dalton Road (Heath Markhem Road to 1148 Dalton Road) =	\$ 170,000	8	7	4	0	1
Egan Road (Dalton Road to 6913 Egan Road) =	\$ 215,000	8	6	3	0	2
Corby Road (York Street to 7710 Corby Road) =	\$ 130,000	8	3	3	1	0
Corby Road (York Street to 7566 Corby Road) =	\$ 105,000	8	6	4	0	1
York Street (Corby Road to 1190 York Street) =	\$ 105,000	8	3	0	0	0
York Street (1148 York Street to 1037 York Street) =	\$ 120,000	8	2	2	1	0
West Main Road Services (Town of Avon to 6755 West Main Road) =	\$ 60,000	yes	15			
New Pump Station (Village Supply) & Connection to City Main =	\$ 3,000,000	yes				
Construction Subtotal =	\$ 12,054,000			118	23	9
Contingency (20%) =	\$ 2,410,800			79%	15%	6%
Legal, Engineering, Administration (15%) =	\$ 1,808,100					
Total =	\$ 16,272,900					
Total Estimated Capital Cost (Rounded) =	\$ 16,280,000					

USDA Grant =	\$ (6,349,200)
WIIA Grant =	\$ (5,000,000)
Net Local Project Cost =	\$ 4,930,800
Estimated Debt Service for 38yrs (2.875%) =	\$ 214,980
Village of Lima & Existing District 2 & 4 Contribution =	\$ (45,213)
Total Estimated Debt Service for 38yrs =	\$ 169,767
Total EDU's =	200 -250
Estimated Debt Service/Unit/Year =	\$679 -\$848
Base Charge (\$40 per Quarter) =	\$ 160.00
Usage Charge (\$5 per 1,000 gallons, 50,000 gallons/year) =	\$ 250.00
Estimated Yearly Water Cost =	\$ 410.00
Total Estimated Unit Cost =	\$1,087 -1,259

Per Month Unit Cost \$91 - \$105