

Outline Of The Proposed Worley Homes Water District

Draft March 2017

Worley Homes History

- Original development began in late 1950's
- Crest Court Extension was constructed in 1975
- Water system privately owned and operated by Hopewell Service Corp.
- Residents complain of low water pressure and poor quality.

DCHD Status

- Violation of section 5-1.71 (a) of NY Sanitary Code for only having one operating well.
- There are no violations on record for low water pressure or unsuitable water quality

System Components

- 2 wells installed
- Only 1 well approved to operate by DCHD
- Approximately 6,700 lf of 6" asbestos pipe
- Approximately 5,200 lf of 4" asbestos Pipe
- Approximately 600 lf of 3" asbestos pipe
- 2 - 30,000 gallon buried water storage tanks
- 1- 5,000 gallon pressure tank
- 6 acre parcel containing chlorination, pump control building and pond

Estimated Acquisition and Improvement Costs

- Filtration System (Fair Share Contribution) \$ 200,000
- Water Storage (Fair Share Contribution) \$ 100,000
- Transmission Line (Fair Share Contribution) \$ 200,000
- Wellfield Buy In (Fair Share Contribution) \$ 200,000
- Pipe Replacement w/Hydrants (approx. 6,000lf) \$ 1,150,000
- Meter Installation (138 ea.) \$ 138,000
- Engineering, Administration, Contingencies \$ 306,000
- **Total Estimated Cost \$ 2,274,000**

Qualifying for Special Financing

- If this project is combined with improvements proposed for the Revere Park Water District it will qualify for special state funded financing.
- Worley Homes will not qualify for the special financing on its own based on Existing Health Department Violations.
- The Revere Park project must move forward this year with or without Worley Homes.

User Cost Savings with State Funded Special Low Interest Funding

- Interest Rate Comparison
- Rate without NYS Revolving Fund 4.5% est.
- **Rate with NYS Revolving Fund 2.0% est.**

- Annual Household Cost at 4.5% :\$ 1,229/yr.
- **Annual Household Cost at 2% : \$ 958/yr.**
- Estimated Annual Savings : \$ 271/yr.

Rate Comparison

Existing vs. Proposed

- Existing Rate : \$123/quarter = \$492/year *
- Proposed Rate : \$958/year
- Breakdown of Proposed Rate:
 - Billed annually on Town tax bill : \$732/year
 - Billed Quarterly : \$56.50/qtr. = \$226/year
 - **Total Annual Cost :** \$958/year
- Total Estimated Annual Increase : \$466/yr.

* Any improvements made by private owner will be charged to customers resulting in rate increase.

NYS Office of State Comptroller

- Water projects resulting in average annual costs greater than \$966/yr. require approval from Office of State Comptroller.
- This project is estimated at \$958/yr. utilizing the special financing.
- Projects requiring Comptroller approval are typically delayed at least a year for review.

Benefits of Town Water Districts

- Town management vs. private
- Operated at zero profit
- Emergency generator backup
- Operators on call 24/7
- Fire protection provided in most areas
- Immediate response to emergencies and repairs

Acquisition, Construction & Payment Timeline

- Acquire Water System Fall 2017
- Engineering Winter 2018
- Construction Starts Summer 2018
- Construction Completed Summer 2019
- Capital Costs (\$732/yr.) appear on Tax Bill 2019
- Operation and maintenance Costs (\$226/yr.)
upon connection of homes to water system 2020.
(Billed Quarterly)