

RESOLUTION NO. 2015093

RE: ESTABLISHING ZONE "P" ZONE OF ASSESSMENT IN  
THE DUTCHESS COUNTY WATER DISTRICT IN THE  
TOWN OF HYDE PARK, DUTCHESS COUNTY

Legislators MICCIO, SAGLIANO, PERKINS, FARLEY, and IGNAFFO offer  
the following and move its adoption:

WHEREAS, the New York State Legislature, by Chapter 592 of the Laws of 1991  
(§1142, Public Authorities Law), created the Dutchess County Water & Wastewater Authority  
(WWA), and established the Dutchess County Water District covering all the areas within the  
boundaries of Dutchess County, and

WHEREAS, the WWA is entering into an Agreement with the Town of Hyde  
Park, owner of the Violet Avenue Water System, regarding the WWA's acquisition of that  
system which is located in the Town of Hyde Park; and

WHEREAS, the WWA's ability to close on this acquisition and provide water  
service to the customers of the Violet Avenue Water System is contingent on the creation of a  
Water District Zone of Assessment encompassing all properties in the said water system, which  
will include a total of eleven (11) individual properties with service connections, consisting of  
three (3) single family residences, two (2) two family residences and six (6) non-residential  
customers, and

WHEREAS, the WWA has presented to this Legislature a notice of project  
pursuant to Section 1124 of the Public Authorities Law which outlines the WWA's plan to  
establish Zone of Assessment "P" for the Violet Avenue Water System, located in the Town of  
Hyde Park, and

WHEREAS, this Legislature has before it a Map, Plan and Report entitled "Map,  
Plan and Report, County Water District Zone of Assessment "P" which was submitted to it by  
the WWA with the Notice of Project pursuant to Section 1124, and

WHEREAS, WWA proposes to enter into a Twelfth Restatement of the Amended  
Service Agreement with Dutchess County (County), on behalf of the proposed Zone of  
Assessment P whereby the District will provide water service to customers within the Zone at  
rates established by WWA, and

WHEREAS, said Map, Plan and Report identifies the parcels to be included in the  
Zone of Assessment, describes the infrastructure to be used to provide water service, and  
provides the estimated annual cost for water service for the typical property in the proposed Zone  
of Assessment, and

WHEREAS, the first year cost to the typical single family home is estimated to be  
two hundred and ninety-two dollars (\$292), and

WHEREAS, this Legislature must create Zone of Assessment P covering the area of the Violet Avenue Water System described in "Attachment A," and

WHEREAS, this Legislature conducted a public hearing on this proposal on April 13, 2015, and heard all persons interested, and

WHEREAS, the establishment of said Zone of Assessment P will ensure an efficient water system for all properties within the service area, now, therefore, be it

RESOLVED that this Legislature hereby waives the notice provisions of Section 1124 of the Public Authorities Law and by this Resolution consents to this project, and be it further

RESOLVED, that it is hereby determined that all the property and property owners within the proposed Zone of Assessment P are benefited thereby and all the property and property owners benefited are included within the proposed Zone of Assessment P and it is in the public interest to create the Zone of Assessment P in the County Water District, and be it further

RESOLVED, that a Zone of Assessment in the County Water District, to be known as Zone of Assessment P in the Town of Hyde Park, more particularly described in "Attachment A" attached hereto, is hereby established, and be it further

RESOLVED, that this resolution is subject to permissive referendum.

CA-070-15

CRC/BB/kvh/G-1217-N

3/10/15

Fiscal Impact: See attached statement

STATE OF NEW YORK

ss:

COUNTY OF DUTCHESS

This is to certify that I, the undersigned Clerk of the Legislature of the County of Dutchess have compared the foregoing resolution with the original resolution now on file in the office of said clerk, and which was adopted by said Legislature on the 13<sup>th</sup> day of April 2015, and that the same is a true and correct transcript of said original resolution and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Legislature this 13<sup>th</sup> day of April 2015.

CAROLYN MORRIS, CLERK OF THE LEGISLATURE

# FISCAL IMPACT STATEMENT

NO FISCAL IMPACT PROJECTED

## APPROPRIATION RESOLUTIONS (To be completed by requesting department)

Total Current Year Cost \$ \_\_\_\_\_

Total Current Year Revenue \$ \_\_\_\_\_  
and Source

Source of County Funds (check one):  
 Existing Appropriations,  Contingency,  
 Transfer of Existing Appropriations,  Additional Appropriations,  Other (explain).

Identify Line Items(s):

Related Expenses: Amount \$ \_\_\_\_\_  
Nature/Reason:

Anticipated Savings to County: \_\_\_\_\_

Net County Cost (this year): \_\_\_\_\_  
Over Five Years: \_\_\_\_\_

Additional Comments/Explanation:

Prepared by: Bridget Barclay, DCWWA

Prepared On: 03/09/15

**APPENDIX "A"**

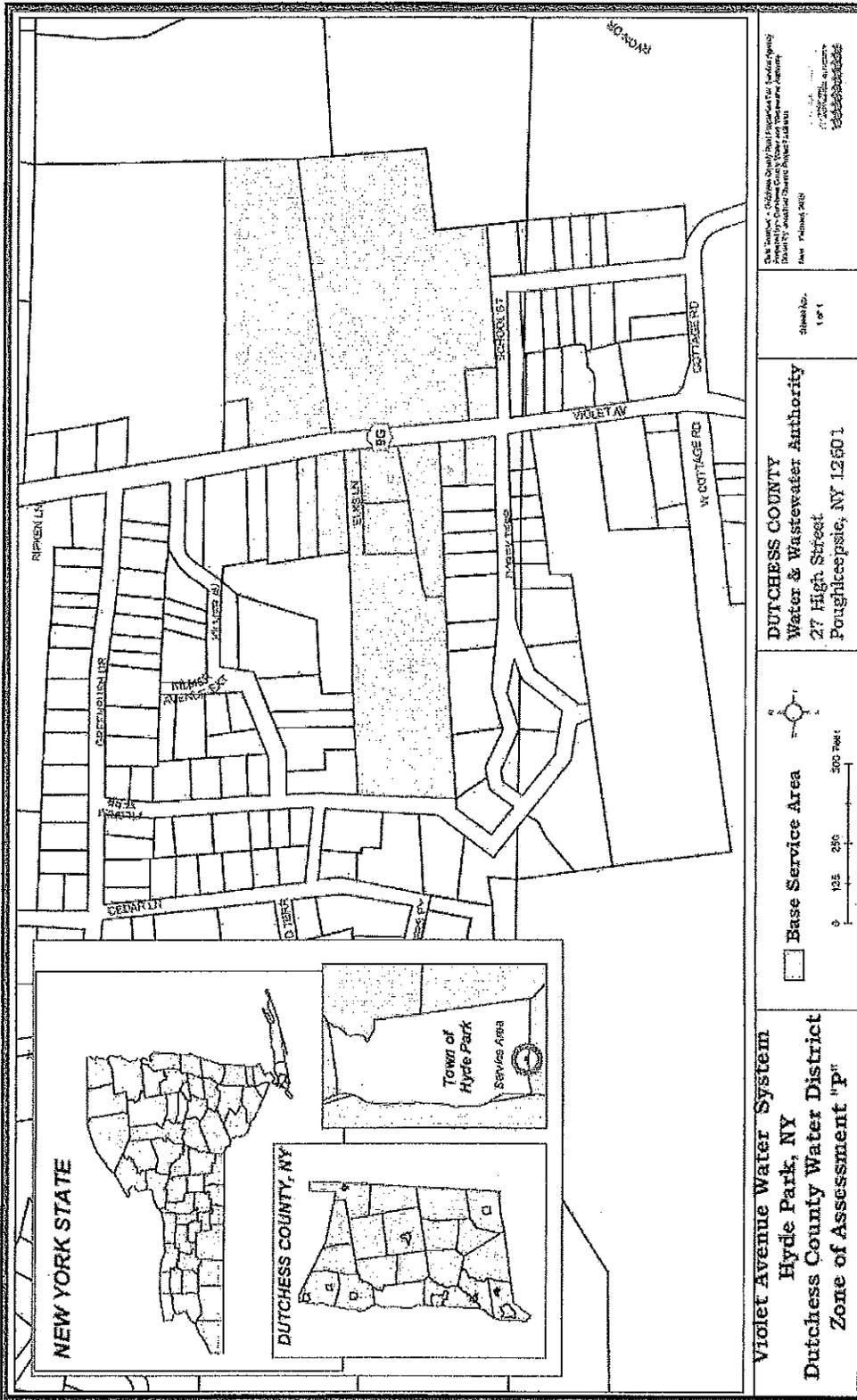
**DUTCHESS COUNTY WATER DISTRICT  
ZONE OF ASSESSMENT P  
*Violet Avenue Water System***

**DESCRIPTION OF ZONE**

**(map and parcel listing)**

The Dutchess County Water District Zone of Assessment P shall include all those tax parcels presently indicated on the attached boundary map. These parcels are further described by the following list of tax parcel grid numbers:

6163-04-534381-0000  
6163-04-569324-0000  
6163-04-547333-0000  
6163-04-533373-0000  
6163-03-482349-0000  
6163-04-532342-0000  
6163-04-542356-0000  
6163-04-596391-0000  
6163-04-600353-0000  
6163-04-527354-0000  
6163-04-548325-0000



**DUTCHESS COUNTY**

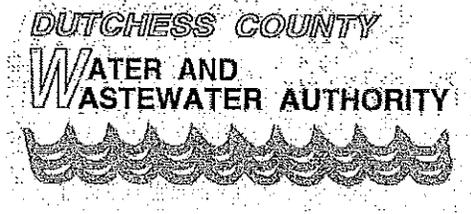
**Proposed County Water District  
Zone of Assessment P**

(Violet Avenue Water System)  
Hyde Park, NY

**MAP, PLAN AND REPORT**

February 2015

Dutchess County Water and Wastewater Authority  
Poughkeepsie, NY



**PROPOSED COUNTY WATER DISTRICT ZONE OF ASSESSMENT P  
(VIOLET AVENUE WATER)**

**MAP, PLAN AND REPORT**

**INTRODUCTION**

This Map, Plan and Report contains the information required for the formation of the proposed County Water District Zone of Assessment P, which includes an area of approximately twenty (20) acres located along the southern edge of the Town of Hyde Park on US Route 9G. The Violet Avenue customer base (Water District Map: Appendix A) consists of eleven (11) properties consisting of three (3) single family residences, two (2) two family residences and six (6) non-residential customers.

Upon successful formation of proposed County Water District Zone of Assessment P (the "Zone") by the Dutchess County Legislature, ownership and operation of the Violet Avenue Water System will transfer to the Dutchess County Water and Wastewater Authority ("DCWWA", "Authority") in accordance with the terms and conditions set forth in an agreement between the Authority and the Town of Hyde Park (Town). Information provided herein includes the proposed Zones boundaries and a list of the tax parcels that will comprise the future Zone, as well as a description of the current and proposed infrastructure by which potable water will be produced, treated and delivered to customers.

In addition, budgetary estimates for the first year operation and maintenance costs, and capital costs, as well as a cost allocation formula, have been included with this report.

The Dutchess County Water and Wastewater Authority will enter into a contract (the "Service Agreement") with Dutchess County on behalf of the Zone for the purpose of administering the retail sale of water services to all properties within the proposed Zone, with such service to be provided through the water system facilities as described below. The Authority will administer the Zone pursuant to guidelines established by the Service Agreement and collect water revenues. Water service rates will be set annually by the Authority.

**HISTORY**

The original Violet Avenue Water District was created by the Town of Hyde Park around 1985 in response to methyl tert-butyl ether (MTBE) contamination found to be impacting individual property wells. Following the creation of the district, the Poughkeepsie Joint Water Board (PJWB) began delivering water to the District, with a meter pit located near the intersection of Cobey Terrance and Violet Avenue. In 2004 the Greenbush Water

District, interconnected with Violet Avenue Water District, was created in response to further MTBE contamination.

In 2011 the Town of Hyde Park was awarded a Local Government Efficiency Grant from the New York State Department of State. The purpose of the grant was to support an independent evaluation of the Violet Avenue Water System, with a focus on opportunities to streamline and improve the service delivery. The grant provided for an engineering evaluation of the system and consideration of the option to transfer the assets and management of the system to the DCWWA. Pursuant to the grant, the Town completed a Reorganization Study and Proposed Dissolution Plan for the Violet Avenue Water District (February, 2015) and, on February 19, 2015 conducted a public hearing on the Study and Plan. On February 23, 2015 the Town Board passed a resolution of intent to transfer ownership and management of the Town's water and sewer systems, including Violet Avenue Water, to the DCWWA.

#### **COUNTY WATER DISTRICT ZONE OF ASSESSMENT P**

The proposed County Water District Zone of Assessment P delineated on the attached map and list of tax parcels (Appendix "A"), presently includes a total of eleven (11) individual properties with service connections, consisting of three (3) single family residences, two (2) two family residences and six (6) non-residential customers.

#### **PHYSICAL FACILITIES**

##### **Water Supply and Treatment System**

Water for the Violet Avenue System is purchased from the Poughkeepsie Joint Water Board (PJWB), whose water source is a 19.3 MGD water treatment facility drawing water from the Hudson River. Water for the Greenbush/Violet Avenue Water system is purchased through a single purchase agreement with the PJWB, and is metered via a master meter near the intersection of Cobey Terrace and Violet Avenue. The water purchase agreement requires the Districts pay for a minimum of 80,000 gallons per day with the opportunity to purchase additional usage above this at the typical rate. This is a "take or pay" agreement, meaning the Districts pay for a minimum of 80,000 gallons per day regardless of actual usage. An additional encroachment fee may be charged when flows elevate above 200,000 gallons per day.

The Agreement between the Greenbush and Violet Avenue Water Systems and the PJWB states that Poughkeepsie is not obligated to provide fire service to the Districts. Due to the capacity of the Poughkeepsie's Spring Street pumping station, which provides flow to the Violet Avenue District, system capacity is insufficient to meet fire flow requirements.

##### **Transmission and Distribution**

The Violet Avenue Water System includes approximately 600 feet of 8-inch ductile iron water main and appurtenances, a shared master meter with Greenbush and eleven service

connections. The interconnected Greenbush Water System includes approximately 2,600 linear feet of ductile iron water main along route 9G, and another 11,850 feet of ductile iron water main along Town roads.

#### **SOURCE CAPACITY AND QUALITY EVALUATION**

Water for the Violet Avenue System is purchased from the PJWB, whose water source is a 19.3 MGD water treatment facility drawing water from the Hudson River. Typically, district flows appear to average 47,436 gallons per day or 33 gallons per minute based on data presented in the Engineering Evaluation Report. Despite the occasional max day, the district does not typically exceed the minimum purchase.

The primary concern of the water system is addressing the water quality issues associated with Disinfection By-Products (Total Trihalomethanes and Haloacetic Acids.). Disinfection By-Products levels are primarily a function of the quality of water leaving the PJWB water treatment facility, and water age. Water age is complex and affected by the operation of storage facilities in the Poughkeepsie system, and the flow of water throughout the entire Poughkeepsie distribution system as well as within the Violet Avenue water system. The water system is currently addressing these issues with a proactive flushing program. It is anticipated that water quality will improve with future improvements designed for the Poughkeepsie water treatment facility. According to the PJWB, construction is anticipated to be complete by the summer of 2016.

#### **FUTURE DEMAND**

All properties within the Violet Avenue Water System are developed. There are no current or anticipated plans to expand the Violet Avenue Water System.

#### **FUTURE CAPITAL ISSUES**

An engineering evaluation of the Violet Avenue Water System was completed as part of the Reorganization Study, and is included as Appendix A to the Study. The engineering evaluation included recommendations for system improvements, organized by priority level.

#### **Treatment Building**

The Violet Avenue Water System has no treatment buildings, facilities or otherwise.

#### **Distribution System**

The Violet Avenue water distribution system includes a master meter at point of purchase from PJWB, approximately 600 feet of 8-inch ductile iron water main and appurtenances, a

shared master meter with Greenbush and eleven service connections. The distribution system was found to be in good condition, with no significant history of water main failures, and so there is no reason to believe that the pipe will require replacement prior to its expected useful life of 50-80 years.

**PROJECTED CAPITAL COSTS AND ALLOCATIONS**

There are no capital improvements to be funded through the issuance of bonds. Should the Authority, in the future, issue bonds for capital improvements, annual debt expenses will be allocated equitably among all parcels within the District through the assignment of benefit units to each parcel. The methodology for the assignment of benefit units is attached (see Appendix C.) All benefit units would be charged at the same rate. The annual benefit assessment would appear on the respective property owner’s yearly property tax bill.

**OPERATION AND MAINTENANCE (O&M) COSTS**

The O&M Budget Projection is the total cost to the DCWWA to operate the Violet Avenue Water System; purchase of water, laboratory fees, labor, insurance, typical repairs and other ongoing costs. The DCWWA has developed an O&M budget projection to illustrate estimated First Year costs of the Violet Avenue Water System under Authority ownership, based on the Authority’s prior operating expenses and history for comparable size water systems, and possible anticipated repairs to the system. A copy of the O&M budget projection, using 2015 as a base year for demonstration purposes of those First Year costs, has been included as Appendix “B”. The first year operational cost (2015 dollars) is estimated at \$7,100.00.

DCWWA proposes to maintain the current rate structure of a quarterly charge of \$50.00, plus a charge of \$2.30 per thousand gallons of metered water usage. The below table depicts annual cost per customer.

| <b>Table: Water Rates and Typical Cost Per Customer</b> |                  |                    |   |
|---|------------------|--------------------|---|
| <b>Charge</b>   | <b>Type</b>      | <b>Rate</b>        | <b>Typical Annual Charge Per Customer</b> |
| Flat Rate Water   | Quarterly Charge | \$50.00            | \$200.00                                  |
| Metered Rate  | Usage Charge     | \$2.30/1000 gal    | \$92*                                     |
|   |                  | <b>Grand Total</b> | <b>\$292.00</b>                           |

*\*Based on 110 gallons per day for typical residential customer.*

It should be noted that, pursuant to the water purchase agreement, the PJWB may pass on to the Violet Avenue Water System “a proportionate share of subsequent capital costs to the water treatment facility.” Based on the current estimated costs of the ongoing improvements to the water treatment plant, the PJWB has estimated the additional cost to

be in the range of \$0.25 per thousand gallons, or a 13% increase over the current rate. This would increase the combined Greenbush and Violet Avenue Districts' annual water purchase cost (for the Take or Pay volume) by about \$7,300 per year.

### **CONNECTION CHARGES**

All properties within the Violet Avenue Water System are currently served. At the time the Map, Plan and Report was drafted, the typical residential connection charge was \$500.

### **Annual Cost per a Typical Property – First Year: \$292.00**

The total annual cost for a typical property in a zone is generally a combination of the long-term capital charges (debt service) and water usage charges. In the proposed District a typical property will be a single family dwelling unit. Given the assumptions and estimates described above, the projected "First Year" total cost for a typical single family dwelling in County Water District Zone of Assessment P will be two hundred ninety two dollars (\$292.00). A system budget based on these rates will build appropriate fund balances to maintain the public water system in good working order.

#####

### **APPENDICES**

Appendix A – Description of County District Zone of Assessment P (Map & Parcel List)

Appendix B – Proposed Operation & Maintenance Budget

Appendix C - Proposed Benefit Assessment Methodology

**APPENDIX "A"**

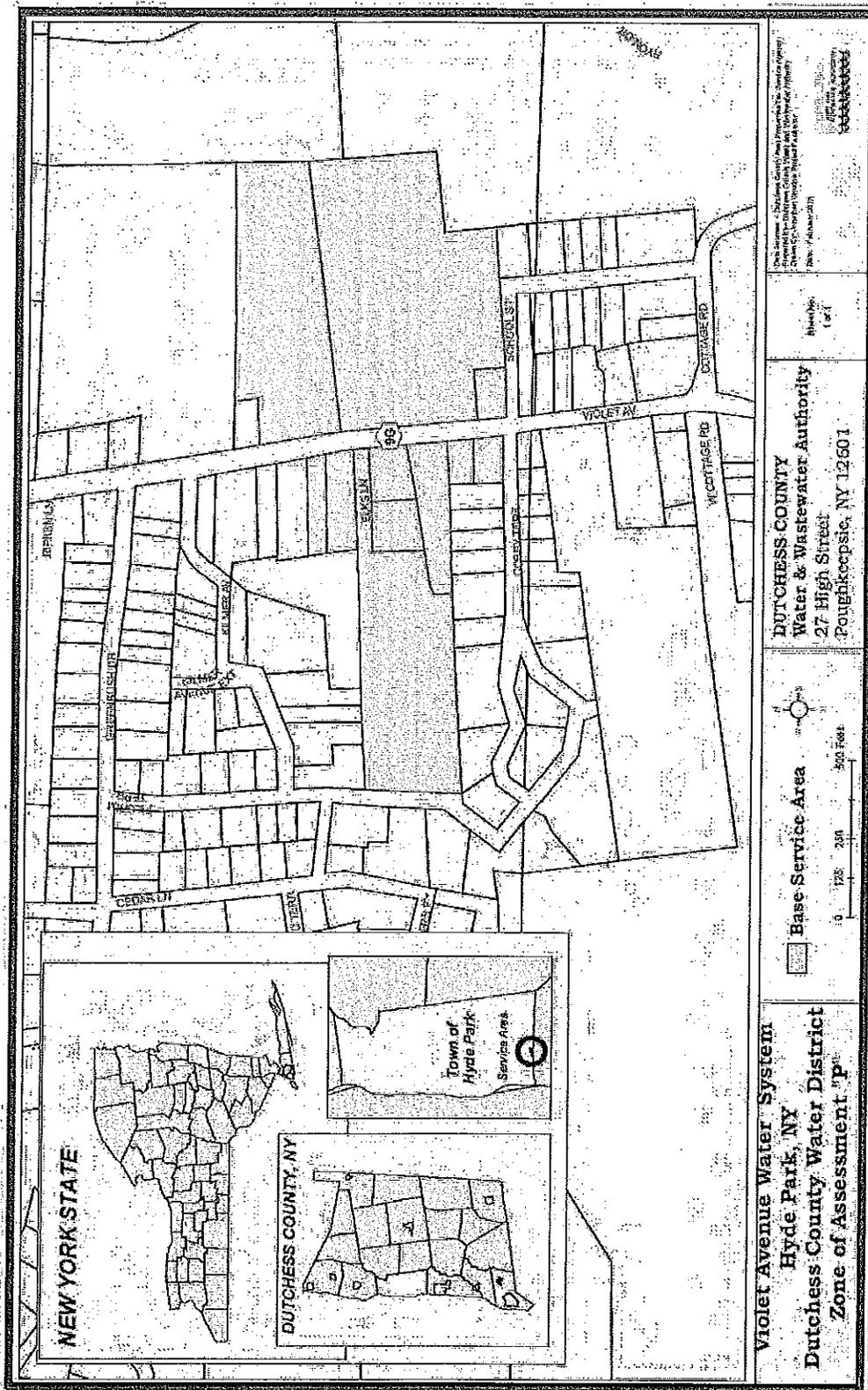
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6163-04-600353-0000  
6163-04-527354-0000  
6163-04-548325-0000



**APPENDIX "B"**

Proposed

**Operation & Maintenance Costs**

*Illustrative of projected first year O & M expenses, revenues and rates*

for customers of

Violet Avenue Water System (County District Zone of Assessment P)

**DCWWA PROPOSED 2015 BUDGET  
VIOLET AVENUE WATER SYSTEM**

|                               |               |
|-------------------------------|---------------|
| <b>Beginning Fund Balance</b> | <b>29,499</b> |
| <hr/>                         |               |
| <b>Annual Expenses</b>        | <b>7,083</b>  |
| Water Purchase                | 1,000         |
| Power/Chemicals               |               |
| Operations                    | 1,017         |
| ERM                           | 1,000         |
| Lab/Sampling/Permit           | 366           |
| Administration                | 1,540         |
| Legal/Engineering             | 300           |
| Insurance                     | 500           |
| Operations Contingency        | 1,360         |
| <b>Annual Revenues</b>        | <b>7,083</b>  |
| Water Sales/Penalties         | 4,083         |
| Transfer from Fund Balance    | 3,000         |
| <b>Ending Fund Balance</b>    | <b>26,499</b> |

**APPENDIX "C"**

Violet Avenue Water System (County District Zone of Assessment P)  
**Proposed Benefit Assessment Methodology**

**COUNTY WATER DISTRICT  
ZONES OF ASSESSMENT C, D, H, M, O, P and U (Not J or K)**

**PART COUNTY SEWER DISTRICT #1, 2, 3 & 6**

**BENEFIT ASSESSMENT METHODOLOGY**

**DEVELOPED LAND (Use the higher of either LAND USE/WATER USE or ACREAGE)**

**LAND USE/WATER USE**

**RESIDENTIAL**

|                                      |           |
|--------------------------------------|-----------|
| <b>FIRST DWELLING UNIT</b>           | <b>10</b> |
| <b>EACH ADDITIONAL DWELLING UNIT</b> | <b>8</b>  |

**COMMERCIAL/INSTITUTIONAL:**

|                                  |           |
|----------------------------------|-----------|
| <b>FIRST 500 GPD WATER USAGE</b> | <b>20</b> |
| <b>EACH ADDITIONAL 100 GPD</b>   | <b>4</b>  |

**ACREAGE**

|                                   |           |
|-----------------------------------|-----------|
| <b>FIRST 2 ACRES</b>              | <b>10</b> |
| <b>EACH ADDITIONAL WHOLE ACRE</b> | <b>2</b>  |

**UNDEVELOPED LAND**

|                                   |          |
|-----------------------------------|----------|
| <b>FIRST 2 ACRES</b>              | <b>8</b> |
| <b>EACH ADDITIONAL WHOLE ACRE</b> | <b>2</b> |

**STATE PARK LANDS**

|                                  |           |
|----------------------------------|-----------|
| <b>FIRST 500 GPD WATER USAGE</b> | <b>20</b> |
| <b>EACH ADDITIONAL 100 GPD</b>   | <b>4</b>  |