

**Danby Town Board  
Minutes of Special Meeting/Public Hearing  
June 20, 2012**

**Present:**

Supervisor: Ric Dietrich  
Councilpersons: Leslie Connors, Kathy Halton

**Others Present:**

Deputy Town Clerk Susan McLellan  
Code Office Sue Beeners  
Bookkeeper Laura Shawley  
RCAP Candace Balmer  
T. G. Miller David Herrick  
Water District Carl Seamon, Marge Seamon, Gene Beavers, Skip Fairchild  
John Sill, Tom Westmiller, Tod Sukontarak  
Public John W Smith, Polly McClure, Paul Hahinen, Roy Casterline, Matt Cooper,  
Don Wright, Ross and Elaine Cortright, Arlene B, Mare Grace O'Connor,  
Joel and Sarah Gagnon, Peter Fraissinet, and several others.

**The Special Meeting of the Danby Town Board and West Danby Water District was opened at 7:05pm.**

**Presentation/Opening Remarks**

The Town Supervisor, Ric Dietrich, explained that this Public Hearing was required as part of a grant application to the Community Development Block Grant for desired improvements to the West Danby Water District. He noted that the income survey is a particularly important aspect of the grant proposal. A 85% return on the survey is required.

The Town Code Officer, Sue Beeners read the following Public Hearing Notice:

The Town of Danby Town Board and the West Danby Board of Water Commissioners will hold a public hearing on Wednesday, June 20, 2012 at the West Danby Fire Station, on Sylvan Lane in West Danby. The purpose of this meeting is to present information about community development activities that could be funded through the NYS Office of Community Renewal's Community Development Block Grant Program. That Program is making approximately \$40 million available statewide in its 2012 Annual Competitive Round Program.

The Town may be eligible to apply for up to \$600,000 for Public Infrastructure from the program and up to \$400,000 toward Housing and Public Facilities. Applications for public infrastructure and public facilities funds are due July 16, 2012. Applications for CDBG housing funds are due August 17, 2012. A portion of the agenda will show how these funds could be used to advance various community development needs in the Town of Danby.

A specific purpose of this meeting is to present information about funding opportunities related to the Proposed West Danby Water System Improvement Project, through the Community Development Block Grant Program. This project may be eligible for grants through this Program in order to replace the water tank, replace household meters, conduct a leak detection survey, change flushing assemblies, and install an automated reading system. An income survey of households in the Water District is presently being conducted to verify eligibility for this grant program.

Participation and comment from anyone in the community is important to the proper consideration and advancement of an application to this grant program. Written comments are also welcome and may be directed to the Danby Town Clerk, at [townclerk@town.danby.ny.us](mailto:townclerk@town.danby.ny.us), or mailed to Town of Danby, 1830 Danby Road, Ithaca New York, 14850. Specific questions or comments related to the Proposed West Danby Water System Improvement Program may also be directed to the West Danby Water District Board of Commissioners, c/o Carl

Seamon, Water Plant Superintendent, 2554 West Danby Road, Spencer, NY, 14883, 607.272.9169, [danbyhwy@yahoo.com](mailto:danbyhwy@yahoo.com).

Sue Beeners gave an overview of the grant options currently being pursued for the public infrastructure project of improving the Water District system. If the grant is awarded, a second meeting will be held to provide additional information.

In 1974 the Federal Housing and Community Development Act set up the Community Development Block Grant program to develop viable communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income. New York State has a similar program. Approximately \$40 million of NYS CDBG funds may be available to municipalities in 2012. Public infrastructure projects (for water/sewer needs) have a funding limit of \$600,000.

Beeners noted that at least 51% of the persons benefitting from the infrastructure improvements must qualify as “low to moderate income” (LMI) in order for the project to qualify for the grant. The grant asks that applicants demonstrate the impact of the funds on the reduction of debt burden and annual water fees on LMI households.

David Herrick (an engineer with T.G. Miller, P.C.) explained the needs of the water system. TG Miller P.C. conducted a review of the entire system in 2009, roughly 40 years after the original construction of components of the West Danby water system. Some needed improvements were noted in at that time.

Since 2009, additional problems have been found in the condition of the welded steel water storage tank. The structural painted steel has corroded and would be very costly to repair. The engineers have recommended replacing the tank with a more robust system (a 90,000 gallon tank replacing the current 50,000 gallon tank), providing better water supply for fire fighting. The replacement tank would have a longer life than repairing the existing tank. Additional upgrades have been recommended including improved flushing hydrants and water meters. These upgrades would more accurately measure water usage and assist with leak detection. The total cost of improvements is in the range of \$400,000

Herrick described the importance of grant opportunities to fund these improvements. If improvements were financed by the district over a 20 year period, it is projected that residents in the water district users would see an increase of \$850 per year in their water bills. Clearly this is a large amount in such a small, rural water district.

## **General questions and Answers**

Herrick, Beeners and others responded to comments and questions by residents. Residents attending the hearing asked whether the general water quality would improve with these upgrades (the current water sometimes has a brown color and off-flavor), whether it is possible to refurbish metering parts of the system, and whether it was advisable to fund the project through long term loans.

Herrick described the water quality as “reasonable” and stated that there were no health department concerns. He went on to suggest that more frequent flushing of the system (through hydrants) might improve the water quality for users. Refurbishing water meters is not cost effective. Additionally, the company is no longer in business and so parts are not available.

Water Commissioner Gene Beavers spoke about the importance of improved meters and leak detection. The District is aware of a leak problem and some non-functioning meters. The life span of meters is typically 7-10 years and some of these are 40 years old. All parts of the system improvement fit together.

There was a question as to the number of items included and if it would be cheaper to do just part of the project. Herrick responded that all parts of the project are important. The tank replacement is the largest cost, but flushing hydrants and meters are also important. He also noted that these grants are a good opportunity to really improve the system without raising rates.

There was a question about the financing terms and whether it could spread over a longer time. Lengthy finance agreements usually have a higher interest rate; payments may outlast the system,

causing the District to make payments on obsolete equipment. This is why the District is seeking grants.

### **The Survey**

Candace Balmer provided information about the income survey related to this competitive grant. An income survey of households in the Water District is presently being conducted to verify eligibility for this grant program. At least 51% of the persons benefitting from the infrastructure improvements must qualify as “low to moderate income” (LMI) in order for the project to qualify for the grant. Balmer explained the income levels which would be classified as low to moderate income.

Applications are due July 15. It is necessary to document that the district is eligible to apply for the grant. West Danby will be competing with other applications across the state. The sooner the community reaches the minimum level of return on the survey, the more time there will be to complete the grant application by that deadline. The Block grant program usually announces awards in late August.

Balmer and Beeners noted that this survey could also be used for other grant applications and low or zero interest loan programs. While there are other options, the Block grant is most attractive as it would fully fund the project.

Balmer stated that she rarely sees proposals that can be accomplished under the \$600,000 limit and called this proposal “exciting” as all improvements could be completed without needing to take out a loan. Balmer encouraged the town to make sure that all possible needs are included in the grant proposal, as it is currently lower than the average request. She also encouraged the Water District to include a rate increase which could be saved as a Capitol Reserve for the next time improvements are needed.

All of the presenters noted that the income survey is a particularly important aspect of the grant proposal. It is necessary to document that the district is eligible to apply for the grant. Letters, including a confidential income survey, have been mailed to households in the Water District. An 85% return on the survey is needed in order to properly document income eligibility for the grant. These surveys will be collected, unopened, in Town Hall and forwarded to RCAP Solutions (in Massachusetts) where they will be opened and tabulated. The surveys are completely confidential; no one in the town will see the surveys.

Beavers reiterated his earlier remarks about meters, leaks, and the system’s useful lifetime.

There was a question about whether the Water District will create a reserve fund for future maintenance and improvements in the water district. Beavers answered that the District has started budgeting money for asset management in order to do the maintenance, so that this level of need doesn’t come again in another 20 years. The Water District would like to move to a consumption rate instead of a taxed-based rate on property. This will only be possible when there are working meters. There is currently a large amount of water which is unaccounted for.

### **Adjournment**

The Meeting was adjourned at 8:05pm.

---

Pamela S. Goddard, Town Clerk

(These minutes were compiled from a sound recording and notes taken by Sue Beeners.)