

# Implementation Report Town of Tupper Lake Water District Consolidation

---

October 2017

Prepared for:

Town of Tupper Lake Water & Sewer District Consolidation Study Committee

Patricia Littlefield, Town of Tupper Lake Supervisor  
Samantha Davies  
Laurie Fuller  
Paul O'Leary  
John Quinn, Councilman  
Paul Maroun, Mayor of Tupper Lake  
Mary Casagrain  
Mark Robillard

This document was prepared with funding provided by the New York State Department of State under the Local Government Efficiency Grant Program – Contract No. T00021GG-3800.

Prepared by:



Warneck Pump Station  
23557 NYS Route 37  
Watertown, NY 13601  
[www.danc.org](http://www.danc.org)

## Table of Contents

1. INTRODUCTION .....	1
2. ELEMENTS OF PROPOSED CONSOLIDATION AGREEMENT .....	2
A) NAME OF EACH LOCAL GOVERNMENT TO BE CONSOLIDATED .....	2
B) NAME OF PROPOSED CONSOLIDATED LOCAL GOVERNMENT .....	2
C) RIGHTS, DUTIES & OBLIGATION OF PROPOSED CONSOLIDATED DISTRICTS.....	2
D) TERRITORIAL BOUNDARIES .....	2
E) TYPE AND/OR CLASS OF THE NEW CONSOLIDATED LOCAL GOVERNMENT .....	4
F) GOVERNMENTAL ORGANIZATION OF PROPOSED CONSOLIDATED SPECIAL DISTRICTS .....	4
G) FISCAL ESTIMATE OF THE COSTS OF AND SAVINGS REALIZED FROM CONSOLIDATION .....	5
H) EACH DISTRICT’S ASSETS.....	7
I) EACH DISTRICT’S LIABILITIES AND INDEBTEDNESS .....	9
J) TERMS FOR DISPOSITION OF EXISTING ASSETS, LIABILITIES & INDEBTEDNESS .....	9
K) TERMS FOR THE COMMON ADMINISTRATION AND UNIFORM ENFORCEMENT OF LOCAL LAWS, ORDINANCES, RESOLUTIONS, ETC.....	9
L) EFFECTIVE DATE OF THE PROPOSED CONSOLIDATION .....	10
M) TIME AND PLACE(S) FOR PUBLIC HEARING .....	10

## 1. INTRODUCTION

This document sets forth the Consolidation Implementation Plan for the Town of Tupper Lake's Water Districts that was developed by the Tupper Lake Water/Sewer Consolidation Study Committee. The Plan is the culmination of a nine month study that the Town undertook to determine the impacts of consolidation of water districts on rates and service delivery. The purpose of this Consolidation Implementation Plan is to summarize the actions that will take place to move forward with Town Water District Consolidation and to provide details on how services, will continue after consolidation. This Plan will be submitted to the Town of Tupper Lake Town board for adoption at their November 16, 2017 board meeting. If the Consolidation Implementation Plan is approved by the Town board, the Town will proceed with actions needed to consolidate the water districts as outlined in this plan.

This report is being funded by and prepared in accordance with the New York State Department of State (DOS) Work Plan requirements, as outlined in Contract No. T00020GG-3800 and T00021GG-3800. The Department of State provides funding of up to \$50,000 (90% grant, 10% municipal share) per community for activities associated with the implementation of consolidation. This Consolidation Implementation Plan identifies items that are recommended for completion prior to, or in conjunction with, consolidation and the estimated costs of completion.

The following sections of the Consolidation Plan follow the requirements outlined in the Government Reorganization and Citizen Empowerment Act (NYS Department of State, 3/21/10).

## **2. ELEMENTS OF PROPOSED CONSOLIDATION AGREEMENT**

### **A) NAME OF EACH LOCAL GOVERNMENT TO BE CONSOLIDATED**

Twenty-one town water districts are to be consolidated and they include: 1, 2, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 24, 25, and 26. There are a total of six districts that have existing debt. They include No. 3, 7, 8-2 (paid off in 2019), 16 (paid off in 2019), 17, and 17-Other. As a district pays off its debt, those districts can also be consolidated into the single “debt-free” district. Under this consolidation scenario, the total number of water districts could be reduced from 27 to 7 immediately and after districts 8-2 and 16 pay off their debt in 2019 they could be added to the consolidated district, bringing the total number of water districts down to 5.

### **B) NAME OF PROPOSED CONSOLIDATED LOCAL GOVERNMENT**

The name of the new consolidated water district will be Water District No. 1.

### **C) RIGHTS, DUTIES & OBLIGATION OF PROPOSED CONSOLIDATED DISTRICTS**

There will be no change to the rights, duties, and obligations of the consolidated special districts. The proposed consolidated water districts shall assume the rights, duties and obligations of the former Town of Tupper Lake water districts. Any contracts specific to existing Town water districts will be amended to reflect the new consolidated districts.

### **D) TERRITORIAL BOUNDARIES**

Please see Figures 1 for a map showing the existing water district boundaries and proposed boundaries.

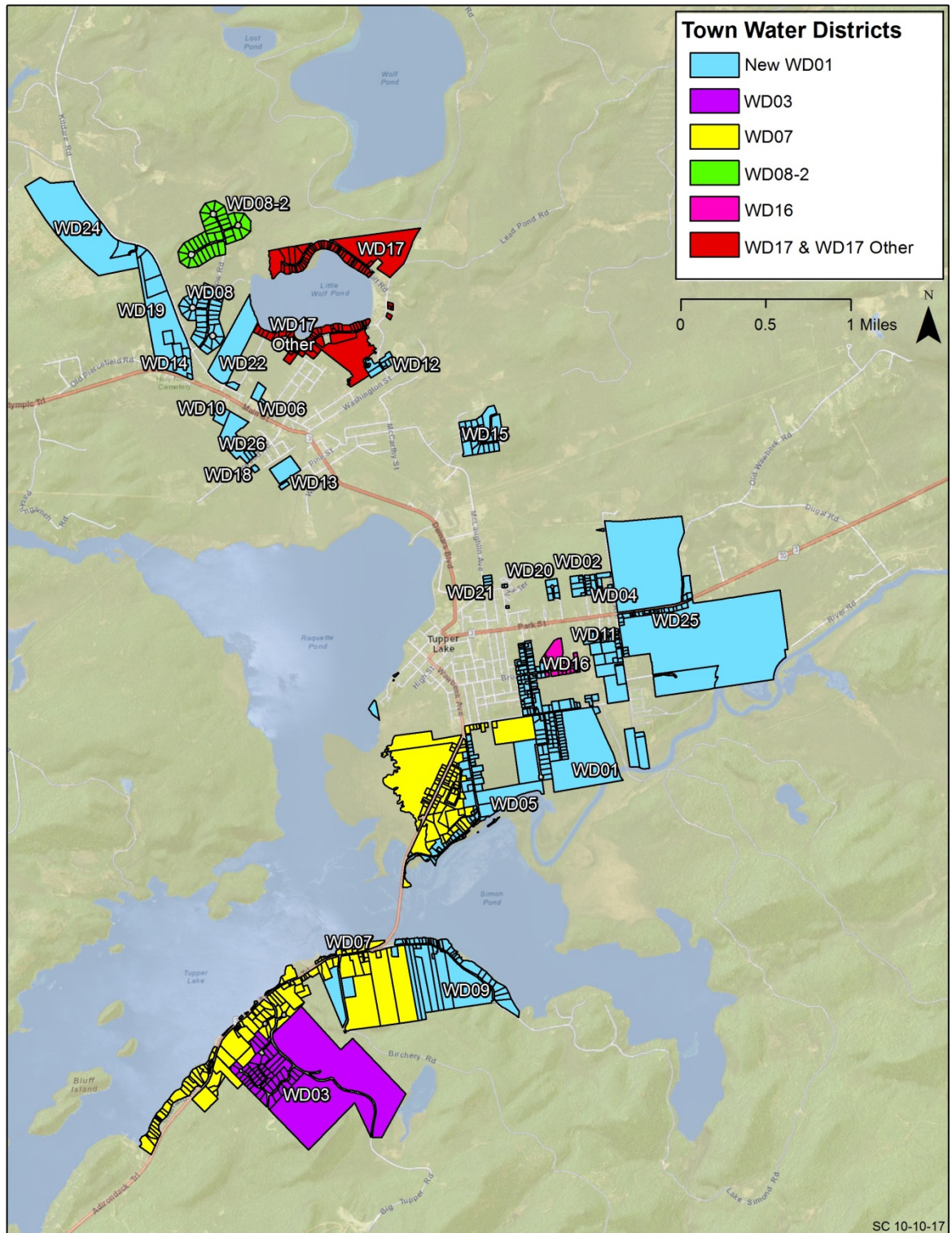


FIGURE 1 – TOWN OF TUPPER LAKE WATER DISTRICTS

## **E) TYPE AND/OR CLASS OF THE NEW CONSOLIDATED LOCAL GOVERNMENT**

The consolidated special district will be a water district established pursuant to Article 12-A. According to the Office of the New York State Comptroller, a special district is defined as “a geographic area within a town established to address specific needs of the property owners within that district, utilizing charges and, in some cases, user fees paid by taxpayers within the district to finance these services. Special districts were statutorily authorized to assist towns in adjusting to patterns of growth that were not town-wide, and have been used liberally by towns over the last several decades to address increased residential needs.”<sup>1</sup>

## **F) GOVERNMENTAL ORGANIZATION OF PROPOSED CONSOLIDATED SPECIAL DISTRICTS**

The organization will be consistent with NYS Town Law, NYS General Municipal Law, the Constitution of the State of New York, and will comply with all rules, regulations and laws of the State of New York. The consolidated water districts will continue to be managed as special districts by the Town of Tupper Lake. There will be no impact on elected or appointed officials and public employees associated with water district consolidation.

Consolidation of the Towns’ water districts would have no impact on the delivery of services. The Town would continue to operate its systems utilizing Village labor in accordance with the existing Inter-Municipal Agreement between the Town and Village. The Village would continue to bill Town customers on a monthly basis for usage and the Town would continue to bill customers annually on their County property tax bills for district and maintenance charges.

---

<sup>1</sup> <https://osc.state.ny.us/localgov/pubs/research/townspecialdistricts.pdf>

## **G) FISCAL ESTIMATE OF THE COSTS OF AND SAVINGS REALIZED FROM CONSOLIDATION**

The Town of Tupper Lake's water districts have evolved over decades into a complex and administratively cumbersome system to manage. By consolidating districts, consistent water laws would be established to govern all districts, administrative functions could be streamlined, and efficiencies gained at the Village, Town and County with respect to the management and billing of Town water customers.

From an infrastructure management perspective, through district consolidation, the Town could more sustainably manage its water infrastructure by establishing operating reserves to plan for upcoming infrastructure maintenance and replacement. This would allow the Town to stabilize rates and eliminate the need for inter-fund borrowing to deal with end of year deficits.

The Department of State provides grant funding for up to \$50,000 per municipality for activities associated with Village. For the Village and Town of Tupper Lake this could total \$110,000 with \$100,000 of the funding being provided through grant and the Village and Town covering the remaining 10%. The following items have been identified for inclusion in Village and Town Implementation Grants. These items will not impact Village or Town tax rates as they will be paid for with NYS Department of State grant funds and Village fund balance to cover the local share:

- 1) Town Office Access Improvements: Town water customers pay their bills at the Town of Tupper Lake offices. The current building is not fully handicap accessible. The Town has a proposed project to improve access to the building and co-funding of \$27,000 from the NYS Department of State would enable this project to proceed.
- 2) Village Office Access Improvements: Town and Village water customers also pay their monthly water bills at the Village of Tupper Lake Offices. The current building has been modified to be more handicap accessible but additional improvements are still needed

including additional signage, etc. The Village has a proposed project to further improve access to the building with estimated costs of \$13,000.

- 3) Water District Consolidation: The estimated cost to complete the water district consolidation process is \$5,000.
- 4) Water Billing Software Update: The estimated cost to upgrade the Village and Town computers, software, printers and other technology used to complete water billing is \$20,000 for the Village and \$10,000 for the Town.
- 5) Local Law Revisions: The estimated cost to complete a detailed review of intermunicipal agreements and water local laws, and to develop new or amended Town laws is \$10,000; \$8,000 for Town law updating and \$2,000 for Village law updating.
- 6) Asset Management Plans: The Village and Town would like to develop comprehensive asset management plans for water infrastructure. These plans would include a detailed asset inventory, asset life, recommended preventive maintenance tasks and frequencies of maintenance, and recommendations for annual contribution to replacement reserves. The estimated cost to complete asset management plans for the Village and Town's infrastructure is \$10,000 for the Village and \$5,000 for the Town.

The table below summarizes items to be considered for implementation grants:

<b>Implementation Grant Budget</b>	<b>Village</b>	<b>Town</b>
Town/Village Office Accessibility Improvements	\$13,000	\$27,000
Large Water Meter Replacements	\$10,000	\$0
Water District formation	\$0	\$5,000
Water Billing Software/Hardware Updates, digitizing water billing records	\$20,000	\$10,000
Local Water Law Revision	\$2,000	\$8,000
Asset Management Plans for Water Infrastructure	\$10,000	\$5,000
Totals	\$55,000	\$55,000



## H) EACH DISTRICT'S ASSETS

The value of the water district assets is comprised of two components: 1) fund balances that are associated with each district; and 2) the value of the infrastructure associated with the district (i.e., pipes, valves, pumps, etc.)

As of FYE16 the Town had the following fund balances in their water accounts totaled \$40,598.

A breakdown of the balances by district follows.

District Number	Fund Balance
Water District 1	\$13,822
Water District 2	\$0
Water District 4	\$0
Water District 5	\$9,290
Water District 6	\$0
Water District 8	\$5,928
Water District 9	\$4,969
Water District 10	\$0
Water District 11	\$5,545
Water District 12	\$0
Water District 13	\$0
Water District 14	\$0
Water District 15	\$1,044
Water District 18	\$0
Water District 19	\$0
Water District 20	\$0
Water District 21	\$0
Water District 22	\$0
Water District 24	\$0
Water District 25	\$0
Water District 26	\$0
TOTAL	\$40,598

To estimate the value of the infrastructure associated with the districts, an inventory was compiled that quantifies the major components of each district, the approximate age of the system, and the materials of construction. This information was shared with the Town's engineer to obtain an approximate estimate of the value of the infrastructure.

District	Parcels	EDU	Feet of Pipe	Material	Year Installed	Pump Station	Estimated Value of District Assets
WD01	126	126	10,569	Ductile Iron	Mostly 1970, small sections in 1990 and 2004		\$88,950
WD02	12	12	612	Ductile Iron	1977		\$4,994
WD04	9	9	507	Ductile Iron	1977		\$4,137
WD05	54	50	7,768	Ductile Iron	1978, small sections in 1990, 1999 and 2007		\$142,000
WD06	2	2	Directly on Village/Town line; lateral connection infrastructure only and maintained privately				\$0
WD08	30	30	5,200	Ductile Iron	1980		\$44,560
WD09	41	41	4,184	Cast Iron and Ductile Iron	1922, sections replaced in 1993 and 1996		\$2,845
WD10	1	1	Directly on Village/Town line; lateral connection infrastructure only and maintained privately				\$0
WD11	55	55	4,765	Transite and Ductile Iron	Section to school 1970, other sections 1988 and 2004		\$45,630
WD12	6	6	360	Ductile Iron	1970		\$2,600
WD13	2	2	330	Galvanized and Copper	1958, 1988		\$629
WD14	1	1	270	Ductile Iron	1988		\$2,608
WD15	19	19	3,500	Ductile Iron	1990, 2005	1	\$60,690
WD18	1	1	Directly on Village/Town line; lateral connection infrastructure only and maintained privately				\$0
WD19	4	4	700	Ductile Iron	1993		\$14,470
WD20	5	5	132	Ductile Iron	1993		\$1,365
WD21	6	6	350	Ductile Iron	1983		\$3,143
WD22	2	2	109	Ductile Iron	1996		\$1,170
WD24	5	5	3,942	Ductile Iron	2002		\$91,140
WD25	3	3	219	Ductile Iron	2004		\$2,590
WD26	3	3	Directly on Village/Town line; lateral connection infrastructure only and maintained privately				\$0

**TABLE 1 - TOWN OF TUPPER LAKE WATER DISTRICT INFRASTRUCTURE**

## **I) EACH DISTRICT'S LIABILITIES AND INDEBTEDNESS**

Since only debt-free water districts will be consolidated there will be no debt with the newly formed consolidated district.

## **J) TERMS FOR DISPOSITION OF EXISTING ASSETS, LIABILITIES & INDEBTEDNESS**

Personal property and other fixed assets owned by the special districts at the time of consolidation will become the property of the consolidated district. Personal property includes vehicles, equipment, office furniture, computers, and any other item commonly considered to be personal property. Fund balances existing at the time of consolidation, will be transferred to the consolidated district. Existing district debt will be transferred to the newly formed consolidated districts. The Town of Tupper Lake cannot project whether or not there will be uncollected taxes upon the date of consolidation; however, any uncollected taxes will have been turned over the County per current practice and the County will make the Town whole.

## **K) TERMS FOR THE COMMON ADMINISTRATION AND UNIFORM ENFORCEMENT OF LOCAL LAWS, ORDINANCES, RESOLUTIONS, ETC.**

As part of this study, a comprehensive review of Town of Tupper Lake's water laws was performed to determine laws that should be considered for updating as part of consolidation implementation process. The following identifies the laws recommended for updating.

- Village-Town Intermunicipal Agreement for Water and Sewer Districts executed 9/10/01, updated 9/1/05
- Village Water laws
- Adoption of new Town Water laws

These local laws would be applied uniformly across all Town water districts, unless the law is specifically written to only apply to a certain district or area. Additionally, Inter-municipal Agreement (IMA) that define the terms for the Village providing water and sewer service to the Town's districts will be updated to reflect the newly consolidated districts.

#### **L) EFFECTIVE DATE OF THE PROPOSED CONSOLIDATION**

The effective date for the consolidation of water districts will be 12/31/18.

#### **M) TIME AND PLACE(S) FOR PUBLIC HEARING**

The Town of Tupper Lake, at its Town Board Meeting on October 12, 2017, passed a resolution to endorse the Water District Consolidation Plan and set the date of the Public Hearing at November 16, 2017.