

**SPECIAL MEETING  
SHELDON TOWN BOARD  
With the Varysburg Water Advisory Board  
SEPTEMBER 14, 2022**

The Special Meeting of the Sheldon Town Board held September 14, 2022 at the Varysburg Fire Hall, Route 20A, Varysburg, NY 14167 was called to order by Chairman of the Varysburg Water Advisory Board Thane Wright at 7:00 p.m.

Present Councilmen: Deputy Town Supervisor Mike Armbrust, Jim Fontaine, Joe Meyer

Water Board: Thane Wright, Dave Thornton, Scott Almeter

Recording Secretary: Town Clerk Carol Zittel

Absent: Supervisor Brian Becker, Councilman Vince Kirsch,  
Water Board Member Jeff Rogacki

Also present: Residents of the Varysburg Water District, Matt Zarbo, Principal Engineer at Barton & Loguidice (B&L), Arcade Herald & Warsaw Courier Reporter Maya Borer

A signed list of all present is on file in the Town Clerk's office.

Thane Wright, serving as Chairman of the Varysburg Water Advisory Board opened the meeting and made introductions. Mr. Wright explained to those in attendance that this meeting is to discuss a proposed capital project to the Varysburg Water District that would upgrade water lines on School Street and on Route 98 north of School Street.

Mr. Zarbo gave a power point presentation. The power point presentation is on file in the Town Clerk's office.

Summary of presentation from Matt Zarbo, PE, Barton & Loguidice:

- B&L founded in 1961 with offices across NYS, over 350 staff
- B&L and the Town of Sheldon applied for a Community Development Block (CDBG) Grant to cover the cost of an engineer study but were not successful. It is difficult to obtain grant funding for engineering studies
- B&L has obtained over \$40,000,000.00 in grants in WNY over the past five years.
- A project of this type can take 3-6 years
- Four steps to getting funding: 1. have a plan, 2. gain/show community support, 3. be shovel ready, 4. market your project and apply for funding
- Based on the previous request for proposal (RFP) which was based on 3,300 linear feet of new water main and 400 linear feet of new storm sewer, Mr. Zarbo explained two options for funding, referring to them as Approach A and Approach B
- Approach A (~\$600,000.00) would result in the lowest capital cost but would rely on municipal bonds or in-house funds and would assume a 20-year loan at a ~5.5% interest rate. The additional annual cost with this approach would be ~\$55,600.00. The pros of this approach: easiest and quickest to complete. Cons: Highest interest rate and shortest term, higher user costs
- Approach B ~\$750,000.00 would require more "soft costs." A preliminary engineering report (PER) would cost approx.. \$25-30,000.00. Funding source would be USDA or another funding agency. Loan of 38 years at 2.625% interest rate. Pros and cons: lower

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user costs, possible grant opportunities, longest and most difficult to complete, lowest interest rate but longest term.

- B&L generally recommends Approach B

Mr. Zarbo accepted questions from residents – below is a summary:

- AJ Dyrbala question: Can we hire you for the PER and then use another engineer? Mr. Zarbo responds “yes”
- A discussion of current water charges that residents pay. Water users pay a water usage fee of \$12.50 per 10,000 gallons per quarter. In addition, on their yearly County tax bill, users pay a \$200 water maintenance fee and a USDA loan repayment fee of \$263.
- Mr. Wright explains: seven years ago we completed (upgraded)  $\frac{3}{4}$  of our system.  $\frac{1}{4}$  of the system is aging rapidly and is breaking down. We recently had a couple of leaks of over 1 million gallons. We hope to upgrade the rest of the system at a cost under \$1 million.
- Mr. Zarbo responded that he believed under \$1 million can be done
- AJ Dyrbala asks Mr. Zarbo about the possibility of residents having to replace laterals which Mr. Zarbo acknowledges could be true
- AJ Dyrbala also gives his opinion that this project should include an extension on School Street into the 2-inch line and that the project should go further on Route 98 than originally planned
- Deputy Supervisor Armbrust asks Mr. Zarbo if he is recommending a new pumphouse. Mr. Zarbo responds that no, he is recommending a second room on the existing building. (Mr. Zarbo had earlier noted that the pumphouse needs reconfiguring to prevent corrosion of equipment from chlorine and chemicals)
- Mr. Wright acknowledges that the pumphouse is having issues with electrical components due to corrosion from chemicals
- Mr. Zarbo notes that ARPA funds may be used for the PER and any upgrades
- Mr. Zarbo notes that construction most likely will not occur until 2024
- Mr. Zarbo notes that the PER will outline costs and funding opportunities
- Mr. Zarbo requests that any additional items to the scope of the project be submitted in linear feet so that it can be included in the PER
- A resident asked why the whole project wasn't completed 7 years ago. It was explained that School Street was originally included in the project 7 years ago, however, the cost estimate came in higher than funding obtained. The project did end up coming in under project but additional funds could not be obtained at that point.
- Mr. Zarbo notes that R&D (Rural Development) will require you to raise your rates to show you are solvent.
- Deputy Supervisor Armbrust notes that the proposed rate increase is \$20.00 per quarter per 10,000 gallons. This results in an approximate increase of \$30.00 per year. (residents currently pay \$12.50 per 10,000 gallons per quarter plus \$3.00 per every 1,000 gallons over 10,000)

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- Mr. Wright explains that he hopes to collect residents concerns and pass them on to Supervisor Brian Becker
- Mr. Wright noted that Varysburg water contains a lot of iron. Mr. Dyrbala asks if that would categorize the water as dangerous and open the district to more grants. Mr. Zarbo responds that iron is not considered a dangerous element.
- Mr. Zarbo notes the possibility of a Community Development Block Grant (CDBG) if the District is income eligible. This would require an income survey with a 90% response rate. Mr. Zarbo will forward contact information for the Rural Community Assistance Program to the Town Clerk and Town Supervisor. If Rural Community believes we may be income eligible they would do the income survey at no cost. Income levels for the District would need to be very low. The mobile home park in Varysburg would participate in the income survey with each trailer counting as a separate residence even though the water district does not individually bill the mobile home park.
- There were questions regarding the possibility of expanding the water district (along Thomas Road and also to the new Boxler family maple sugar facility on Route 20A). Mr. Zarbo explains that the District may be expanded by petition from residents. This requires a legal report done by an engineer and drawn up by an attorney.
- Mr. Zarbo gives Warren Boxler his business card to discuss options further

At 8:40 p.m. Mr. Wright ended the meeting.