

JOHN P. CURTIN, MAYOR  
PATRICK W. COX, TRUSTEE  
SARA N. TALLMAN, TRUSTEE  
DAWN M. O'HARA, CLERK  
ANTONINO J. PROVVIDENTI, TREASURER  
JEFFREY D. BROWN, ATTORNEY



VILLAGE OF MARCELLUS  
6 SLOCOMBE AVENUE  
MARCELLUS, NY 13108  
OFFICE 673-3112  
FAX 673-3217  
MARBOARD@TWCNY.RR.COM

August 1, 2016

Dear Village Resident:

Following the most recent delivery of the Village utility bills, we have received a number of comments regarding the increase in sewer rates billed to the Village residents. The Village board would like to explain the reasons for what appears to be a significant increase in the rates charged each quarter.

During the last several years, the New York State Department of Environmental Conservation (DEC) has expressed continuing, major concerns as to the ability of the Village of Marcellus Wastewater Treatment Plant to adequately reduce the amount of phosphorus discharged by the Plant into Nine Mile Creek, and ultimately into Onondaga Lake. Most recently, in January 2016, the DEC mandated that within one year the Village would be required to present a plan to virtually eliminate this phosphorus from its effluent. The DEC made it very clear that failure to comply would result in the Village being "in consent", meaning a violation of its State permit to operate a Wastewater Treatment Plant, and subjecting the Village to substantial monetary fines and court action.

It has since been determined by the Village's engineers that in order to comply with this DEC mandate, the Village would need to completely reconstruct its existing Wastewater Treatment Plant, at a cost of approximately \$5.5 million, which would effectively bankrupt the Village financially. All of the Village's appeals to the DEC for some form of mitigation of this mandate have been rejected. Worse yet, the search for possible grant funding by the Village's engineers for this specific type of capital project has been hampered by continued cuts in Federal and State grant awards to municipalities across the board.

It is both interesting and ironic to note that Onondaga County Metropolitan Treatment Plant officials successfully dodged a bill of, potentially, hundreds of millions of dollars this past summer when environmental regulators eased restrictions on the amount of phosphorus that the County's Treatment Plant can discharge into Onondaga Lake. The regulators accepted the County's position that significant progress has been made in removing phosphorus from the lake, so much so that the additional Plant improvements, which would be necessary to comply with standards set in 1998 would not be worth the enormous expense to sewer users of the County Treatment Plant facility.

Since the Village of Marcellus Wastewater Treatment Plant essentially empties into Onondaga Lake, the Village also becomes financially responsible for keeping the lake free of phosphorus discharge. The Village Board of Trustees believes that most all would agree it makes little sense for our small Village to be forced to spend millions of dollars to clean up a lake which has already been declared "clean enough in which to swim" and also "cleaner than some of the Finger Lakes".

In the meantime, the Village Board cannot ignore the directives and mandates from the DEC, and must make every attempt to present a written plan to the DEC for the elimination of the phosphorus discharged by its Wastewater Treatment Plant before the end of this calendar year. This plan, in the form of an engineering study as developed by the Village's engineers, though costing far less than the total \$5.5 million price tag, will still be expensive, and estimated to cost at least \$300,000. The Village Board anticipated this a year ago, and found itself with no alternative but to raise the sewer billing rates paid by Village sewer users to pay for this engineering study.

New York State law requires that a public hearing be held each time there is a proposed increase in sewer billing rates. Twice in the past year, on September 29, 2015 and again on March 28, 2016, a public hearing was announced and held, before our regular Board meeting, to propose an increase in the per unit sewer usage billing rates paid by Village residents. The first such proposed increase was from \$51.91 per 1,000 gallons to \$63.00 per 1,000 gallons. The second proposed increase was from \$63.00 per 1,000 gallons to \$75.00 per 1,000 gallons. It should also be noted that these were the first proposed increases in the rates charged to Village sewer users since 2007, which was almost 10 years ago.

This most recent increase raised the **minimum (5,000 gals. per quarter) sewer rent to \$75 per quarter or \$300 per year.** Please note that the method used to establish the sewer rent is based on the actual reading of the water meter by the Onondaga County Water Authority, which reading is supplied to the Village each quarter, indicating the amount of water per gallon consumed by consumers. There is a base charge for all customers, followed by charges on a per/gals basis. A copy of the sewer rates accompanies this letter.

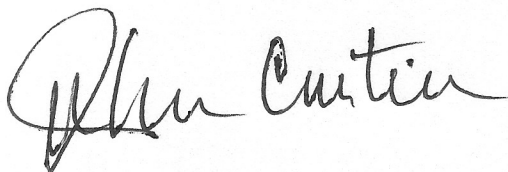
It might also be noted that the **minimum** cost of sewer service provided by the Onondaga County Metropolitan Treatment Plant, by comparison, is now **\$411** per year, and is expected to rise in the next County budget year.

The New York State Environmental Facilities Corporation (EFC) recently approved a 10-year interest-free loan, which is to be used by the Village to pay upfront for the cost of this DEC mandated engineering study. However, in order for the Village to have the money to repay this EFC loan, it has had no choice but to impose these two increases in the sewer billing rates to its residents. The Office of the New York State Comptroller, upon examination of the Village's annual financial statements, has repeatedly branded the Village of Marcellus as being "susceptible to fiscal stress". This has made the idea of trying to use the Unappropriated Sewer Fund Balance to pay for this engineering study out of the question.

At this point in time, it is too early to know exactly what the DEC's next step will be, even if the Village's written plan for phosphorus removal proves satisfactory to them. While a DEC mandate for the Village to spend the \$5.5 million to rebuild its Wastewater Treatment Plant would surely bankrupt the Village, the cumulative cost of daily fines for the Plant being in violation of its State permit to operate would ultimately bankrupt it as well.

Thank you for your understanding of what the State, specifically the DEC, has clearly set out to do to your Village. We are reminded of our current New York State Governor's campaign promise of eliminating the cost to the taxpayers of having "too much local government". While the New York State DEC is technically a separate State agency, one cannot help but wonder if this DEC action is purely a coincidence.

For the Village Board,



John P. Curtin

cc: Sara N. Tallman, Trustee  
Patrick W. Cox, Trustee  
Dawn M. O'Hara, Clerk  
Antonino J. Provvidenti, Treasurer  
Jeffrey D. Brown, Attorney  
Greg Crysler, Treatment Plant Operator

## Document G – Sewer Rates

### Village of Marcellus

#### Normal Rate Tables

Rates Effective 04/01/16

---

<u>Minimum</u>	<u>Maximum</u>	<u>Charge</u>	<u>Per</u>
0	5,000 gals/unit	\$75.00	0
5,000	23,000	\$6.60	1,000
23,000	39,000	\$8.40	1,000
39,000	600,000	\$5.70	1,000
600,000	99,999,999	\$4.80	1,000

---

Note: The first range defines the base charge (minimum) indicated in Charge column, with an allowance of gals or cu ft indicated in Maximum column. It is a base charge charged to all customers without incurring any additional charges. Thereafter, charges are on a per . . . gals basis indicated in the last column