

**VILLAGE OF PORT CHESTER  
BOARD OF TRUSTEES  
Meeting, Thursday January 9, 2014  
Special Meeting: 6:00 P.M.  
VILLAGE HALL CONFERENCE ROOM  
222 Grace Church Street  
Port Chester, New York  
AGENDA**

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**TIME: 6:00 P.M.**

<b>I</b>	<b>RESOLUTIONS</b>	<b>ACTION</b>
	<b>Administration</b>	
1	Authorizes and ratifies the Village Manager's execution of an agreement with United Water Westchester, Inc.	
2	Authorizing the Village Manager to notify the Westchester County Commissioner of Human Resources with regard to upcoming Chief of Police civil service examination.	

**TIME:** \_\_\_\_\_

# RESOLUTIONS



# Village of Port Chester

## Office of the Village Manager

### MEMORANDUM

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TO: Mayor and the Board of Trustees

FROM: Christopher D. Steers, Village Manager

DATE: January 9<sup>th</sup>, 2014

RE: 3rd Update on Sewer Rent Project

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Gentlemen, staff held a follow up conference call with United Water on Wednesday January 8<sup>th</sup> in order to flush out some of the issues raised at the last executive session discussion. Staff keyed in on the bill methodology for bill the balance due based on accumulated consumption data for June 2013 through May 2014 and the form of the bill(s). As vetted in referenced discussions our purpose, intent, and fiscal reality necessitates billing for consumption for this entire fiscal year. Accomplishing this it appears will require additional resources from United Water specifically in regards to programing the billing system to accomplish this bill type.

In essence the bills will be similar to an adjusted / corrected bill, however their system is not programmed for this billing pattern and as such will require modification. The bottom line is there will be some additional expense involved in making this happen however it should be nominal in nature. As such I have increase the contingency line in the sewer rent budget by \$50,000.00. This results in the Adjusted Rate per CCF being **\$1.140363**; and this now equates to approximately **\$1,486,835.00** in revenues (see attached updated fund revenue adopted and projected budgets). This adjusted rate equates to an annual bill of about **\$136.84** for a **residential user**, based on average consumption data. (Average residential consumption is about 120 CCF's per year x \$1.140363 per CCF = \$136.84).

Further, the Board requested a five (5) year budget illustrating the estimated revenues, expenditures, and subsequent rates. Attached hereto find same. In sum the five year budget(s) average about \$1.5 million in revenues and fluctuations in the actual rate charged are based upon changes in debt and debt service over the five year period. Further, it has always anticipated that the yearly rate would be subject to some fluctuation based on the amount of overall consumption from year to year.

VILLAGE OF PORT CHESTER SEWER ENTERPRISE FUND REVENUES MODIFIED & PROJECTED BUDGETS								
SEWER ENTERPRISE FUND - 007-007-	PAYABLE							
	FY 2013-14 REQUESTED	FY 2013-14 ADOPTED	FY 2013-14 MODIFIED	FY 2014-15 PROJECTED	FY 2015-16 PROJECTED	FY 2016-17 PROJECTED	FY 2017-18 PROJECTED	
2122 - SEWER USER FEES	1,724,538	1,724,538	1,486,835	1,542,003	1,640,442	1,505,162	1,644,127	
2128 - INT & PEN ON SEWER ACCOUNTS	5,000	5,000	-	5,000	5,000	5,000	5,000	
2597 - SEWER SRV/CONNECTION CHRNG	22,000	22,000	-	22,000	22,000	22,000	22,000	
<b>TOTAL REVENUES</b>	<b>1,751,538</b>	<b>1,751,538</b>	<b>1,486,835</b>	<b>1,569,003</b>	<b>1,667,442</b>	<b>1,532,162</b>	<b>1,671,127</b>	
SEWER RATES (1,303,826 YEARLY CCF)				\$ 1.140363	\$ 1.182675	\$ 1.258176	\$ 1.154419	\$ 1.261002
PERCENT INCREASE				3.71%	6.38%	-8.25%	9.23%	

Again, the remaining discussion centers around the Boards' position on the costs associated with implementing the Sewer Rent program and the ability of UWW to commit to the first billing in March/April. The program itself remains the fairest way to access these costs despite the seemingly high implementation, management, and support costs. These cost would be carried one way or another: through this method however it will be carried by the user instead of the general tax payer.

Further, if for some reason this program does not go forward as designed we will still need a capital program to repair and maintain our sewer system. The end result of failure in this instance would be to lose about \$ 520,392.00 in potential revenues from the tax exempt properties and then to resort the prior tax levy method that unfairly impacts commercial and residential owners, in particular single family homeowners; who would all again carry the full cost of these necessary capital improvements through a tax increase.

CC: Maryanne Veltri, Office Assistant  
File



# Village of Port Chester

## Office of the Village Manager

### MEMORANDUM

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TO: Mayor and the Board of Trustees

FROM: Christopher D. Steers, Village Manager

DATE: January 9<sup>th</sup>, 2014

RE: 2<sup>nd</sup> Update on Sewer Rent Project

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As we discussed two significant things have occurred over the past two weeks that alter the path of this project. First the PSC has demanded that the agreement be finalized prior to the approval being placed on their January Agenda. The terms and conditions of the agreement are spelled out in same (**see attached agreement**). Again, in sum;

- The Adjusted rate per CCF is now **\$1.102014**. This equates to approximately **\$1,436,835.00** in revenues.
- One time UWW set up fee is \$87,566.00 (quarterly payments of \$14,594.33 beginning on 9/15/14 to be charged to this fiscal year). (See attached schedule.)
- Base Annual Maintenance and support fee of \$241,027.00 (first two payments to be quarterly beginning on 6/15/14 @ \$60,256.74 with two such payments charged to this fiscal year. Thereafter the payments are monthly @ \$20,085.58). (See attached schedule.)
- Potential to go to **Monthly Billing**. Costs: one time set up fee of \$11,000.00. Annual maintenance and support fee of \$69,790.00.

Again, the adopted Sewer Rent budget approximated a revenue stream of **\$1,724,538.00**; of which 35% of the revenue (\$603,588.00) would now be collected from the tax exempt properties who are existing users, based on their consumption. The adopted rate folded in the prior years uncollected revenue (about \$700,000.00 -900,000.00 +).

That loss is represented in the audited financials on page 10, Table 6:

	Budgeted Amounts			Actual	Variance with
	Original	Final	Difference		Final Budget
Revenues and other financing sources	\$34,814,679	\$35,940,701	\$1,126,022	\$35,763,268	\$ (177,433)
Expenditures and other financing uses	35,764,619	36,890,641	1,126,022	36,890,641	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (949,940)	\$ (949,940)	\$ -	\$ (1,127,373)	\$ (177,433)

*Original budget compared to final budget.* At the close of the fiscal year, budgeted revenues and appropriations were increased by \$1,126,022 to adjust for events occurring subsequent to the adoption of the budget.

*Final budget compared to actual results.* A review of actual revenues and expenditures compared to the estimated revenues and appropriations in the final budget yields several variances including a significant unfavorable variance of \$1,043,995 within transfers in. This variance was caused by a delay in funding capabilities in the Village's planned Sewer Fund.

As discussed with the Auditors, the initial revenue was not booked properly. This makes it difficult to justify collecting same.

Secondly, the Sewer Rent budget needs to be adjusted for this year due to the fact that the full brunt of the UWW expenses will not be realized this fiscal year. Of the potential UWW charges (without the additional charges for monthly billing) \$328,593.00 for implementation and support we will only realize about \$120,513.48 of this expense this fiscal year. (See page six (6) of the presentation and the attached Modified Sewer Fund Budget). The current Adjusted Sewer rate calculation follows the same calculation methodology, however projected revenues are now at **\$1,436,835.00**; of which 35% of the revenue (\$502,892.00) would likewise be collected from the tax exempt properties who are existing users, based on their consumption.

This adjusted rate equates to an annual bill of about **\$132.24** for a residential user, based on average consumption data. (Average residential consumption is about 120 CCF's x \$1.102014 = \$132.24). (See page 6 of the power point). The remainder of the adjusted budget is spelled out in the attached Modified Sewer Fund Budget.

Again, the remaining discussion centers around the Boards' position on the costs associated with implementing the Sewer Rent program and the ability of UWW to commit to the first billing in March/April. The program itself remains the fairest way to access these costs despite the seemingly high implementation, management, and support costs. These cost would be carried one way or another: through this method however it will be carried by the user instead of the general tax payer.

Further, if for some reason this program does not go forward as designed we will still need a capital program to repair and maintain our sewer system. The end result of failure in this instance is to resort the prior tax levy method that unfairly impacts commercial and residential owners, and in particular single family homeowners, who would all carry the cost of these necessary capital improvements for hitherto exempt properties through a tax increase.

CC: Maryanne Veltri, Office Assistant  
File

**SANITARY SEWER SERVICE BILLING  
AND COLLECTION AGREEMENT**

**THIS SANITARY SEWER SERVICE BILLING AND COLLECTION**

**AGREEMENT** made and executed this \_\_\_ day of December 2013 (the "Agreement") by and between the Village of Port Chester (the "Village") and United Water Westchester Inc. ("UWW") (collectively, the "Parties").

**RECITALS**

A. The Village operates a Sanitary Sewer System and wishes to achieve greater equity in recovering the costs of the maintenance to the Sanitary Sewer System. Currently, the Village recovers the costs of the Sanitary Sewer System through property taxes. However, this method of recovery does not apportion the costs based upon the demand put on the system, the benefits received or spread the cost among all users of the sewer system. In furtherance of achieving a more equitable manner of recovering these costs, the Village is adopting sewer rent charges for use of the system.

B. Article 14-F of the General Municipal Law of the State of New York authorizes municipalities to establish sewer rents. The Law further provides that sewer rents may be charged on the basis of the quantity of water consumed by a customer.

Recovery of the costs of operating the sewer system based upon water consumption is the most equitable method available.

C. The Village does not maintain a municipal waterworks rather the inhabitants of the Village are served by United Water Westchester, a private utility. Therefore, in order to invoice users for sewer rents based upon water usage, the assistance of United Water Westchester is required.

D. UWW is ready, willing and able to undertake a public-private partnership and to utilize the water consumption data of customers to assist the Village in billing for use of the Village's sewer system.

E. UWW has agreed to bill and collect sewer rates from Users and pay the collected amounts over to the Village pursuant to the terms of this Agreement.

F. As utility assets will be used in part, the parties have filed a Petition requesting the Public Service Commission approve the use of the assets to foster this beneficial private-public partnership.

NOW, THEREFORE, in consideration of the respective representations and agreements contained herein, the parties hereto agree as follows:

**Section 1. Billing and Collection of Sewer Rates.** UWW agrees that it will, on behalf of the Village, bill and collect for sanitary sewer service from Users in the Village's Service Area pursuant to the terms of this Agreement.

*a. Establishment of Rates.* Such billing shall be at rates established from time to time by the Village and are established at the sole discretion of the Village.

Any change to such rates shall be communicated to UWW a minimum of forty-five (45) days before the effective date of such rates.

*b. Frequency of Billing.* A separate sewer-only invoice shall be issued to the Village's customer on the same cycle and at the same frequency as the UWW water only invoice is currently issued, which is monthly for commercial accounts and quarterly for residential. UWW may commence billing residential customers on a monthly basis. The Village may continue to bill residential quarterly or also convert to monthly billing. If the Village chooses to have sewer invoices issued monthly to residential customers, it shall reimburse UWW for its additional cost of \$69,790 annually and \$11,765 for the initial set-up. Any other incremental costs resulting from the greater frequency of such billing shall be reimbursed at cost. The bill will be in a form substantially similar to the sample annexed hereto as Exhibit A or in a form mutually agreed by the Parties.

*c. Invoice Payment Options.* UWW shall accept payment from the Village's customers by allowing the following payment options: mail, direct debit, APS/Check Free Payment Locations (as similarly available to UWW water customers), and via credit card over the telephone or online at [www.unitedwater.com](http://www.unitedwater.com). Any additional convenience fees charged for the credit card payment option shall be borne by the User making such payment.

*d. Collections.* UWW will also provide aged receivables management by providing the following services: automated outbound payment reminder messages; issuing late notices for delinquent customers; implementing late fees for the sewer invoice in accordance with the Village's local laws; facilitating collection by the Village of such unpaid fees as provided for by law by providing required data to the Village collection and enforcement. The per customer cumulative delinquency data shall be provided by UWW to the Village no later than the first day of March each year. UWW shall not, however, be providing legal advice or legal services to the Village, including, but not limited to, filing or pursuing legal actions or performing collection agency services.

*e. Reporting.* A set of monthly reports will be forwarded to the Village to detail the activity of the month. Specific reports and report items will be determined through mutual consent of the Village and UWW at the time of start up. However, each monthly report shall include at a minimum the following information: number of customers billed, amount billed, amount collected and deposited into lockbox account to the number of any payment plans or other payment arrangements entered into by UWW and any total delinquency amount.

*f. Transition Costs.* Port Chester shall reimburse UWW for its actual set-up costs in the amount of Eighty Seven Thousand Five Hundred Sixty-Six (\$87,566.00) Dollars. It is agreed that this is a one-time fee for transition costs

intended to enable interface of the Customer Contact and Billing Services with Port Chester sewer billing. The Transition Costs will be a one-time cost that will be payable in quarterly installments of \$14,594.33 commencing the third quarter and terminating on the eighth quarter of this Billing and Collection Agreement.

*g. Annual Base Maintenance and Support Fee.* The Annual Base Maintenance and Support Fee for the provision of the within customer care and billing services is determined to be Two Hundred Forty One Thousand Twenty Seven (\$241,027.00) Dollars. This fee shall be payable by Port Chester to UWW commencing three months after the date of the first billing under this Agreement. The first two payments shall be quarterly and then in equal monthly installments thereafter. UWW shall invoice the Village for services provided under this Agreement, with a billing cycle beginning on the 15th of the month. The Base Maintenance and Support Fee may increase or decrease annually in an amount equal to the rate of inflation as measured by the US Department of Labor's unadjusted average annual Producer Price Index for Finished Core Products or such other index as the parties may agree upon from time to time. Any additional transitional or other service costs must be authorized in advance by the Village and will be limited to UWW's cost of internal personnel not already included in the Annual Base Maintenance and Support Fee, to perform the billing for sewer rents plus a margin of fifteen percent (15%), with the exception of potential additional

periodic billings pursuant to Section 1(b). In addition, if UWW shall undertake billing and collection for other municipalities and achieves economies of scale, then the fee to Port Chester shall be no greater per customer than charged by UWW or UWNR to another municipality located in the County of Westchester and a credit shall be given for any portion of the Transition Costs that were incurred by the Village that did not have to be re-incurred to serve another municipality.

*h. Miscellaneous.* With respect to all such billings and invoices, the time limits for payment of such bills shall mirror UWW's practices and UWW shall initially handle complaints through its call center. In the event of non-payment, such policies adopted by the Village shall specify that such delinquent account shall constitute a tax and lien in favor of the Village against the premises served as provided by law. UWW shall also transmit bills including final bills for property title transfers and corrected bills as a result of re-reads. These bills shall be issued in the required format and in line with all Village local law requirements. All amounts collected by UWW for the Village from Users shall be paid to the Village and shall be net of any adjustments to or corrections of User bills. In the event that the bill of a water customer is reduced by UWW due to adjusted meter readings or other means as provided in the rules and regulations, or guidance documents that govern UWW , then the Village authorizes UWW to adjust the sewer bill, unless otherwise directed by the Village, in the form of a billing credit without interest or

other fees, in order to repay any overpayments that were previously paid by UWW to the Village. The amounts collected by UWW for the Village from Users shall be paid to the Village through a lock box account at a financial institution designated by the Village. The funds deposited into the lock box account shall be entirely the property of the Village and solely within the Village's control. UWW agrees to work cooperatively with the Village in the collection of delinquent accounts of Users.

i. *Role of UWW.* The Parties acknowledge that the provision of billing services pursuant to this Agreement may in no way impede UWW's normal water utility operations or in any way financially or operationally burden its water utility customers. For the avoidance of doubt, Village sewer users will have no additional rights with respect to water meters or other company equipment or operations by virtue of this Agreement.

j. *Audit Rights.* The Village shall have the right, on a semi-annual basis and at the expense of the Village, to audit UWW's books and records related to billings and collections from sewer rents, as well as any direct costs passed through to the Village (such as costs related to any changes in the frequency of billing as described in section 1, part b hereof) and not included in the set up or annual fee, pursuant to this Agreement. The audit shall be conducted by a certified public accountant designated by the Village. The Auditor must agree in writing to abide

by, and be bound by, the confidentiality and privacy provisions herein. While the auditor will have access to specific customer data to perform the audit, the auditor may not share specific customer data with the Village. The Auditor shall share the results of the audit with the Village and UWW but not disclose individual customer usage or charges to the Village as otherwise provided in this Agreement. UWW shall fully cooperate with the audit and supply all necessary books and records, but UWW Management shall have the discretion to direct resources to the audit in a manner so as not to interfere with UWW's obligations to its water service customers. If the audit finds a discrepancy, then the parties shall meet in an attempt to amicably resolve any dispute.

*k. Target date.* UWW shall endeavor to render the first bill for sewer rents no later than April 15, 2014 reflecting water consumption from June 1, 2013 to the date of the most recent meter reading.

**Section 2. Customer Service.** UWW will provide a dedicated toll free number for the Village's Users receiving invoices for sewer rent. With the exception of holidays, the customer service center will be open and available to the Village's customers Monday to Friday from 8:00a.m to 4:30p.m for all billing and customer service-related issues. The Village's customers will also have access to the self-service phone system. This self-service phone system will be available 24 hours a day, 7 days a week, 365 days per year. Additionally, through this self-service

phone system, customers may complete their transaction in either English or Spanish. UWW will also make available, on an as needed basis, a mass notification outbound calling system for delivery of important messages related to the Village's sewer billing.

### **Section 3. Village Responsibilities.**

- a. Provide UWW with tax roll account data and other required information on a regular and timely basis in order for UWW to properly bill for sanitary sewer services;
- b. Supply UWW with any applicable Village local laws, contracts, or policies for billing and any agreements that impact UWW's billing for sanitary sewer services;
- c. Promptly notify UWW of any changes in billing rates, contractual obligations affecting billing for sanitary sewer services; billing or other changes to sanitary sewer billing ordinances or policies not later than forty-five (45) days prior to the effective date of such changes; one rate change per year may be made without additional fees being due from the Village.
- d. Designate to UWW a "lock box" account to which funds may be directly deposited without the necessity of UWW negotiating checks made payable to the Village, and/or maintaining a "lock box" account to which funds

received by the Village may be directly deposited and such payment information may be transmitted to UWW electronically;

- e. Timely report to UWW receipt of all payments made directly to the Village for services provided by UWW.

**Section 4. Consumer Privacy and Confidentiality of Information.** The Village and UWW are mindful of the importance of consumer privacy and confidentiality of consumer information. The parties understand that the Public Service Commission is reviewing the matter and the parties agree to abide by any customer privacy directives set out by the Commission under the Public Service Law. Data pertaining to specific individual water customers of UWW shall be considered proprietary information and shall not be shared with the Village except to the extent necessary for collections related to non-payment of sewer rents. The Village agrees not to resell or divulge any such data so provided or any other customer information provided to it by UWW. Additionally, the Village agrees to adhere to the security guidelines to protect such data. The Village shall treat such data as “Confidential Proprietary Information” and shall:

- (i) only disclose same to the those of its employees and authorized agents having a need to know; (ii) shall not use same, except as expressly permitted under this Agreement; and (iii) shall not disclose same to any third party who is neither its employee or authorized agent, without Disclosing Party’s prior written consent.

The Village shall take reasonable measures to prevent the disclosure and unauthorized use of such proprietary data. Confidential Proprietary Information shall not include information that” (i) was developed independently by the Village without any reliance on the data disclosed by UWW; (ii) at the time disclosed, was available through public or trade sources through no act or omission of the Village; or (iii) was rightfully known by the Village as demonstrated by prior written records. Additionally, the Village may disclose the Confidential Proprietary Information in its possession or control pursuant to an order of a court having competent jurisdiction.

**Section 5. Agent to Receive Payment.** Village hereby designates UWW as its limited agent for the sole purpose of this Agreement including issuing sanitary sewer service invoices, handling customer service and receiving payments due to the Village for sanitary sewer services. Nothing in this Paragraph shall be deemed to effect a reassignment of benefits where not authorized by law. Village also expressly authorizes UWW to arrange commercially reasonable payment plans and accept partial payments from Users or other financially responsible parties on behalf of the Village, within guidelines established by the Village and requires UWW to fully and promptly report to the Village, the terms and conditions of such arrangements on a monthly basis.

**Section 6. Independent Contractor Relationship.** While engaged in carrying out and complying with the terms and conditions of this Agreement, UWW shall be an Independent Contractor and not an officer, employee or agent of the Village, except as to UWW's agency relationship with the Village under Paragraph 5 hereof. Except as set forth in paragraph 5 hereof, UWW shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of the Village and is and/or shall not be authorized to take any action binding upon the Village other than those actions specifically enumerated herein.

**Section 7. Regulatory Changes.** The Parties recognize that this Agreement is at all times subject to applicable state, local, and federal laws and regulations and shall be construed accordingly. The parties further recognize that this Agreement may become subject to or be affected by amendments in such laws and regulations or to new legislation or regulations or by decisions of a court of law following a challenge to the agreement or implementing local laws. Any provisions of law that invalidate, or are otherwise inconsistent with, the material terms and conditions of this Agreement, or that would cause one or both of the parties hereto to be in violation of law, shall be deemed to have superseded the terms of this Agreement and, in such event, the parties agree to utilize their best efforts to modify the terms and conditions of this Agreement to be consistent with the requirements of such law(s) in order to effectuate the purposes and intent of this Agreement. In the

event that any such laws, regulations or ruling of court of law affecting this Agreement are enacted, amended or promulgated, either party may propose to the other a written amendment to this Agreement to be consistent with the provisions of such laws or regulations. In the event that the parties do not agree on such written amendments within sixty (60) days of receipt of the proposed written amendments or any time frame set forth in the governing laws, regulations or orders, whichever is shorter then either party may terminate this Agreement without further notice and shall cooperate in any transition of billing and collection for sewer service, unless this Agreement would expire earlier by its terms. In the event that any laws or regulations would make such amendment impossible or futile and render performance by either party illegal or impossible for any reason, either party may terminate the Agreement as of the effective date of such laws or regulations.

**Section 8. Term.** The term of this Agreement shall commence from the effective date of the execution of this Agreement and expire on May 31, 2019. One year prior to the expiration of the term hereunder the parties agree to engage in discussions for a potential renewal of this Agreement on such terms and conditions as may be subsequently agreed. In the event the Village terminates this Agreement prior to full payment of the Transition Costs in Section 1(e) for reason other than a breach of this Agreement by UWW or a Force Majeure Event, as defined herein,

the balance of the Transition Costs will be due upon the effective date of cancellation.

**Section 9. Notices.** All notices or other communications hereunder shall be sufficiently given and shall be deemed given when dispatched by regular or certified mail, postage prepaid, or by hand delivery, addressed as follows:

If to UWW:

United Water Management & Services Inc.  
200 Old Hook Road  
Harrington Park, New Jersey 07640  
Attention: Legal Department

And

United Water Westchester Inc.  
2525 Palmer Avenue  
New Rochelle, New York 10801  
Attention: Manager

If to the Village:

Village of Port Chester Village Hall  
222 Grace Church Street  
Port Chester, NY 10573  
Attn: Village Manager

With a copy to:

Joel R. Dichter, Esq.  
Dichter Law LLC  
488 Madison Ave.  
18<sup>th</sup> Floor

New York, NY 10022

The parties may, by notice given hereunder, designate any further or different address to which subsequent notices or other communications may be sent.

**Section 10. Governing Law.** This Agreement shall be construed in all respects in accordance with the laws of the State of New York. Any and all disputes arising pursuant to this Agreement shall be subject to the jurisdiction and venue of the Supreme Court of the State of New York, County of Westchester.

**Section 11. Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remaining valid provisions hereof provided the intent of this Agreement can still be met without such invalid provision.

**Section 12. Binding Nature.** The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties, and their respective successors and assigns, and is made solely and specifically for their benefit. No other person shall have any rights, interest or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third-party beneficiary or otherwise. All assignments shall require the approval of the other party.

**Section 13. Indemnification.** UWW agrees to indemnify, defend and hold harmless the Village and each of its officers, partners, members, managers,

employees, agents and legal representatives, from and against any and all liabilities, claims, actions, suits, proceedings, judgments, fines, damages, costs, losses and expenses (including reasonable attorneys' fees, court costs and/or settlement costs) arising from UWW's conduct, non-feasance, or a third party's actions on behalf of UWW.

The Village agrees to indemnify, defend and hold harmless the UWW and each of its officers, partners, members, managers, employees, agents and legal representatives, from and against any and all liabilities, claims, actions, suits, proceedings, judgments, fines, damages, costs, losses and expenses (including reasonable attorneys' fees, court costs and/or settlement costs) arising from the Village's conduct, non-feasance, or a third party's actions on behalf of the Village's.

**Section 14. Force Majeure.** The Parties agrees that a party hereto will not be liable, or be considered to be in breach of this Agreement, on account of our delay or failure to perform as required under the terms of this Agreement as a result of any causes or conditions that are beyond its reasonable control and that it is unable to overcome through the exercise of commercially reasonable diligence; e.g. a "Force Majeure Event."

If any such Force Majeure Event occurs including, without limitation, Acts of God, terrorism, fires, explosions, telecommunications or network failure, power server

outages, results of vandalism or computer hacking or viruses, storm or other natural occurrences, national emergencies, insurrections, riots, wars, strikes or other labor difficulties, order or ruling of a court of law or enactment of laws inconsistent with this agreement. The party claiming a Force Majeure Event will give the other party notice and will use commercially reasonable efforts to minimize the impact of any such event.

**Section 15. Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

**Section 16. Entire Agreement.** Except as otherwise indicated in this Agreement, this Agreement constitutes the entire agreement between the parties and there are no other representations, warranties, promises, guarantees or agreements, oral or written, express or implied, between the parties hereto with respect to this Agreement.

**Section 17. Amendment.** This Agreement may not be amended, changed, modified, altered, assigned or terminated early without the written consent of both parties hereto.

**Section 18. Exhibits.** Exhibit A is attached hereto and incorporated herein as though fully set forth herein.

**Section 19. Assignment.** This Agreement and the rights and obligations of a party

hereto may not be assigned without the written acceptance of the other party hereto.

**Section 20. Waiver.** The waiver by either party hereto of a breach or violation of any provision of this Agreement shall not be a waiver of any subsequent breach of the same or any other provision of this Agreement.

**Section 21. Parties.** This Agreement inures to the benefit of and concerns only the parties to the Agreement. It does not create any express or implied rights in any other person or party nor is it the intent of the parties that any person not a party to this Agreement shall be considered a third party beneficiary of this Agreement.

**Section 22. Effective Date.** This Agreement shall be effective as of the date set forth in the first paragraph hereof and shall be conditioned upon adoption of the local law by the Village Board of Trustees implementing the sewer rent, approval of this Agreement by the Board of Directors of UWW and a decision by the New York Public Service Commission approving the petition pending before the Commission in Case 13-W-0312.

**IN WITNESS WHEREOF**, the Village of Port Chester and United Water Westchester Inc. have caused these presents to be signed by their respective duly authorized officers all as of the day and year first written above.

Village of Port Chester.

By: \_\_\_\_\_

United Water Westchester Inc.

By: \_\_\_\_\_

DRAFT

**Sewer Fund  
 United Water Westchester  
 Implementation & Processing Fees**

Payment Date	Billing Cycle	Transition Costs	Monthly Billing	Payment Date	Maintenance Fee	
1st Quarter-3/15/2014	<b>1</b>		<b>3/15/2014</b>	3/15/2014		
2nd Quarter-6/15/2014	<b>2</b>		4/15/2014			
<b>3rd Quarter -9/15/2014</b>	<b>3</b>	\$ 14,594.33	5/15/2014			
4th Quarter-12/15/2014	<b>4</b>	\$ 14,594.33	<b>6/15/2014</b>	6/15/2014	\$ 60,256.74	
1st Quarter-3/15/2015	<b>5</b>	\$ 14,594.33	7/15/2014			
2nd Quarter-6/15/2015	<b>6</b>	\$ 14,594.33	8/15/2014			
3rd Quarter-9/15/2015	<b>7</b>	\$ 14,594.33	<b>9/15/2014</b>	<b>9/15/2014</b>	\$ 60,256.74	\$ 120,513.48
4th Quarter-12/15/2015	<b>8</b>	\$ 14,594.33	10/15/2014	10/15/2014	\$ 20,085.58	
			11/15/2014	11/15/2014	\$ 20,085.58	
			<b>12/15/2014</b>	<b>12/15/2014</b>	\$ 20,085.58	
			1/15/2015	1/15/2015	\$ 20,085.58	
			2/15/2015	2/15/2015	\$ 20,085.58	
			<b>3/15/2015</b>	<b>3/15/2015</b>	\$ 20,085.58	\$ 120,513.48
			4/15/2015			
			5/15/2015			
<b>Total</b>		<b>\$ 87,565.98</b>			<b>\$ 241,026.96</b>	

Year 1	\$ 14,594.33	\$ 120,513.48
Year 2	\$ 72,971.65	\$ 120,513.48
Year 3 - June 15, 2015	\$ -	\$ 241,026.96
Year 4 - June 15, 2016		\$ 241,026.96
Year 5- June 15, 2017		\$ 241,026.96
Year 6- June 15, 2018		\$ 241,026.96
	<u>\$ 87,565.98</u>	<u>\$ 1,205,134.80</u>

Prepared 12/3/13 by Finance Dept.

**VILLAGE OF PORT CHESTER  
SEWER ENTERPRISE FUND REVENUES  
MODIFIED & PROJECTED BUDGETS**

	FY 2013-14 REQUESTED	FY 2013-14 ADOPTED	FY 2013-14 MODIFIED	FY 2014-15 PROJECTED	FY 2015-16 PROJECTED	FY 2016-17 PROJECTED	FY 2017-18 PROJECTED	FY 2018-19 PROJECTED
<b>SEWER ENTERPRISE FUND - 007-007-</b>								
2122 - SEWER USER FEES	1,724,538	1,724,538	1,695,000	1,745,822	1,798,197	1,852,143	1,907,707	1,964,939
2128 - INT & PEN ON SEWER ACCOUNTS	5,000	5,000	-	5,000	5,000	5,000	5,000	7,678
2597 - SEWER SRV/CONNECTION CHRG	22,000	22,000	-	22,000	22,000	22,000	22,000	22,000
4996 - APPROPRIATED FUND BALANCE			-					390,000
<b>TOTAL REVENUES</b>	<b>1,751,538</b>	<b>1,751,538</b>	<b>1,695,000</b>	<b>1,772,822</b>	<b>1,825,197</b>	<b>1,879,143</b>	<b>1,934,707</b>	<b>2,384,617</b>

SEWER RATES (1,303,826 YEARLY CCF)	\$ 1.300020	\$ 1.338999	\$ 1.379169	\$ 1.420545	\$ 1.463161	\$ 1.507056
PERCENT INCREASE		3.00%	3.00%	3.00%	3.00%	3.00%

**VILLAGE OF PORT CHESTER  
SEWER ENTERPRISE FUND APPROPRIATIONS  
MODIFIED & PROJECTED BUDGETS**

	FY 2013-14 RECOMMENDED	FY 2013-14 ADOPTED	FY 2013-14 MODIFIED	FY 2014-15 PROJECTED	FY 2015-16 PROJECTED	FY 2016-17 PROJECTED	FY 2017-18 PROJECTED	FY 2018-19 PROJECTED
<b>SEWER ENTERPRISE FUND -007</b>								
<b>DEPARTMENT</b>								
<b>1990 - CONTINGENT ACCOUNT</b>								
400 -CONTRACTUAL*	17,500	17,500	16,950	17,728	18,252	18,791	19,347	19,920
<b>TOTAL CONTINGENT ACCOUNT</b>	<b>17,500</b>	<b>17,500</b>	<b>16,950</b>	<b>17,728</b>	<b>18,252</b>	<b>18,791</b>	<b>19,347</b>	<b>19,920</b>
<b>RESERVE FOR DEBT</b>			348,872	320,030	281,846	458,984	386,890	300,000
<b>TOTAL RESERVE FOR DEBT</b>			<b>348,872</b>	<b>320,030</b>	<b>281,846</b>	<b>458,984</b>	<b>386,890</b>	<b>300,000</b>
<b>DEPARTMENT</b>								
<b>8120 - SANITARY SEWER</b>								
101 - PERSONNEL-OVERTIME	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
200 - EQUIPMENT	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
400 - CONTRACTUAL **	258,538	258,538	315,899	363,276	410,817	410,817	410,817	410,817
401 - MATERIAL & SUPPLIES	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
413 - LIGHT & POWER	8,000	8,000	8,000	8,240	8,487	8,742	9,004	9,274
462 - SOFTWARE SUPPORT (KVS)	1,500	1,500	1,500	1,545	1,591	1,639	1,688	1,739
477 - BOND/BAN FILING FEES	2,500	2,500	2,500	2,575	2,652	2,732	2,814	2,899
492 - AUDITORS FEES	3,500	3,500	3,500	3,605	3,713	3,825	3,940	4,059
<b>TOTAL SANITARY SEWER</b>	<b>334,038</b>	<b>334,038</b>	<b>406,399</b>	<b>454,241</b>	<b>502,260</b>	<b>502,755</b>	<b>503,263</b>	<b>503,788</b>
<b>DEPARTMENT</b>								
<b>9900 - TRANSFERS TO OTHER FUNDS</b>								
901 - TRANSFER TO GENERAL FUND	1,400,000	1,400,000	922,779	980,823	1,022,839	898,613	1,025,207	1,560,909
<b>TOTAL TRANSFER TO GENERAL FUND</b>	<b>1,400,000</b>	<b>1,400,000</b>	<b>922,779</b>	<b>980,823</b>	<b>1,022,839</b>	<b>898,613</b>	<b>1,025,207</b>	<b>1,560,909</b>
<b>TOTAL SEWER ENTERPRISE FUND</b>	<b>1,751,538</b>	<b>1,751,538</b>	<b>1,695,000</b>	<b>1,772,822</b>	<b>1,825,197</b>	<b>1,879,143</b>	<b>1,934,707</b>	<b>2,384,617</b>

**VILLAGE OF PORT CHESTER  
SEWER ENTERPRISE FUND APPROPRIATIONS  
MODIFIED & PROJECTED BUDGETS**

<b>SEWER ENTERPRISE FUND -007</b>	<b>FY 2013-14 RECOMMENDED</b>	<b>FY 2013-14 ADOPTED</b>	<b>FY 2013-14 MODIFIED</b>	<b>FY 2014-15 PROJECTED</b>	<b>FY 2015-16 PROJECTED</b>	<b>FY 2016-17 PROJECTED</b>	<b>FY 2017-18 PROJECTED</b>	<b>FY 2018-19 PROJECTED</b>
<b>SUMMARY OF TRANSFER TO GEN FUND</b>								
SALARY & BENEFITS	388,591	388,591	388,591	400,249	412,256	424,624	437,362	450,483
BOND PRINCIPAL	192,046	192,046	192,046	207,426	216,170	223,775	232,708	241,761
BOND INTEREST	106,022	106,022	106,022	99,506	92,542	85,276	76,824	68,665
NEW BOND PRINCIPAL								400,000
NEW BOND INTEREST								400,000
B.A.N. PRINCIPAL (Original Issue, \$1,135,500. 3rd year principal)			227,100	252,100	257,100	80,000	130,000	-
B.A.N. INTEREST (\$1.7 million & \$681,300)			9,020	21,542	44,771	84,938	148,313	-
<b>TOTAL TRANSFER TO GENERAL FUND</b>	<b>686,659</b>	<b>686,659</b>	<b>922,779</b>	<b>980,823</b>	<b>1,022,839</b>	<b>898,613</b>	<b>1,025,207</b>	<b>1,560,909</b>
<b>CONTINGENCY CONTRACTUAL*</b>								
Cash Reserve			348,872	320,030	281,846	458,984	386,890	300,000
Contingency {1% of Budget			16,950	17,728	18,252	18,791	19,347	19,920
<b>TOTAL CONTINGENCY &amp; DEBT RESERVES</b>			<b>365,822</b>	<b>337,758</b>	<b>300,098</b>	<b>477,775</b>	<b>406,237</b>	<b>319,920</b>
<b>SANITARY SEWER CONTRACTUAL**</b>								
United Water (Transition Cost and Maintenance Fee - \$14,595+\$60,257+\$60			135,109	193,486	241,027	241,027	241,027	241,027
United Water (Monthly billing-one time cost)			11,000	-	-	-	-	-
United Water (Monthly billing - annual)			69,790	69,790	69,790	69,790	69,790	69,790
Legal			75,000	75,000	75,000	75,000	75,000	75,000
Engineering			25,000	25,000	25,000	25,000	25,000	25,000
<b>TOTAL SANITARY SEWER CONTRACTUAL</b>			<b>315,899</b>	<b>363,276</b>	<b>410,817</b>	<b>410,817</b>	<b>410,817</b>	<b>410,817</b>

N.B.:

\* Includes 1 month Cash Reserve & 1 % Contingency.

\*\*Include United Water, Legal, Engineer.

**VILLAGE OF PORT CHESTER  
SEWER FUND SALARY SCHEDULE  
MODIFIED & PROJECTED BUDGETS**

<u>Position</u>	<u>Positions</u>	<u>Step &amp; Grade</u>	<u>2012-13 SALARY</u>	<u>Explanation/ Hourly Rate</u>	<u>2013-14 SALARY</u>	<u>Positions</u>
<b><u>DEPT - 1320 Finance</u></b>						
Treasurer	0	MGMNT	\$ 124,000		\$ 127,100	0
Jr. Accountant	0	18-6-1	\$ 72,800		\$ 77,153	0
Int Acct Clerk	0	<b>12-3-0</b>	\$ 49,129	13A-4-0	\$ 57,843	0
Int Acct Clerk	<u>0</u>	<b>12-2-0</b>	\$ 47,398	13A-3-0	\$ 55,896	<u>0</u>
	0	<b>TOTAL - 1320-0100</b>	<b>\$ 29,333</b>	(10% of \$317,992)	<b>\$ 31,799</b>	0
<b><u>DEPT - 1420 Law</u></b>						
Village Attorney		MGMNT	\$ 135,762		\$ 139,156	0
Sr. Office Asst.	<u>0</u>	12-1-0	\$ 55,059	<b>To 1230</b>	\$ -	<u>0</u>
	0	<b>TOTAL - 1420-0100</b>	<b>\$ 19,082</b>	(10% of \$139,156)	<b>\$ 13,916</b>	0
<b><u>DEPT - 1640 Central Garage</u></b>						
Auto Mechanic	0	16A-6-1	\$ 68,089	16A-6-1	\$ 71,700	0
Auto Mechanic	0	16A-6-4	\$ 69,790	16A-6-5	\$ 74,218	0
Auto Mechanic	0	16A-2-0	\$ 59,303	16A-4-0	\$ 66,852	0
Auto Mechanic	0	16A-2-0	\$ 59,303	16A-3-0	\$ 64,661	<u>0</u>
	0	<b>TOTAL -1640-0100</b>	<b>\$ 25,649</b>	(10% of \$277,431)	<b>\$ 27,743</b>	0
<b><u>DEPT - 5110 Street Maintenance</u></b>						
Maint Wrk-Carp	0	15A-6-3	\$ 66,891		\$ 70,384	0
Skilled Laborer	<b>0</b>	12-6-0	\$ 54,323		\$ 57,225	0
Maint Mech- Elec	0	15A-6-0	\$ 65,503		\$ 68,996	0
MEO	0	14-6-1	\$ 60,522		\$ 63,730	0
MEO Sanittion	0	14-6-2	\$ 60,522		\$ 64,191	0
Lead Mnt Mech San	0	15-6-5	\$ 65,956	To 8160	\$ -	0
Maint Worker-Masor	0	13-3-0	\$ 49,911		\$ 54,483	0
MEO	0	12-6-2	\$ 55,250		\$ 58,152	0
Skilled Laborer	<b>0</b>	<b>12-6-0</b>	\$ 52,592		\$ 57,225	0
Gen Repairman	0	15A-6-4	\$ 64,863		\$ 71,163	0
Laborer	<u>0</u>	10-6-0	\$ 49,535		\$ 52,179	<u>0</u>
	0	<b>TOTAL 5110-0100</b>	<b>\$ 64,587</b>	(10% of \$617,728)	<b>\$ 61,773</b>	0

**VILLAGE OF PORT CHESTER  
SEWER FUND SALARY SCHEDULE  
MODIFIED & PROJECTED BUDGETS**

<u>Position</u>	<u>Positions</u>	<u>Step &amp; Grade</u>	<u>2012-13 SALARY</u>	<u>Explanation/ Hourly Rate</u>	<u>2013-14 SALARY</u>	<u>Positions</u>
<b><u>DEPT - 7110 Parks</u></b>						
Lead Maint Mech	<u>0</u>	16-6-4	\$ 68,289		\$ 71,821	<u>0</u>
	0	<b>TOTAL - 7110-0100</b>	<b>\$ 68,289</b>		<b>\$ 71,821</b>	0
 <b><u>DEPT - 8120 Sanitary Sewer</u></b>						
Sewer Over-time			\$ 15,000		\$ 15,000	
		<b>TOTAL 8120-101</b>	<b>\$ 15,000</b>		<b>\$ 15,000</b>	
 TOTAL SALARIES & SEWER OVER-TIME			<u>\$ 221,939</u>		<u>\$ 222,052</u>	
FRINGE BENEFITS 75% OF SALARIES <i>(NYS Retirement, Medical, Workers Comp, FICA/Med, MTA Tax)</i>			<u>\$ 388,393.43</u>		<u>\$ 388,590.48</u>	
TOTAL SALARIES PLUS FRINGE BENEFITS (3% INCREASE)				FY 2014-15	\$ 400,248.19	
TOTAL SALARIES PLUS FRINGE BENEFITS (3% INCREASE)				FY 2015-16	\$ 412,255.64	
TOTAL SALARIES PLUS FRINGE BENEFITS (3% INCREASE)				FY 2016-17	\$ 424,623.30	
TOTAL SALARIES PLUS FRINGE BENEFITS (3% INCREASE)				FY 2017-18	\$ 437,362.00	
TOTAL SALARIES PLUS FRINGE BENEFITS (3% INCREASE)				FY 208-19	\$ 450,482.86	

**VILLAGE OF PORT CHESTER  
GROSS SEWER DEBT SERVICE  
OUTSTANDING SERIAL BONDS**

FY Ended May 31:	All Outstanding Bond Issues		
	Principal	Interest	Total Debt Service
2013	\$ 171,296.39	\$ 112,078.10	\$ 283,374.49
2014	\$ 192,046.39	\$ 106,021.34	\$ 298,067.73
2015	\$ 207,426.21	\$ 99,505.49	\$ 306,931.70
2016	\$ 216,170.03	\$ 92,541.82	\$ 308,711.85
2017	\$ 223,774.85	\$ 85,275.98	\$ 309,050.83
2018	\$ 232,707.67	\$ 76,823.69	\$ 309,531.36
2019	\$ 241,761.49	\$ 68,664.75	\$ 310,426.24
2020	\$ 248,900.31	\$ 59,517.45	\$ 308,417.76
2021	\$ 258,129.13	\$ 50,971.14	\$ 309,100.27
2022	\$ 267,936.95	\$ 41,969.66	\$ 309,906.61
2023	\$ 248,040.59	\$ 33,079.35	\$ 281,119.94
2024	\$ 206,647.41	\$ 24,813.87	\$ 231,461.28
2025	\$ 214,337.22	\$ 16,502.40	\$ 230,839.62
2026	\$ 166,436.04	\$ 8,880.65	\$ 175,316.69
2027	\$ 73,230.68	\$ 2,977.23	\$ 76,207.91
2028	\$ 22,997.50	\$ 988.91	\$ 23,986.41
	<u>\$ 3,191,838.86</u>	<u>\$ 880,611.83</u>	<u>\$ 4,072,450.69</u>

**VILLAGE OF PORT CHESTER  
SEWER FUND SHORT-TERM DEBT SCHEDULE  
MODIFIED & PROJECTED BUDGETS**

FY 2013-14

PYMT	DATE	DESCRIPTION	PRINCIPAL	PAYABLE	RATE	INTEREST	Y/E BALANCE	PURCHASER
2014	26-Feb	2010-11 BAN Renewal (Y3)	681,300.00	227,100.00	0.67%	\$ 4,564.71	\$ 454,200.00	TD BANK
2014	26-Feb	2013-14 BAN Renewal (Y1)	1,700,000.00	-	0.47%	\$ 4,454.00	\$ 1,700,000.00	TD SECURITIES
		<b>B.A.N. TOTAL</b>	<b>2,381,300.00</b>	<b>227,100.00</b>		<b>9,018.71</b>	<b>2,154,200.00</b>	

FY 2014-15

PYMT	DATE	DESCRIPTION	PRINCIPAL	PAYABLE	RATE	INTEREST	Y/E BALANCE	PURCHASER
2015	26-Feb	2010-11 BAN Renewal (Y4)	454,200.00	227,100.00	1.00%	\$ 4,542.00	\$ 227,100.00	
2015	26-Feb	2013-14 BAN Renewal (Y2)	1,700,000.00	25,000.00	1.00%	\$ 17,000.00	\$ 1,675,000.00	
		<b>B.A.N. TOTAL</b>	<b>2,154,200.00</b>	<b>252,100.00</b>		<b>21,542.00</b>	<b>1,902,100.00</b>	

FY 2015-16

PYMT	DATE	DESCRIPTION	PRINCIPAL	PAYABLE	RATE	INTEREST	Y/E BALANCE	PURCHASER
2016	26-Feb	2010-11 BAN Renewal (Y5)	227,100.00	227,100.00	1.00%	\$ 2,271.00	\$ -	
2016	26-Feb	2013-14 BAN Renewal (Y3)	1,675,000.00	30,000.00	1.00%	\$ 16,750.00	\$ 1,645,000.00	
2016	26-Feb	2015-16 B.A.N. (Y1)	2,575,000.00	-	1.00%	\$ 25,750.00	\$ 2,575,000.00	
		<b>B.A.N. TOTAL</b>	<b>4,477,100.00</b>	<b>257,100.00</b>		<b>44,771.00</b>	<b>4,220,000.00</b>	

FY 2016-17

PYMT	DATE	DESCRIPTION	PRINCIPAL	PAYABLE	RATE	INTEREST	Y/E BALANCE	PURCHASER
2017	26-Feb	2013-14 BAN Renewal (Y4)	1,645,000.00	30,000.00	1.25%	\$ 20,562.50	\$ 1,615,000.00	
2017	26-Feb	2015-16 BAN Renewal (Y2)	2,575,000.00	50,000.00	1.25%	\$ 32,187.50	\$ 2,525,000.00	
2017	26-Feb	2016-17 BAN Renewal (Y1)	2,575,000.00	-	1.25%	\$ 32,187.50	\$ 2,575,000.00	
		<b>B.A.N. TOTAL</b>	<b>6,795,000.00</b>	<b>80,000.00</b>		<b>84,937.50</b>	<b>6,715,000.00</b>	

FY 2017-18

PYMT	DATE	DESCRIPTION	PRINCIPAL	PAYABLE	RATE	INTEREST	Y/E BALANCE	PURCHASER
2018	26-Feb	2013-14 BAN Renewal (Y5)	1,615,000.00	30,000.00	1.25%	\$ 20,187.50	\$ 1,585,000.00	
2018	26-Feb	2015-16 BAN Renewal (Y3)	2,525,000.00	50,000.00	1.25%	\$ 31,562.50	\$ 2,475,000.00	
2018	26-Feb	2016-17 BAN Renewal (Y2)	2,575,000.00	50,000.00	1.25%	\$ 32,187.50	\$ 2,525,000.00	
2018	26-Feb	2017-18 BAN Renewal (Y1)	5,150,000.00	-	1.25%	\$ 64,375.00	\$ 5,150,000.00	
		<b>B.A.N. TOTAL</b>	<b>11,865,000.00</b>	<b>130,000.00</b>		<b>148,312.50</b>	<b>11,735,000.00</b>	

FY 2018-19-CONVERT BAN TO LONG TERM DEBT

PYMT	DATE	DESCRIPTION	PRINCIPAL	PAYABLE	RATE	INTEREST	Y/E BALANCE	PURCHASER
2019	26-Feb	2013-14 BAN Renewal (Y5)	1,585,000.00	-			\$ 1,585,000.00	
2019	26-Feb	2015-16 BAN Renewal (Y3)	2,475,000.00	-			\$ 2,475,000.00	
2019	26-Feb	2016-17 BAN Renewal (Y2)	2,525,000.00	-			\$ 2,525,000.00	
2019	26-Feb	2017-18 BAN Renewal (Y2)	5,150,000.00	-			\$ 5,150,000.00	
2019	26-Feb	2017-18 BAN Renewal (Y1)	3,000,000.00	-			\$ 3,000,000.00	
		<b>B.A.N. TOTAL</b>	<b>14,735,000.00</b>				<b>14,735,000.00</b>	



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**Village of Port Chester  
Modified & Projected Sewer Fund  
Budget Presentation  
Fiscal Year  
June 1, 2013 to May 31, 2014  
Updated 1-9-14**

*JANUARY 9, 2014*



# Adopted Sewer Fund Budget at a Glance

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<b>Appropriations</b>	<b>\$1,751,538</b>
<b>Sewer Rents</b>	<b>\$1,724,538</b>
<b>Other Revenues</b>	<b>\$27,000</b>
<b>Estimated Water Consumption</b>	
<b>Based on Prior Year Per CCF</b>	<b>1,303,826</b>
<b>Sewer Rates Per CCF</b>	<b>\$1.32268</b>
<b>Avg. Yearly Sewer Consumption CCF</b>	<b>120 CCF</b>
<b>Avg. Yearly Sewer Bill (120 x \$1.32268)</b>	<b>\$158.72</b>



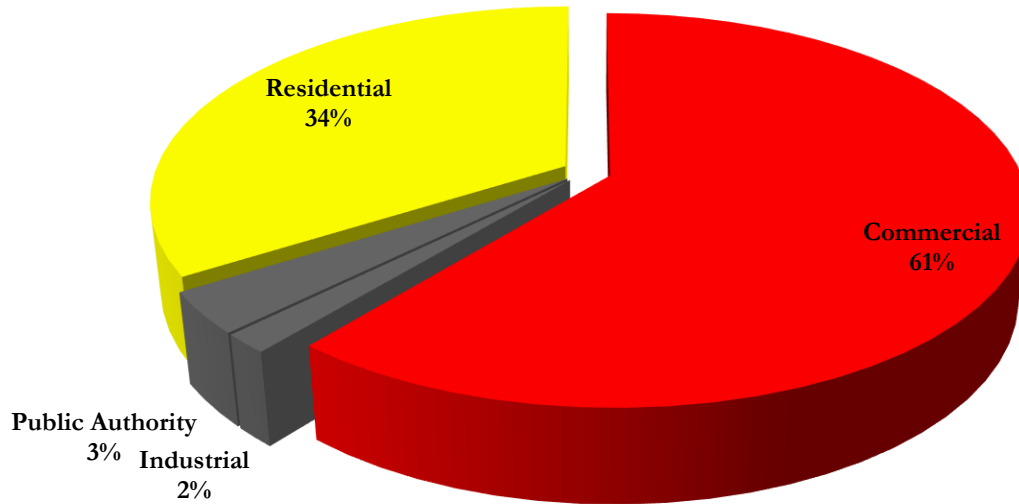
# Sewer Rent Vs. Tax Levy

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<u>NON-HOMESTEAD</u>	<u>ASSESS VALUES</u>	<u>%</u>	<u>TAX LEVY</u>
Assessed Value Taxed	\$ 876,647,721	65%	\$ 9,379,880
Exempt Properties	\$ <u>464,460,500</u>	<u>35%</u>	<u>\$ 5,050,704</u>
Total	\$1,340,508,221	100%	\$14,430,584
Exempt Prop.			
Billed by Water Co.	\$ 280,519,000	60%	\$ 3,030,422
Sewer Rent Fees			\$ 1,724,538
\$ Value of Exempt Property Based on Consumption (35%)			\$ 603,588



# Village Water Consumption by Land Use



Source: United Water of Westchester

<u>Land Use</u>	<u>Units of Water Consumed (CCF)</u>	<u>% of Total Consumption</u>
Commercial	795,833	61%
Industrial	20,691	2%
Public Authority	44,438	3%
Residential	442,864	34%
<b>Total</b>	<b>1,303,826</b>	<b>100%</b>



# Adopted Sewer Rate Calculation

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<b>Sewer Rent Revenues</b>	<b>\$1,724,583</b>
<b>Prior Year Water Consumption</b>	<b>1,303,826 CCF</b>
<b>Rate per CCF</b>	<b>\$1.32268</b>



# Adjusted Sewer Rate Calculation

## FY 2013-14

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Appropriations	<u>\$1,695,000</u>
Sewer Rent Revenues	<u>\$1,695,000</u>
Estimated Revenues	\$1,695,000
Estimated Water Consumption	
Based on Prior Year in CCF	1,303,826
Sewer Rates Per CCF	\$1.300020
Avg. Yearly Sewer Consumption CCF	120 CCF
Avg. Yearly Sewer Bill (120 x \$1.300020)	\$156.00



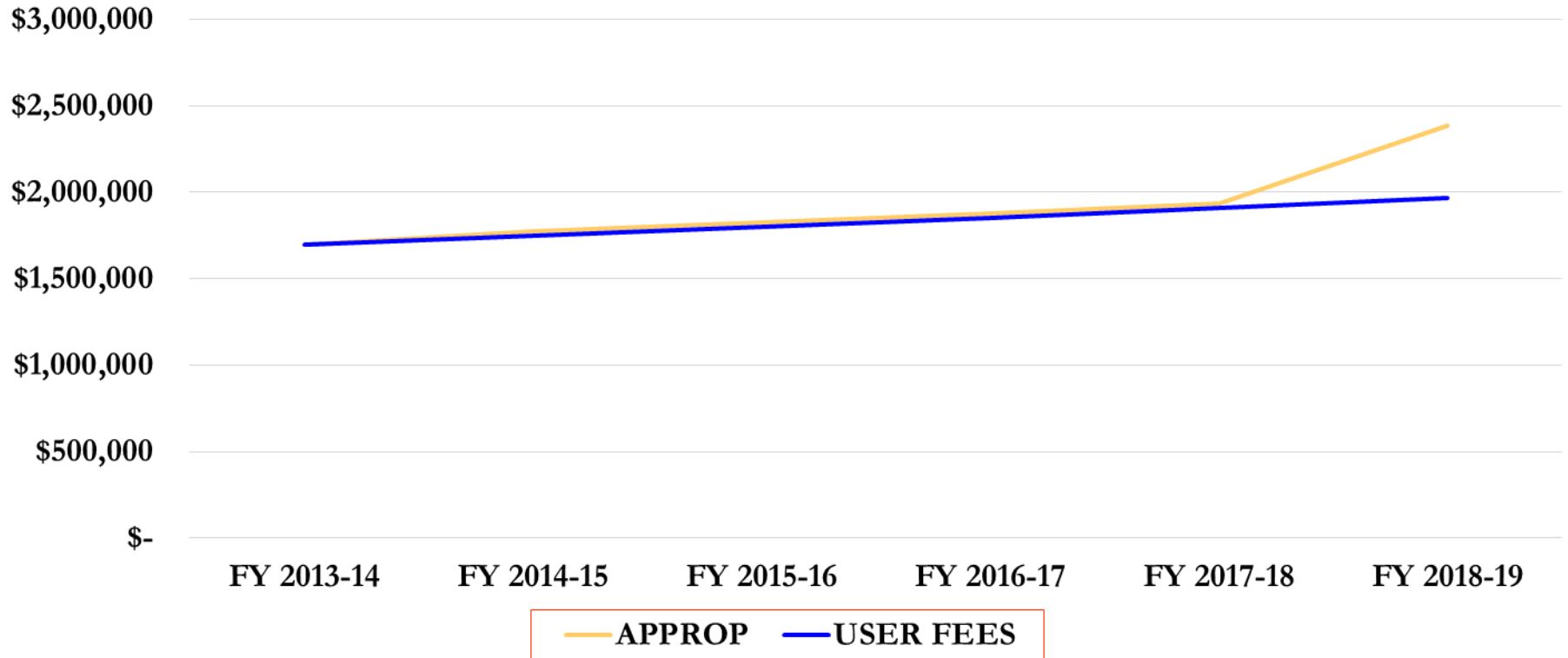
# Modified & Projected Sewer Budgets

	FY 2013-14 MODIFIED	FY 2014-15 PROJECTED	FY 2015-16 PROJECTED	FY 2016-17 PROJECTED	FY 2017-18 PROJECTED	FY 2018-19 PROJECTED
APPROPRIATIONS	\$1,695,000	\$1,745,822	\$1,798,197	\$1,852,143	\$1,907,707	1,964,939
REVENUES						
APPR RESERVE						390,000
OTHER REVENUES	\$0	\$27,000	\$27,000	\$27,000	\$27,000	27,678
SEWER USER FEES	<u>\$1,695,000</u>	<u>\$1,745,822</u>	<u>\$1,798,197</u>	<u>\$1,852,143</u>	<u>\$1,907,707</u>	<u>\$1,964,939</u>
TOTAL REVENUES	\$1,695,000	\$1,772,882	\$1,825,197	\$1,879,143	\$1,934,707	\$2,384,617
SEWER RATES (BASED ON 1,303,826 YEARLY CCF) 7	\$1.300020	\$1.338999	\$1.379169	\$1.420545	\$1.463161	\$1.507056



# Modified & Projected Sewer Budgets

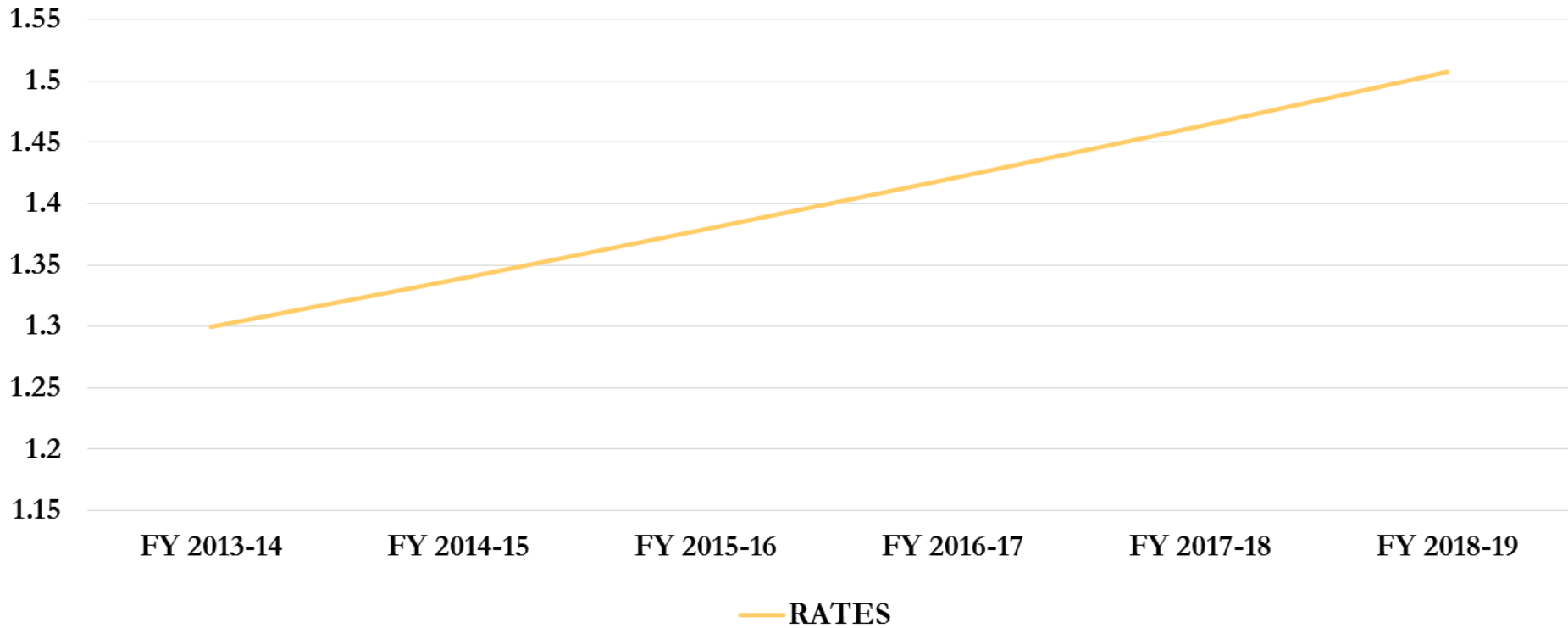
## Appropriation & Sewer User Fees





# Modified & Projected Sewer Rates

Yearly Sewer Rates





# Long Term Sewer Debt Summary FY 2013-14

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• Balance at 6/1/13	\$3,020,543
• Principal Payment	\$192,046
• Balance at 5/31/14	\$2,828,497
• Interest Payment	\$106,153



# Outstanding Long Term Sewer Debt for the Next Ten Years

May 31,	Principal	Interest	Total
2013	\$171,296	118,356	289,652
2014	192,046	106,022	298,068
2015	207,426	99,506	306,932
2016	216,170	92,542	308,712
2017	223,775	85,276	309,051
2018	232,708	76,824	309,532
2019	241,761	68,665	310,426
2020	248,900	59,518	308,418
2021	258,129	50,971	309,100
2022	267,937	41,970	309,907



# Short Term Sewer Debt

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2010-11 Sewer B.A.N. (Original Issue) \$1,135,500 (Balance \$681,300)

2013-14 Sewer B.A.N. (Original Issue) \$1,700,000

<u>Renewal Date</u>	<u>Principal</u>	<u>Prin Payment</u>	<u>Rate</u>	<u>Int Payment</u>
2/26/14	\$681,300	\$227,100	.67%	\$4,564.71
2/26/14	\$1,700,000	<u>-0-</u>	.47%	<u>\$4,454.00</u>
Total		\$227,100		\$9,018.71



# Sewer Fund Short Term Debt

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<b>B.A.N. on 8/13/13</b>	<b>\$1,700,000.00</b>
<b>Interest due on 2/26/14</b>	<b>4,454.00</b>



# Short Term Sewer Debt Principal for \$1.7 Million

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The Minimum Principal Payments are as follows:

<u>Payment Date</u>	<u>Suggested Amt.</u>	<u>Required Amt.</u>
2/26/2014	\$25,000	\$-0-
2/26/2015	\$25,000	\$25,000
2/26/2016	\$25,000	\$30,000
2/26/2017	\$25,000	\$30,000
2/26/2018	<u>\$25,000</u>	<u>\$30,000</u>
Total	\$125,000	\$115,000



# FUNDING SOURCE FOR SEWER LINE REPLACEMENT

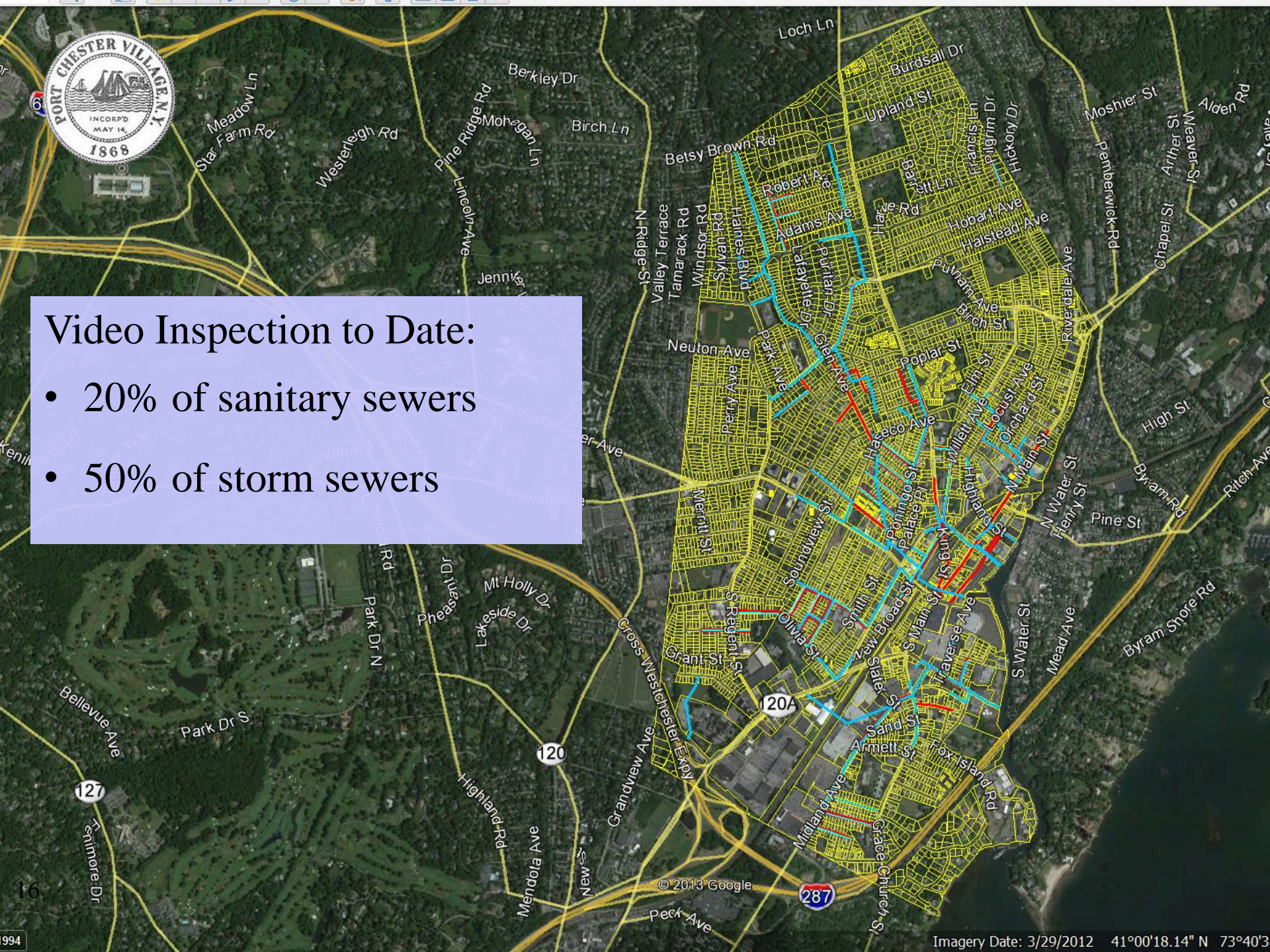
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<b>PHASE 1</b>	<b>2013-14</b>	<b>BAN</b>	<b>\$1,700,000</b>
<b>PHASE 2</b>	<b>2015-16</b>	<b>BAN</b>	<b>\$2,575,000</b>
<b>PHASE 3</b>	<b>2016-17</b>	<b>BAN</b>	<b>\$2,575,000</b>
<b>PHASE 4</b>	<b>2017-18</b>	<b>BAN</b>	<b>\$5,150,000</b>
<b>PHASE 5</b>	<b>2018-19</b>	<b>BAN</b>	<b><u>\$3,000,000</u></b>
<b>TOTAL PROJECT BORROWING</b>			<b>\$15,000,000</b>



## Video Inspection to Date:

- 20% of sanitary sewers
- 50% of storm sewers





## Phase I: Downtown \$1,709,750

- Replacement or Sealing of Sanitary Lines
- 15 locations
- 12, 810 linear feet

	Completed
	In Design

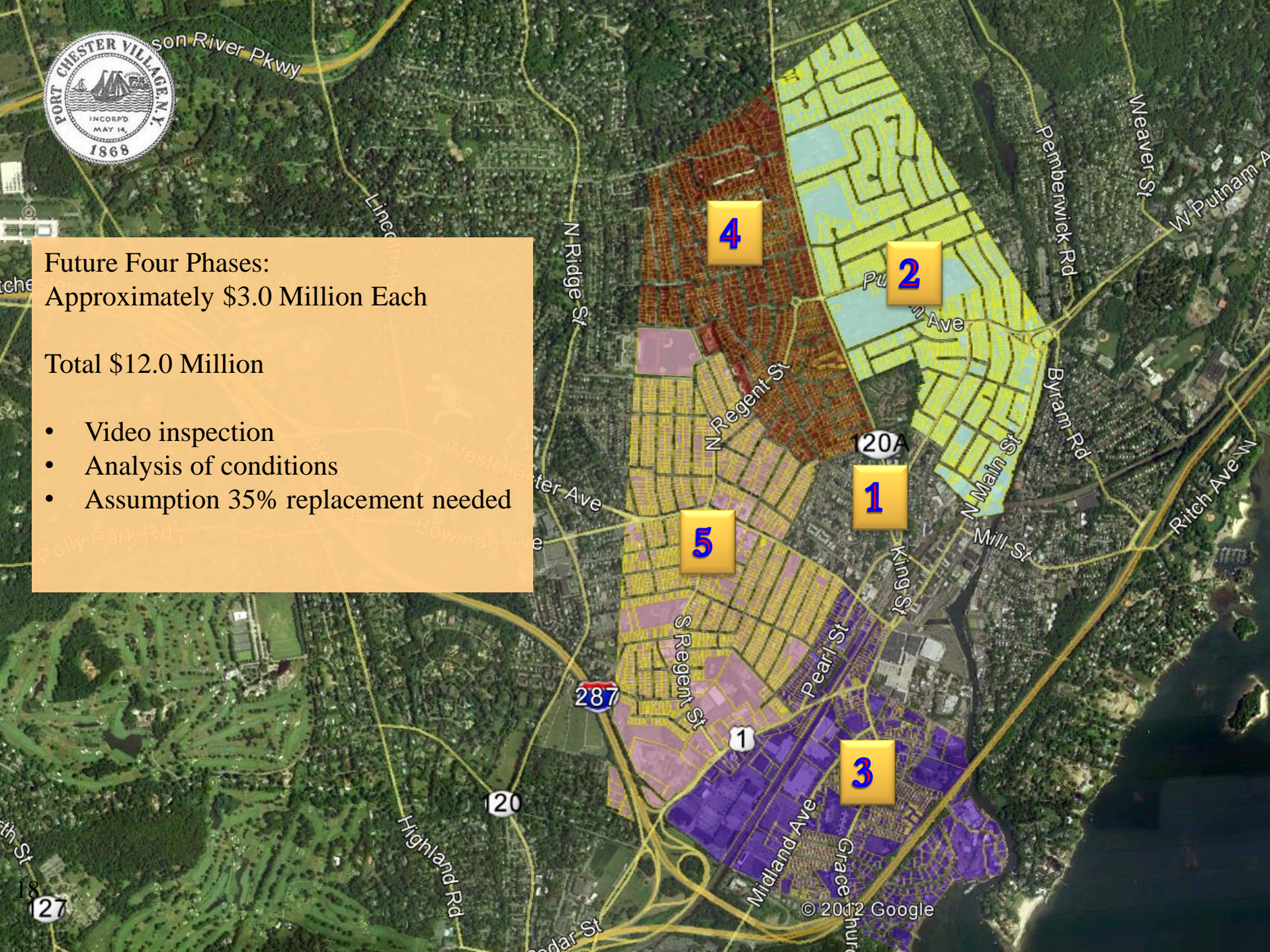
Village of Port Chester						
Proposed Sanitary Sewer Improvement Projects: Phase I						
Number	Location	Pipe Diameter (inches)	Length (feet)	Type	Remediation	Estimated Cost
1	Traverse Ave (Townsend to Purdy)	8	1,000	Sanitary	Excavate & Replace	\$225,000
2	Townsend Ave (Martin to Purdy)	8	450	Sanitary	Excavate & Replace	\$90,000
3	<b>Lower King St</b> (At Bulkley Drain)	<b>8</b>	<b>60</b>	<b>Sanitary</b>	<b>Excavate &amp; Replace</b>	<b>\$65,000</b>
4	North Main St. (Willet to Westchester)	8	1,000	Sanitary	Excavate & Replace	\$350,000
5	Highland Ave (Metro North to North Main)	10	400	Sanitary	Excavate & Replace	\$120,000
6	Highland Ave. (Locust to Metro North)	10	1,600	Sanitary	CIPP & Seal Services	\$96,000
7	Broad Street (Irving to King)	18	325	Sanitary	CIPP & Seal Services	\$27,625
8	Irving Ave (Poningo to Broad)	18	650	Sanitary	CIPP & Seal Services	\$55,250
9	Lower King St (Broad to Bulkley Drain)	18	1,100	Sanitary	CIPP & Seal Services	\$99,000
10	Irving Ave (Clark to Poningo)	10	1,100	Sanitary	CIPP & Seal Services	\$77,000
11	North Main St. (Wilkins to Rectory)	8	725	Sanitary	Excavate & Replace	\$199,375
12	Wilkins Ave (Locust to North Main)	15	975	Sanitary	CIPP & Seal Services	\$63,375
13	Willet Ave Willet (King to North Main)	10	600	Sanitary	CIPP & Seal Services	\$39,000
14	North Main St (Westchester to Adee)	10	875	Sanitary	CIPP & Seal Services	\$56,875
15	Midland Ave (Grace Church to Leonard)	12	1,950	Sanitary	CIPP & Seal Services	\$146,250
Total			12,810			\$1,709,750



Future Four Phases:  
Approximately \$3.0 Million Each

Total \$12.0 Million

- Video inspection
- Analysis of conditions
- Assumption 35% replacement needed





# QUESTIONS & COMMENTS

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**VILLAGE OF PORT CHESTER**  
**DEPARTMENT OF PLANNING & DEVELOPMENT**  
222 Grace Church Street, Rm. 202  
Port Chester, NY 10573  
(P) 914.937.6780  
(F) 914.937.3169

Christopher Gomez, AICP Director  
Jessica Youngblood, MCP Planner  
Connie Phillips, Planning Commission Secretary

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To: Hon. Mayor Pagano and Board of Trustees

From: Christopher Gomez, AICP, Director of Planning and Development

Re: Proposed Sewer Rent Law - Type II SEQRA Determination

CC: C. Steers, T. Cerreto, L. Douglas, J. Richards

Date: December 31, 2012

Adoption of the proposed Sewer Rent Law by the Board of Trustees is classified as a Type II action under SEQRA section 617.5(c)(27), "adoption of regulations, policies and local legislative decisions...". Further, the actual effect of the law itself fits within SEQRA section 617.5(c)(19) "official acts of a ministerial nature involving no exercise of discretion ...".

Therefore, no further environmental review is required.

AGREEMENT WITH UNITED WATER WESTCHESTER, INC. TO PROVIDE  
SERVICES WITH REGARD TO THE BILLING AND COLLECTION OF SEWER RENTS

On motion of TRUSTEE \_\_\_\_\_, seconded by TRUSTEE \_\_\_\_\_, the following

resolution was adopted by the Board of Trustees of the Village of Port Chester, New York:

WHEREAS, the Village of Port Chester operates a sanitary sewer system and wishes to achieve greater equity in recovering the costs of the maintenance which have historically been assumed through the property tax; and

WHEREAS, in furtherance of achieving a more equitable manner of recovering these costs, the Board of Trustees has made a policy priority a system of user fees, or sewer rents, that is authorized by State Law; and

WHEREAS, water consumption is used nationwide as the most widely used basis in calculating sewer user fees; and

WHEREAS, since the Village does not maintain its own waterworks and is instead served by a private water company, United Water Westchester, Inc., (“UWW”), it is required to obtain the assistance of this company to bill users for sewer rents based on water consumption; and

WHEREAS, UWW advised that it was ready, willing and able to undertake a public-private partnership with the Village and the parties have since been engaged in extensive negotiations towards an agreement which appears to be the first of its kind in New York State; and

WHEREAS, as part of the parties’ due diligence, statutory and regulatory issues were identified that required resolution through an approval process with the New York Public Service Commission (“PSC”) which is expected at its next meeting. Now, therefore, be it

RESOLVED, that the Board of Trustees hereby authorizes and ratifies the Village Manager’s execution of an agreement with United Water Westchester, Inc. to provide billing and collection services for sewer rents, with a term to expire on May 31, 2019, and compensation to be one-time transition fee of \$87,566.00 and an annual base fee of \$241,027.00, together with such other terms and conditions as per the annexed agreement.

APPROVED AS TO FORM:

\_\_\_\_\_  
Anthony M. Cerreto, Village Attorney

ROLL CALL

AYES:

NOES:

ABSENT:

Date:

AUTHORIZING VILLAGE MANAGER TO NOTIFY WESTCHESTER COUNTY  
DEPARTMENT OF HUMAN RESOURCES WITH REGARD TO POSITION OF CHIEF OF  
POLICE

On motion of TRUSTEE \_\_\_\_\_, seconded by TRUSTEE \_\_\_\_\_, the following resolution was adopted by the Board of Trustees of the Village of Port Chester, New York:

WHEREAS, since Joseph Krzeminski's extended absence prior to his retirement, Captain John Telesca has been serving as Acting Chief; and

WHEREAS, the County of Westchester Department of Human Resources has advised the Village Manager that the Village does not currently have an eligible list from which to make an appointment to the position of Chief of Police and that the Board must make a determination as to those persons eligible to take the next examination for the position which is scheduled for March 8, 2014; and

WHEREAS, the Village has the discretion of limiting the promotional field to police captain or open it up to lesser titles in the Police Department or to individuals in other departments in the County; and

WHEREAS, the Board has given due consideration of its options as to what is in the best interest of the Police Department. Now, therefore, be it

RESOLVED, that the Board of Trustees, acting in its capacity of a Board of Police Commissioners, hereby determines that the upcoming civil service examination offered by the County of Westchester for the position of Chief of Police be opened to individuals who immediately preceding the date of examination have one year of permanent competitive class status as a \_\_\_\_\_ with the Village of Port Chester; and be it further

RESOLVED, that the Village Manager is authorized and directed to notify the County Commissioner of Human Resources of this determination and take such appropriate action as may be required to implement same.

APPROVED AS TO FORM:

\_\_\_\_\_  
Anthony M. Cerreto, Village Attorney

ROLL CALL

AYES:

NOES:

ABSENT:

Date: