**Bristol Harbour Sewer Corporation**

**Remapping & Rate increase**

**RESOLUTION NO. 36– 2017**

WHEREAS, on July 10, 1969, the Bristol Sewerage Disposal Corporation (the “Corporation”) was incorporated pursuant to the New York State Transportation Corporation Law permitting it to serve an area then approved by the Town of South Bristol Town Board; and

WHEREAS, on June 6, 2017, the Corporation submitted a request to the Town Board for consent to amend its 1969 Certificate of Incorporation to expand its service territory within the Town of South Bristol, such request with the expanded service area map is attached hereto as Exhibit A; and

WHEREAS, in a letter dated August 11, 2017, the Corporation rescinded its June 6, 2017 request to the Town Board for consent to amend its 1969 Certificate of Incorporation to expand its service territory within the Town of South Bristol and simultaneously issued a renewal of its request to the Town Board for consent to amend its 1969 Certificate of Incorporation to expand its service territory within the Town of South Bristol, such August 11, 2017 letter and attachements are attached hereto as Exhibit B; and

WHEREAS, in compliance with section 117 of the Transportation Corporations Law, the Corporation filed with the New York State Department of Environmental Conservation a map of the expanded service area and specifications of the proposed system within such expanded service area; and

WHEREAS, in compliance with Section 117 of the Transportation Corporations Law, on September 1, 2017, the New York State Department of Environmental Conservation conditionally approved the map of the expanded service area under consideration herein and the specifications of the proposed system within such expanded service area, such conditional approval is attached hereto as Exhibit C; and

WHEREAS, pursuant to Section 116 of the Transportation Corporations Law, the Town must grant or deny the Corporation’s request to amend its certificate of incorporation within the later of sixty days after receiving the Corporation’s request or within sixty days after notice to it of the Department’s approval of the maps and specifications of the proposed system filed with such department; and

WHEREAS, on June 6, 2017, the Corporation requested, in accordance with Section 121 of the Transportation Corporation Law, that the Town Board review the sewer rates that the Corporation is charging; and

WHEREAS, in a letter dated August 11, 2017, the Corporation rescinded its June 6, 2017 request to the Town Board for a review of the sewer rates that the Corporation is charging and simultaneously issued a renewal of its request to the Town Board for a review of the sewer rates that the Corporation can charge, such August 11, 2017 letter and attachments are attached hereto as Exhibit B.; and

WHEREAS, the Town Board has conducted a diligent investigation into the merits of the expanded service area; and

WHEREAS, the Town Board has reviewed the necessary financial reports showing the Corporation’s operating revenues, operating, maintenance and other expenses, reserves and existing debt obligation of $92,000.00, and conducted other investigations necessary for it to make a decision on a change in the Corporation’s sewer rates; and

WHEREAS, after the Town had deliberations with the Corporation and required that any approved rate include a portion of thereof being devoted to establishing a capital reserve, the Corporation has provided the Town Board with a 2017 Rate Analysis, attached hereto as Exhibit D, requesting the Town Board to approve a change in the sewer rate the Corporation can charge to $69.21 per unit, with $9.12 of each unit charge to be used to fund a capital reserve account, $6.03 of each unit charge to be used to pay off the existing debt and the remaining $54.06 of each unit charge to be used to pay all other expenses of the Corporation; and

WHEREAS, the Town Board is in receipt of a September 8, 2017 letter from Mengel Metzger Barr & Co. LLP, Certified Public Accounts, that states that it has reviewed documentation from the Corporation supporting its 2017 Rate Analysis to be in effect for 36 months and that, “Without any significant decreases in its revenue base, if [the Corporation] is able to meet these planned expenses during the next 36 month period, from an operating cash flow stand-point, the entitle will remain financially viable.”; and

WHEREAS, the Town Board has been advised that the requested sewer rate of $69.21 per unit only produces enough revenue for the Corporation to pay its expenses and debt service and to establish the capital reserve required by the Town Board if the Town approves the expanded service area by consenting to the amendment to its Certificate of Incorporation so that the Corporation has additional, approved users to pay this rate; and

WHEREAS, pursuant to part 617 of the implementing regulations pertaining to Article 8 (State Environmental Quality Review Act) of the Environmental Conservation Law it has been determined by the Town Board that granting the Corporation’s request to expand its service area and agreeing to a change in the sewer rates the Corporation can charge would not have a significant upon the environment.

NOW, THEREFORE BE IT RESOLVED, that the Town Board finds that it is in the best interest of the properties to be included within the expanded service area, of the properties currently being served by the Corporation and of the Corporation itself for the Corporation to be able to provide for the collection, treatment and disposal of sewage in the expanded service area and hereby grants the request of the Corporation to file an amendment to its 1969 Certificate of Incorporation to expand its service territory to include that additional area within the Town of South Bristol as shown on the map attached hereto as Exhibit a; and be it further

RESOLVED, the Town Supervisor is authorized to sign a certificate, as required by the Transportation Corporations Law, to permit the Corporation to file its amendment with the New York State Department of State in accordance with this Resolution; and be it further

RESOLVED, that the Town Board finds that a sewer rate of $69.21 per unit is a fair, reasonable and adequate rate for the Corporation to charge and hereby agrees that the Corporation can charge $69.21 per unit provide the following conditions are met:

1. $9.12 of each unit charge is to be used to fund a Capital Reserve Account, $6.03 of each unit charge is to be used to pay off the existing debt and the remaining $54.06 of each unit charge is to be used to pay all other expenses of the Corporation.
2. Once the existing debt of $92,000.00 is paid in full, the Corporation shall use the $6.03 of each unit charge approved for debt service to further fund the Capital Reserve Account.
3. The amendment to the Corporation’s 1969 Certificate of Incorporation to expand its service territory to include that additional area within the Town of South Bristol, as shown on the map attached hereto as Exhibit A, must first be filed with the New York State Department ; and
4. The Corporation shall submit to the Town Boar a Consolidated Annual Financial Report on or before April 1st of every year hereafter, such financial report to show for the preceding calendar year all revenues the Corporation collected, all expenses and debt service the Corporation paid, the remaining debt owed by the Corporation, and all amounts set aside by the Corporation in a separate Capital Reserve Account.

I ,Judy Voss, Town Clerk of the Town of South Bristol do hereby certify that the aforementioned resolution was adopted by the Town Board of the Town of South Bristol on September 11, 2017, by the following vote:

**AYE NAY**

Daniel Q. Marshall x

Scott Wohlschlegel x

Donna Goodwin x

Stephen Cowley x

James Strickland x

Dated: September 11, 2017

Judy Voss, Town Clerk

SEAL