

Dam Project Update

April 12, 2018

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Beaver Dam Lake Protection and Rehabilitation District

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Dam Project Developments as of April 12, 2018

It Is Important To Read All 3 Pages Of This Update

For Safety Reasons The Dam Site Is A Restricted Area -- Not Open To Residents Or The Public

All projections contained in this update are the best estimates currently available from Orange County and are always subject to change due to administrative issues, weather and unforeseen difficulties related to work on a structure that is well over 100 years old.

Construction Schedule -- The latest information from Orange County indicates that construction contracts are anticipated to be signed in early May with the project beginning shortly thereafter. Construction is expected to be substantially complete by December 31, 2018 (moved from November 30th). The lake is planned to be COMPLETELY DRAINED in the May - June time frame to accommodate construction and is expected to remain COMPLETELY DRAINED at least through the end of 2018 and possibly into 2019. Residents will be advised of dates prior to draining and prior to refilling.

Public Hearing April 24th -- The Orange County Legislature has scheduled a Public Hearing on updated Dam Project costs and funding on April 24th at 5 PM at the Orange County Government Center in Goshen.

Construction Bids - A total of 5 sealed competitive bids for construction of the project were received and opened by Orange County on March 20th. Bids ranged from a low of just above \$4 million to a high of about \$6.75 million. The lowest construction bid received was higher than the total project budget of \$3.7 million estimated by the County in 2014.

Revised Project Budget - The County has presented a revised total project budget of \$4.6 million which includes construction costs, engineering and other project related work. The cost of this project was last estimated to be \$3,700,000 (including engineering, project management and construction) as of October 2014. However, as stated in our annual Lake District Budget Messages over the past several years, this figure was always subject to change due to improvements in the economy, variations in construction costs, increases in interest rates and other factors. **Again, these figures are the best estimates currently available from Orange County and are subject to change due to unforeseen difficulties related to work on a dam that is well over 100 years old.** Just like working on an old house, there can be hidden issues that only become apparent after the "walls are opened" during construction.

Lake District Board Resolution March 22nd -- At the request of Orange County, the full Lake District Board, by a unanimous vote of 7 to 0, approved a resolution stating "it is in the best interests of the residents of the Beaver Dam Lake Community to proceed with the project". The resolution also requested and authorized the County to transfer \$900,000 in Lake District reserve funds to increase the project budget to \$4.6 million and to award the construction bids to the apparent low bidder. The full resolution can be found at <https://www.orangecountygov.com/DocumentCenter/View/8941>

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Impact On Lake District Taxes – The cost of all work and services provided by Orange County is back-charged to the property owners in the Lake District and there are no Orange County general taxpayer dollars being expended on this project. Barring any hidden issues, **there should be little if any change in current Lake District taxes** since the overall amount of money to be borrowed to pay for the project is expected to remain at the same \$2.7 million projected in 2014. This is because the \$4.6 million total project cost will be offset by a NY State environmental grant of almost \$1 million and by utilizing \$900,000 in Lake District reserve funds resulting in a balance of \$2.7 million to be paid back by District taxpayers over a 15 year period. At the December 2014 Lake District elections, 87% of the district voters supported the project and the proposed financing method.

- The 2018 Lake District Capital Budget of \$350,000 brought the **annual** property tax capital charges to slightly above the 2014 level projected for the \$3.7 million cost of the dam improvements. As proposed by the Lake District Board Chairman in 2013, the Board requested the County to phase in the dam related capital charges over a period of several years to avoid the "sticker shock" of a single large tax hike and to provide an up-front reserve fund "cushion" for the project budget. This began with the 2014 budget and the \$900,000 being used to offset the project increase comes from this accumulated reserve. Without the reserve fund, Lake District taxpayers would need to borrow the \$900,000 in addition to the \$2.7 million originally planned. Equate this with buying a new car with a down payment and having a lower loan payment vs borrowing the full amount with a higher payment.
- To view your current tax bill go to <http://propertydata.orangecountygov.com/search.aspx> click "Public Access", enter your address and click the "Tax Info" tab. The dam project costs are included in the figure for "Bdl dist net capimpr" (plus "Bdl dist lkft surchg" if you own waterfront property). The "Bdl dist o&m" charge shown on the tax bill funds the annual expenses of operating and maintaining the lake and Lake District facilities. As with all taxes, these charges are subject to annual adjustment. See the 2018 Lake District Budget Message for more information <https://www.orangecountygov.com/536/Budgets-Finance>

Lake To Be Completely Drained – Beaver Dam Lake will be COMPLETELY DRAINED in order to accommodate construction and repairs at the dam. The lake will be refilled only after construction is substantially complete and a re-filling plan is approved by the NY State Department of Environmental Conservation. The lake will remain drained through 2018 and possibly into 2019 to accommodate construction.

Alternative To Draining The Lake -- The installation of a temporary cofferdam system as an alternative to draining the lake was evaluated by the County and determined to be undesirable and unfeasible. A cofferdam system was estimated in 2012 to add at least another \$1 million to the project and would likely cost much more in 2018 dollars.

Impacts to Fish and Wildlife -- Environmental impacts on fish, wildlife, etc are addressed in the Environmental Impact Statement (EIS) that was prepared by Orange County in 2012 and is posted on the BDL web page at <https://www.orangecountygov.com/537/Dam-Rehabilitation-Project> A large percentage of the fish population is expected to pass through the dam drains and move into the Moodna Creek. Some mortality is anticipated. The NY State Department of Environmental Conservation has indicated in the past that it is illegal to "rescue" and relocate fish from BDL to other water bodies due to cross contamination concerns. This is especially important to avoid now that high levels of PFOS / PFOA chemical contamination have been confirmed by NYSDEC to be present in the BDL fish population. The Lake District will evaluate the lake after it is refilled and plans to re-stock the lake as needed with fish from NYSDEC approved suppliers.

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Project Plans and Specifications

Project plans are posted on the official BDL Lake District web page under “Dam Rehabilitation Project” at: <https://www.orangecountygov.com/532/Beaver-Dam-Lake>

Lake District Tax Assessments - Corrections

As stated in previous updates, Orange County had to demonstrate to the NY State Comptroller that no benefited property was excluded from paying a fair share of Lake District taxes. In order to meet this requirement, a review of all properties located in the Lake District was performed. Several benefited properties were found to be paying no Lake District tax at all. A number of others where homes had been built over the past several years were still being assessed as vacant lots. Several multiple family homes were found to be assessed as single family. At least two properties were found to be assessed at more than they should have been. The cumulative total amount of lost revenues to the Lake District over the past 10 years has been estimated at over \$90,000. These lost revenues have been absorbed by the remaining taxpayers of the Lake District.

Orange County DPW and other County agencies are aware of these inequities and the Lake District Board expects Orange County to implement the necessary corrections in the near future.

Rumors and Misinformation -- Information about the dam project recently appearing in local newspapers and on social media has not been especially accurate. Factual information about the project is available on the official BDL web page at <https://www.orangecountygov.com/537/Dam-Rehabilitation-Project> and is also distributed to the community via official email from the Lake District. The web page is updated as information becomes available and as volunteer time permits.

Frequently Asked Questions -- Questions from residents have been coming in slowly and are being compiled. A list of FAQs is being prepared as volunteer time permits and will be posted on our web page.

Additional Information -- Additional information will be communicated by e-mail as developments occur and will also be posted on the official web page for the Beaver Dam Lake Protection and Rehabilitation District under “Dam Rehabilitation Project” at the following link: <https://www.orangecountygov.com/532/Beaver-Dam-Lake>

Project Overview -- This is a complex project being managed by the Orange County Department of Public Works (DPW) for the residents of the Beaver Dam Lake Protection and Rehabilitation District. Work to be performed consists of structural improvements, repairs and modifications needed to conform to current Federal and State dam safety requirements. The cost of all work and services provided by Orange County is back-charged to Lake District property owners and there are no Orange County general fund taxpayer dollars being expended on this project.

Lawrence Rossini, Chairman
Beaver Dam Lake District Board