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Text of law should be given as amended. Do not include matter being eliminated and do not use italics or underlining to indicate new matter.

~~County~~

~~City~~

~~Town~~

Village

of Victory

Local Law No. 3 of the year 20⁰⁴

A local law entitled: "Capital Cost Recovery Charges Amendment"
(Insert Title)

Be it enacted by the Board of Trustees of the
(Name of Legislative Body)

~~County~~

~~City~~

~~Town~~

Village

of Victory as follows:

(If additional space is needed, attach pages the same size as this sheet, and number each.)

VILLAGE OF VICTORY

LOCAL LAW #3 OF 2004

**A LOCAL LAW TO AMEND THE CAPITAL COST RECOVERY CHARGES
PROVISIONS OF LOCAL LAW
NO. 2 OF 1991 OF THE VILLAGE OF VICTORY”**

BE IT ENACTED by the Board of Trustees of the Village of Victory as follows:

Section 1: Title

This Local Law shall be known as a “Local Law to Amend the Capital Cost Recover Charges Provisions of Local Law No. 2 of 1991 of the Village of Victory, and may be cited as Village of Victory Local Law No. 3 of 2004 (“VOV LL 2004-3”).

Section 2: Authority.

This local law is enacted pursuant to the authority of: (a) Municipal Home Rule Law Section 10(1)(i), which authorizes a Village to adopt or amend a local law not inconsistent with the provisions of the Constitution or not inconsistent with any general law relating to its property, affairs or government; (b) Municipal Home Rule Law Section 10(1)(ii)(a)(9-a), which authorizes a Village to adopt or amend a local law not inconsistent with the provisions of the Constitution or not inconsistent with any general law relating to the fixing, levy, collection and administration of local government rentals, charges, rates or fees, penalties and rates of interest thereon, liens on local property in connection therewith and charges thereon; (c) Municipal Home Rule Law Section 10(1)(ii)(a)(12), which authorizes a Village to adopt or amend a local law not inconsistent with the provisions of the Constitution or not inconsistent with any general law relating to the government, protection, order, conduct, safety, health and well-being of persons or property therein; (d) Village Law Section 4-412(1), which authorizes a Village to

enact local laws protecting the health, safety, morals or general welfare of the inhabitants of the Village, the protection of their property and the preservation of peace and good order; and (e) Village Law Article 14, Sections 14-1400 *et seq*, which authorizes a Village to establish and maintain a sewerage system, enter into contracts with other municipalities for the establishment of joint sewerage systems and provide for the assessment, levy and collection of taxes and fees to pay the costs of creating and operating a sewer system.

Section 3: Legislative Findings.

(a) Village of Victory Local Law No. 2 of 1991 ["VOV LL2-1991"] establishes a Capital Cost Recovery System for the Village's wastewater treatment plant and sewage collection system [the "Sewer System"] and provides, *inter alia*, that the schedule of capital cost recovery charges therein contained should be periodically reviewed and updated by the Village.

(b) The Board of Trustees of the Village has recently completed a review of the current capital cost recovery charges provided for under VOV LL2-1991 and finds that the same should be updated in order to more equitably apportion the recovery of capital costs for the Village's Sewer System among the users of the System and the owners of property in the Village of Victory that is benefitted by the System.

Section 4: Purpose.

The purpose of this local law is to protect the public health, safety and welfare by amending the Capital Cost Recovery Charges provisions of VOV LL2-1991.

Section 5. Amendment of VOV LL2-1991 Section 3.

Section 3 of Village of Victory Local Law No. 2 of 1991, is hereby amended to read as follows:

A. Basis for Capital Cost Recovery Charges Through November 30, 2004. Until November 30, 2004, the Victory Mills Capital Cost Recovery System will be based on three variables: use unit, assessed property value and parcel area. The use unit charge has been made the major component of the recovery system, with 54% of the costs to be recovered being collected based on the number of use units on the subject parcel. A use unit is determined by comparing the use of the subject property to the use of a typical one-family home. The Town assessed values are to be the second highest factor for basing the recovery systems costs. The assessed value has been set at a 35% value; *i.e.*, 35% of the yearly capital costs are recovered via the assessed valuation of the subject parcel. The remaining 11% of the yearly capital costs will be recovered based on the subject parcel's area.

B. Basis for Capital Cost Recovery Charges On and After December 1, 2004. On and after December 1, 2004, the Victory Mills Capital Cost Recovery System will be based on two (2) variables: use units and assessed property value. The use unit charge will be the major component of the recovery system, with 60% of the costs to be recovered being collected based on the number of use units on the subject parcel. A use unit is determined by comparing the use of the subject property to the use of a typical one-family home. The Village assessed values are to be the second highest factor for basing the recovery systems costs. The assessed value will be set at a 40% value; *i.e.*, 40% of the yearly capital costs are recovered via the assessed valuation of the subject parcel.

C. Review of Capital Cost Recover Charges. The Village of Victory Mills will review the system during the first year of usage and at least once every five years thereafter. The capital cost recovery charge will be updated every year to incorporate new sewer hookups, variation in the mount of money to be collected, changes in property owners, reduction in prperty size and any changes in the assessed value of the properties, to ensure that the sytem remains equitable and that adequate monies are collected to recover the capital costs for that particular year.

D. Initial Basis for Capital Cost Recovery System. First year capital costs will be recovered to pay off the bond anticipation note(s) (BAN's). The bond anticipation costs will cover the preliminary engineering costs, design of the collection and treatment system, all preliminary administrative costs, land costs, legal fees, and all construction related costs. Because the BAN's are payable over a five year period, the capital costs will be somewhat higher until the project is permanently financed.