

**suggested Amendments to Sections 1, 23(G), 27(A), and 27(F) of the
Binghamton-Johnson City Joint Sewage Treatment Facilities Intermunicipal Agreement**

(text in ~~red-struck-through~~ typeface is suggested to be deleted;
text in underscored green typeface is suggested to be added)

Section 1. Definitions.

* * * *

BUDGET or JOINT SEWAGE TREATMENT FACILITIES BUDGET—The annual appropriations for operating expenses and capital projects, as well as the annual accounting for the special accounting item of Depreciation, approved by the Owners for the Joint Sewage Treatment Facilities.

* * * *

Section 23. Joint Sewage Board Fiscal Year & Budget.

* * * *

G. The Board may be permitted to make budget transfers during the year or within 45120 days thereafter with respect to Fiscal Years after 2023 so long as such transfers do not increase the Joint Sewage Project budgeted expenses for the year under the following conditions:

i. The Board will give the City Clerk and Village Clerk/Treasurer written notice via email of any proposed budget transfer approved by the Board. The written notice will state if the proposed budget transfer is (a) for a non-capital item up to \$2,500, (b) for a non-capital item of more than \$2,500 or cumulative transfers of \$20,000 or more in the calendar year; or (c) for a capital item (including transfer[s] to or from the “Capital Reserve” for the Binghamton-Johnson City Joint Sewage Project) noting, when applicable to the established purpose of the source funding, whether such transfer pertains to a declared emergency [such as resulting from an unexpected or imminent equipment or system failure]. The notice will include a copy of the Board’s minutes or resolution approving the proposed budget transfer and a RL (request for legislation). The Board will copy said email to the (i) Mayor, President of City Council, Corporation Counsel, and Comptroller of the City and (ii) Mayor, Trustees, Attorney, and Clerk/Treasurer of the Village.

ii. Non-capital items. The Board may transfer up to \$2,500 from one budget line to another budget line without legislative approval, except all transfers to increase salary or benefits for any personnel shall require legislative approval. The Board may transfer more than \$2,500 from the contingency budget line to another or various other budget lines, except all transfers to increase salary or benefits for any personnel shall require

legislative approval. Any transfer of more than \$2,500 from any budget line or cumulative transfers of \$20,000 or more in the calendar year shall be deemed denied unless a majority of the members of both legislative bodies vote to approve such budget transfer within thirty-five (35) days from the date of receipt of the written notice and RL (request for legislation) from the Board as required in Section 23.G(i) above.

iii. Capital items (including transfer[s] to or from the “Capital Reserve” for the Binghamton-Johnson City Joint Sewage Project). Any request for a budget transfer shall be deemed denied unless a majority of the members of both legislative bodies vote to approve such budget transfer within thirty-five (35) days from the date of receipt of the written notice and RL (request for legislation) from the Board as required in Section 23.G(i) above. This provision shall apply to all capital budget lines, whether established before or after this Agreement, as well as to transfer[s] to or from the “Capital Reserve” for the Binghamton-Johnson City Joint Sewage Project.

iv. No new budget lines will be established without approval of a majority of the members of both legislative bodies.

v. Any legislative vote required above may be made at a separate or a joint meeting of the legislative bodies.

* * * *

Section 27. Debt Service Calculations.

On and after the date that the Johnson City Terminal Pumping Station is placed in actual service, charges for sewage services shall be determined by the Board according to the following formulae:

A. Debt service charges for primary treatment facilities shall be charged according to the formula:

$$B + JC = C_1Q_1 + 1.25 C_1Q_2$$

Where:

B = Binghamton debt service* — primary treatment facilities

JC = Johnson City debt service* — primary treatment facilities

Q₁ = Total annual dry-weather sewage flow from City of Binghamton, Village of Johnson City, Town of Vestal and Binghamton University

Q₂ = Total annual dry-weather sewage flow from other municipalities

C₁ = Primary debt service charge per unit of dry-weather sewage flow from Town of Vestal and Binghamton University

1.25 C₁ = Primary debt service charge per unit of dry-weather sewage flow from all other outside communities

Dry-weather flow = The flow of sewage or industrial wastes in the sewer during dry weather; it shall normally be measured as the amount of water supplied to users discharging sewage to the Binghamton-Johnson City Joint Sewage Project; provided however, that in the case of users who discharge into the sewage system an amount of sewage substantially less than or substantially more than the amount of water supplied to them, the amount of sewage discharged into the sewer system shall be determined by sewer meters, gages or other suitable measuring devices or methods acceptable to the Board and installed by such users at the users' expense and at no cost or expense to the Board, the City or the Village.

* - Beginning with the 2023 Fiscal Year,

“debt service” on the primary treatment facilities shall be the sum of:

[i] repayments of outstanding debt principal actually made during the Fiscal Year;

[ii] payments of net interest actually made during the Fiscal Year (after crediting all interest subsidies, the Benefit of Refunding credit, if any, and all other interest rebates, abatements, or grants offered by the lender);

[iii] payments of debt servicing costs actually made during the Fiscal Year including, but not limited to, Administrative Fees charged by the lender, fiscal agent advisory fees, and bond counsel fees; and

[iv] payments of debt issuance expenses (including costs of refinancing outstanding debt principal) actually made during the Fiscal Year for bond or other debt instrument issuance (such as, but not limited to, registration fees, underwriting costs, printing costs, marketing costs, fiscal agent advisory fees, bond counsel fees, and auctioneer fees).

B. Debt service charges for secondary treatment facilities shall be charged in the same manner as debt service charges for primary treatment facilities [i.e., by substituting “secondary treatment facilities” for “primary treatment facilities” in subsection 27(A)].

* * * *

F. Operating and maintenance costs shall be charged to the various users of the facilities, based upon their annual dry-weather sewage flow, as such flow is determined by the Board. Cost of operation and maintenance of the sewage treatment facilities shall be distributed in this manner to all users. Cost of operation and maintenance of the Binghamton Terminal Pumping Station and the Binghamton Sewage System shall be distributed among users in the Binghamton Service Area, including the City of Binghamton. Cost of operation and maintenance of the Johnson City Terminal Pumping Station and the Johnson City Sewer System shall be distributed among users in the Johnson City Service area, including the Village of Johnson City. Charges to the Town of Union in the Johnson City Service Area shall include 125% of that portion of debt service for the cost of construction of the North Side Trunk Storm Drainage Elimination Project (1964-1966) as the Village of Johnson City and the Town of Union shall agree upon. Because Depreciation (accounted-for in Budget Line ES1994.54999 beginning with the 2023 fiscal year) is neither an operating cost nor a maintenance cost, Depreciation shall not be charged or credited as an operating cost or a maintenance cost in the computation of quarterly estimated billings or the annual final billings to the various users of the facilities.

* * * *

The remainder of the Intermunicipal Agreement and amendments thereto shall remain unchanged.

Date: _____

Date: _____

**Jared M. Kraham,
Mayor, City of Binghamton**

**Martin Meaney,
Mayor, Village of Johnson City**