

Chris Papastrat

Edward Crumb

Ronald Lake

Binghamton-Johnson City JOINT SEWAGE BOARD



George Kolba, Jr. Stephen Andrew Bruce King

NEWS RELEASE

** DRAFT ** <u>FOR IMMEDIATE RELEASE</u>: <u>September ##, 2023</u> @ #:## a/p.m. EDT <u>note</u>: a list of attachments appears at the end of this News Release

Binghamton-Johnson City Joint Sewage Board Successfully Completes \$53.9 Million FEMA/NYS-DHSES Financial Recovery Following 2011 Tropical Storm Lee

Vestal, NY (September ##, 2023) – With the issuance of pass-through payments during the last week of August to the City of Binghamton (\$6,615,531.60) and the Village of Johnson City (\$5,456,606.35), the Binghamton-Johnson City Joint Sewage Board (JSB) has successfully completed a \$53.96 million financial recovery process following inundation of the Binghamton-Johnson City Joint Sewage Treatment Plant (JSTP) and remote Terminal Pumping Station (TPS) September 7-9, 2011 by the Remnants of Tropical Storm Lee (T.S. Lee).

The funding was received under grants administered by the Federal Emergency Management Agency (FEMA) as authorized by the federal *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (42 U.S.C. §5121 *et. seq.*, as amended), which provides up to 75% federal reimbursement of eligible recovery costs incurred in the repair of damages sustained in certain presidentially-declared disasters. On September 13, 2011, then-President Barack H. Obama declared the T.S. Lee incident period a major disaster. On September 15, 2011, then-Governor Andrew M. Cuomo announced an emergency state loan program for local governments to help finance repairs from severe storms, including T.S. Lee, and on April 11, 2012, Gov. Cuomo announced that New York State would cover the entire 25% state and local share of disaster response and recovery costs from recent severe storms, including T.S. Lee. New York's share of the funding has been administered by the New York State Division of Homeland Security and Emergency Services (NYS-DHSES), as Grantee under FEMA's Public Assistance (PA) program.

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Binghamton-Johnson City Joint Sewage Treatment Facilities 4480 Vestal Road, Vestal, New York 13850 Phone: 607-729-2975 Fax: 607-729-3041 Email: bjcwwtp@stny.rr.com The Johnson City Village Board of Trustees voted August 15, 2023 and the Binghamton City Council voted August 23, 2023 to approve budget modification legislation to account for and administer the final \$12.07 million grant reimbursement received by the JSB in early August. Binghamton (54.8%) and Johnson City (45.2%) jointly own the JSTP and the TPS; they share approval authority over the budget for the Joint Sewage Treatment Facilities ("Facilities").

The JSB is comprised of members appointed by the Mayors of the City and the Village and is assigned responsibility for the day-to-day operation, maintenance, and administration of the Facilities. The JSB has served as the FEMA Applicant with respect to the Facilities and separately recovered \$2.94 million in flood and related insurance indemnification for T.S. Lee flood damage.

When floodwaters began to recede Friday, September 8, 2011, Facility employees worked tirelessly to dewater, clean, and re-establish treatment processes. Following delivery of temporary generators, the Facilities' electrical staff worked in conjunction with employees of an electrical contractor to re-establish partial power service at both sites. Limited intake pumping of up to 20 million gallons per day (MGD) on the Binghamton flow side of the JSTP was then re-established by early afternoon Sunday, September 11, 2011, where processes for screening, de-gritting, settling, and disinfection by chlorination had been re-established on a limited basis. By Sunday evening, sewage grinding and limited pumping of up to 6 MGD were re-established at the TPS.

In the weeks and months that followed, Facility employees and JSB members worked together to conclude the initial emergency response phase and begin a long-term recovery process, including registering with FEMA to begin its PA claim process as well as procurement of preliminary recovery engineering services and flood recovery consulting services. Following solicitation of qualifications and competitive proposals, Simmons Recovery Consulting, LLC (Simmons) of Ballston Spa, New York was selected to assist the JSB with its FEMA/NYS-DHSES claims. Thomas D. Hranek, P.E. of Endicott, New York was retained to provide engineering services, including inspection and itemization of damages to the Facilities, followed by preparation of a preliminary report to FEMA documenting the Facilities and damages sustained from T.S. Lee, together with supporting historical, operational, and financial data.

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- 2 -

During 2012, Facility employees, Simmons' personnel, and Mr. Hranek worked with FEMA and NYS-DHSES in the development of Project Worksheets (PWs), organizing the recovery work into sets of tasks to be performed by functional grouping (for example, asbestos abatement and removal from two buildings), by temporary facilities (including lease of an office trailer, lease of a shower trailer, and a chemically-enhanced primary treatment process [CEPT]), by restoration and repair/replacement type, as well as for permanent repairs by building or treatment process unit. Additionally, Hazard Mitigation Projects (HMPs) were formulated for the TPS and JSTP during late 2012 and early 2013 to provide protection in the event of future severe storms or flooding: [i] elevation of critical electrical, electronic and mechanical equipment to at least one foot higher than the record flood elevation at the TPS, together with installation of a permanent 500 kW standby generator; and [ii] construction of an emergency bypass, flood walls at least one foot higher than the record flood elevation at the JSTP, watertight structures, and stormwater pumping stations. Installation of permanent dual 2,000 kW standby generators was added by FEMA via a subsequent amendment of the HMP PW for the JSTP. Including the HMPs, 21 PWs were approved by FEMA for the JSTP and the TPS, 11 of which were for Small Projects (of \$63,900 or less [the DR-4031 "Small Project" upper limit established for the T.S. Lee disaster]), and 10 of which were for Large Projects. Based on onsite inspections, FEMA initially obligated \$14 million for repair of the damages documented in the PWs.

In mid-2012, the JSTP's Owners designated the City as Lead Agency for the redesign, bidding, contracting, and rehabilitation of the Facilities, including restoration and repair of flood damage from T.S. Lee as well as other repairs and improvements. Because many aspects of the JSTP were to be restored to a more modern state-of-the-art, the JSB requested FEMA designate seven of the PWs as "Improved Projects" whereby those parts of the Facilities would be restored to resume their previous functions but with updated engineering design and/or with updated equipment/configuration. A limitation of this approach was that, rather than recovering actual costs incurred for restoration of the damaged infrastructure, under FEMA regulations the amount of recovery on an Improved Project is "capped" at the Obligated Amount initially established for each Improved Project PW. This trade-off was deemed acceptable given the improved performance anticipated with the updated configuration and equipment.

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- 3 -

The JSTP's Owners determined that there would be no biosolids composting process at the JSTP post-restoration, so the JSB applied to FEMA for approval of an Alternate Project to convert the former Compost Facility's footprint to an Administration and Maintenance Building for the Facility, taking advantage of the location's highest elevation on the site. A limitation of this approach was that, rather than recovering actual costs incurred for the new construction, under FEMA regulations the amount of recovery for an Alternate Project is "capped" at 90% of the initially-established Obligated Amount. Because the former Compost Facility was not going to be restored, pursing the Alternate Project was determined to be the best course of action.

From 2012 through 2015, the City, as the JSTP Owners' Lead Agency, procured engineering services for its Restoration and Rehabilitation project, including flood mitigation and treatment processes. Engineering studies and treatment process modelling were performed. A temporary chemically-enhanced primary treatment (CEPT) system was constructed and put into service during 2013. Temporary structural stabilization and demolition projects were carried out through Spring 2014.

Through the end of 2014, \$2,222,351.17 in FEMA/NYS-DHSES reimbursements had been recovered by the JSB, including \$598,584.63 for Small Project Damages and \$18,557.50 for allowed Small Project Direct Administrative Costs (DAC), which partially reimbursed the JSB for its administrative and external costs of pursuing the Small Project recoveries. The JSB passedthrough \$985,653.85 to the JSTP's Owners to reimburse them for their respective costs covered by the reimbursements for the CEPT and Flood Mitigation PWs. (The Owners, in turn, repaid their respective lenders monies which had been borrowed to pay for the work). The remaining \$619,555.19 consisted of reimbursements to the JSB for Large Project Damages and DAC.

The federal government, under FEMA's guidance, oversaw preparation of a multidisciplinary comprehensive environmental assessment (EA) report for the flood protection improvements at the JSTP, including detailed cross-sectional modeling and analysis of river levels and velocities before and after construction. This analysis documented that, post-construction, there would be "zero rise" in water surface elevations with only a slight increase in river channel velocities (up to a maximum 0.06 foot per second) during both 100-year and 500-year flood events. Following a public comment period and public hearing, on May 21, 2015 FEMA's

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- 4 -

Region II office issued a Finding of No Significant Impact (FONSI) determination approving the EA and clearing the way for construction of the flood protection improvements to proceed once required permits were obtained. FEMA's approval of the EA led to an amendment of the JSTP flood mitigation PW to add \$21,496,067 in estimated eligible construction costs to the Obligated Amount.

Final engineering design was concluded during 2015, the required NYS-DEC permit was issued in July 2015, and the Flood Wall was advertised for bids October 9, 2015. On December 9, 2015, the Lead Agency awarded a construction contract to Streeter Associates Inc. of Elmira, New York. Notice to Proceed with construction was issued February 9, 2016.

On December 4, 2015 a Secant Pile Wall, which provides flood protection and structural support for Biological Aeration Filtration (BAF) cells, tanks, channels, and the portion of the BAF gallery at the southwest corner of the JSTP, was advertised for bids. On January 6, 2016, the Lead Agency awarded a construction contract to Welliver McGuire, Inc. of Montour Falls, New York. Notice to Proceed with construction was issued March 18, 2016.

On December 18, 2015, the Restoration and Rehabilitation contracts were advertised for bids, and on March 30, 2016, the Lead Agency awarded construction contracts: for General Construction to PC Construction Company of South Burlington, Vermont; for Electrical Construction to MATCO Electric Corporation of Vestal; for Heating, Ventilation and Mechanical Construction (HVAC) to J&K Plumbing & Heating Co., Inc. of Binghamton; and for Plumbing Construction to John W. Danforth Company of Victor, New York. Notice to Proceed with the construction was issued May 27, 2016 to each contractor.

Over the years that followed, contracting, compliance, invoicing, payment, and other related documentation were obtained from Lead Agency personnel by Howard Weaver, the primary consultant of Simmons assigned to the JSTP and TPS recoveries, sorted and compiled by applicable PW, and submitted to NYS-DHSES and FEMA for reimbursement payments. Based on the progress of the construction contracts, as well as engineering changes where necessary, requests to amend the PWs were submitted to NYS-DHSES and FEMA on an ongoing basis, including scope and cost changes, together with requests for time extensions when additional time would be needed for project completion. For Large Projects, up to 75% of

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- 5 -

the PW's Obligated Amount is allowed in Progress Payment reimbursements under FEMA regulations. Once the 75% "cap" is reached, project completion must be achieved, and a final inspection audit performed by NYS-DHSES and FEMA must be successfully concluded before final payment can be issued.

The Compost Facility Alternate Project PW passed its final inspection audit during September 2018. The TPS PW was submitted for closeout in October 2019 and (*following processing delays attributable in part to the COVID-19 pandemic*) passed its final inspection audit in July 2021. All other Large Project PWs passed their final inspection audits between mid-May 2022 and mid-August 2022.

At the end of May 2020, the Simmons firm discontinued its business, and the JSB procured ongoing recovery consulting services beginning June 2020 from Weaver Recovery Consulting, a business formed by former Simmons employee Howard Weaver.

From 2015 through the final reimbursement received in early August, \$51,746,410.88 in additional reimbursements were recovered by the JSB, including \$50,116,399.93 for Large Project Damages and \$1,630,010.95 for allowed Large Project Direct Administrative Costs (DAC). The JSB passed-through \$48,184,538.25 to the JSTP's Owners to reimburse them for their respective Large Project Damages covered by the reimbursements (in addition to the \$985,653.85 which had been reimbursed through 2014). In turn, the Owners repaid their respective lenders monies which had been borrowed to pay for the work). The remaining \$1,931,861.68 consisted of reimbursements to the JSB for its Large Project Damages.

The Facilities serve a 2020 U.S. Census-estimated resident population of 92,453 in the City of Binghamton, Village of Johnson City, Binghamton University, Village of Port Dickinson, and portions of the Towns of Vestal, Kirkwood, Dickinson, Union, Binghamton, Conklin, Fenton, several homes in the Town of Chenango connected via the Town of Union, as well as those who travel into the JSTP's Service Area for work, commercial, educational, recreational, religious, and cultural purposes. As much as 6.67 billion gallons of raw sewage influent (weighing up to 55.63 billion pounds) are processed through the Plant annually, with an average daily flow of approximately 17 MGD over the past three calendar years. Daily Plant flows have ranged from just under 8.5 million gallons on a "dry day" up to 60 million gallons on extremely

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wet days during this three-year period.

The TPS draws sewage from the Village of Johnson City and portions of the Towns of Union, Dickinson, and Chenango underneath the Susquehanna River where, together with sewage from the western portion of Vestal located within the JSTP's Service Area, the wastewater is ground and pumped upgradient to the JSTP for treatment. Daily TPS flows range from 2.25 million gallons on a "dry day" up to 15 million gallons on extremely wet days.

The Facilities help meet our region's collective responsibility to protect and maintain the Susquehanna River at its DEC-designated Class "A" waterway quality for local use and enjoyment as well as for the welfare of the 444-mile-long Chesapeake Bay Watershed.

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SOURCE: Binghamton-Johnson City Joint Sewage Board

FOR ADDITIONAL INFORMATION (including *.jpg files) CONTACT:

Billie J. Goodson, JSTP Business Manager and [FEMA] Applicant's Authorized Agent, e-mail: <u>bgoodson@bjcwwtp.onmicrosoft.com</u>

- or -

Edward Crumb, Chair, Board Finance Committee, e-mail: ecrumb@bjcjsb.onmicrosoft.com

ATTACHMENTS:

[a] 09/08/2011 @ 8:16am - view of flooded Terminal Pumping Station with electrical components steaming from exposure to flood waters – <u>NEWS MEDIA</u>: *a 540 KB *.jpg file is available on request.*

[b] **09/08/2011 (a) 8:56am** – internal view of flooded Joint Sewage Treatment Plant over the Primary Settling Tanks (JSTP employee photograph) – <u>NEWS MEDIA</u>: *a 386 KB *.jpg file is available on request.*

[c] 09/08/2011 – early afternoon – aerial view from southwest of flooded Joint Sewage Treatment Plant (*blide* [royalty free]) - uncropped – <u>NEWS MEDIA</u>: *a 136 KB *.jpg file is available on request*.

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[d] **09/08/2011 – early afternoon** – aerial view from southwest of flooded Joint Sewage Treatment Plant (*blide* [royalty free]) - cropped – <u>NEWS MEDIA</u>: *a 110 KB* *.*jpg file is available on request*.

[e] **05/25/2020 (a) 2:46pm** – aerial view from south of the Joint Sewage Treatment Plant with islands in the Susquehanna River connected under a NYS-DEC grant-assisted Joint Sewage Board Water Quality Improvement Project (WQIP). The Village of Johnson City is across the river (construction progress photograph) – <u>NEWS MEDIA</u>: *a 12.63 MB *.jpg file is available on request.*

[f] **05/25/2020** @ **2:50pm** – aerial view from southwest of the Joint Sewage Treatment Plant (construction progress photograph) – <u>NEWS MEDIA</u>: *a 13.22 MB *.jpg file is available on request.*

[g] **08/07/2023** – Executive Summary chart, by FEMA DR-4031 Project Worksheet, of Amounts Obligated for Damages, Amounts Received for Damages, for DAC, and TOTAL, with Distributions

[h] **through 08/05/2023** – chronological chart of FEMA/NYS-DHSES flood recovery reimbursements received

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