

Woodridge Lake Sewer District

Information Meeting

April 30, 2016

Presentation Sections

- Where Are We Now?
- What Needs to Happen Next?
- What Is Included in the \$15.5 Million Project Costs?
- What Are the Funding Options?
- What Will it Cost Each Taxpayer Post Construction?
- What Can Be Done to Reduce the Project Costs
- Can Taxpayers Help?
- Questions & Answer Session

Where Are We Now?

- This has been a twenty-seven year journey
- After six years of intensive work we have an agreement with DEEP
- DEEP will not approve a local solution but supports a regional solution which is less expensive
- Since June of 2014 we have been meeting with Torrington
- We developed three capital funding options
- We now have a viable plan to execute
- Now we need taxpayer approval

What Needs to Happen Next

- Obtain taxpayer approval to appropriate funds at a Special Meeting on May 28th
- Complete the Facilities Plan and obtain DEEP approval
- Receive Inland Wetlands Commission approvals in Goshen and Torrington
- Receive ConnDOT approval for route 63 and route 4
- Complete our construction design
- Resolve all easement issues
- Execute an Inter Municipal Agreement with Torrington

What Needs to Happen Next – Continued

- Receive final approvals from the Goshen and Torrington WPCA
- Receive approval by the Connecticut Office of Policy & Management
- Obtain USDA approval of our bidding documents
- Bid the project
- Award the project
- Begin construction
- Complete the construction
- Decommission the existing wastewater treatment plant

What is Included in the \$15.5 Million Project Costs?

• Construction.	\$9,047,000
• Construction Contingency.	\$1,357,000
• Design Engineering.	\$642,000
• Engineering Bidding & Construction Support.	\$768,995
• Legal & Short Term Financing.	\$218,345
• Facilities Connection Charge.	\$2,456,731
• Engineering – Previous Planning.	\$709,464
• Construction Escalation Charges.	\$307,660

What are the Funding Options?

- Commercial Bank: Grant - None, Loan terms - Interest rate 3.14%, Term 15 Years. Impact on taxpayers: Increased costs by 86%
- Connecticut Clean Water Fund: Grant - \$3,101,400, Loan terms - Interest rate 2%, Term 20 Years. Impact on Taxpayers: Increased costs by 33%
- USDA Fund – Grant - \$2,825,000, Loan terms - Interest Rate 2.25%, Term 40 Years. Impact on Taxpayers: Increased costs by 7%

What will it Cost Each Taxpayer Post Construction?

- Cost of running the existing collections system and the pipe to Torrington \$528,626
- Paying our share of the cost of running the Torrington plant to process our wastewater \$61,859
- Paying our share of the capital costs for Torrington to upgrade their plant \$38,158
- Paying the interest and principal on the USDA bonds \$484,166

Total estimated cost \$1,112,808 which is 7% over our current 2015/2016 budget of \$1,042,954 or an increase of \$69,845

Assessed Property Value	Annual Cost Increase	Monthly Cost Increase
\$150,000.	\$45.	\$3.75
\$200,000.	\$60.	\$5.00
\$250,000.	\$75.	\$6.25
\$300,000.	\$90.	\$7.50
\$350,000.	\$105.	\$8.25
\$600,000.	\$180.	\$15.00
\$750,000.	\$225.	\$18.75
\$1,000,000.	\$300.	\$25.00

What Can Be Done to Reduce the Project Costs?

- Reduction of the construction costs through a favorable bidding process
- Lower our fund balance level at the end of the project
- Sell or lease our existing plant acreage
- Obtain a \$0.5 million Connecticut STEAP grant
- Lobby for a grant from the USDA national office

- Risks: Torrington gravity line, unknown rock, replacement of plant pump forced main

Can Taxpayers Help?

- Help by lobbying our State Representative Roberta Willis for the STEAP Grant
- Help by lobbying our House Representative Elizabeth Esty for a supplemental USDA grant from the USDA national office

Question & Answer Session

What Happens The Appropriation is not Approved.

- We will lose our USDA funding
- DEEP will not remove our Consent Order
- Without a plan we could be subject to a General Statutes of Connecticut Title 22a Environmental Protection Chapter 446k – Water Pollution Control Sec 22a-438 to a penalty of up to \$25,000 for each offense