

Sewer District Update

The Woodridge Lake Sewer District Board

On May 26, the Board recommended no change in the mil rate for 2012/2013 from the 3.30 mil rate in effect for 2011/2012. This recommendation stems from current economic conditions, minimal changes in the grand list and, importantly, because we have not yet agreed on a long-term solution to the disposal of our wastewater. We continue to work with our engineering consultant Woodward and Curran and CT DEEP to agree on a solution of disposing our wastewater through either an upgrade to our plant and disposal fields or to pipe our wastewater to Torrington. It remains the Board's judgment that until we have clarity on our options and their costs, we should make every effort to maintain the current mil rate.

The Board reviewed the 2011/2012 Revenue and Expense Overview at the meeting. The approved 2011/2012 budget provided for deficit spending of \$179,351, where expenses (operating and capital) were budgeted to exceed revenues. The deficit was to be funded from the District's substantial Fund Balance, which was \$818,553 as of the June 30, 2011, audited financials. As a result of a modest decrease in collected revenues and efforts by management and the Board to control expenditures, we now project a deficit of \$93,876, which is a positive improvement of \$85,474. Revenues were under budget by \$17,850, operating expenses are expected to be \$224,220 better than budget and capital expenses are expected to be \$120,895 worse than budget.

The lower revenue was the result of the weak construction market resulting in lower than planned connection fees. The lower operating expenses resulted from less than anticipated repair and maintenance expenses (\$62,452), one employee under plan (\$34,766), less than expected use of our environmental lawyer (\$39,212), favorable pricing on our environmental insurance (\$22,463), and finally less snow, less reliance on our outside accountant and no use of our contingency fund saved an additional \$40,819. The positive operating expense results were offset by extra capital

expenditures caused by significant unplanned engineering expenditures of \$109,000 as a result of working with the DEEP in executing the Scope of Services. The most significant variance in the capital budget is attributed to the groundwater disposal system tests.

The 2011/2012 planned Scope of Work has been slowed by DEEP as many months of time, effort and expense went into negotiating an appropriate test of the groundwater disposal system. After finally reaching agreement early this year, we prepared four of our filter beds for testing. Our consultants and staff monitored wastewater flow to each bed to be sure we consistently applied the target flow rate of up to 1.2 gallons per day per square foot. Wastewater was applied until there was equilibrium of the mounding of groundwater under the bed while maintaining a minimum 1.5-foot separation between ground surface and ground water. Flows were reduced, where necessary, to maintain the target separation. All four beds have now been tested and DEEP has approved all 4 tests, although with some questions on the last bed tested. The results of the beds tested have been very good. Using the results of the beds tested and extrapolating them to similar beds nearby, four F beds have a capacity of 23,000 gallons per day (gpd), three G beds have a capacity of 33,000 gpd and six A beds have a capacity of 82,000 gpd for a total capacity of 138,000 gpd for 13 beds. The Woodward and Curran team will be pulling together all the data including the earlier work of other engineering consultants and preparing a report assessing the capacity of our disposal fields, the 21-day runoff perimeter and recommendations on how to proceed with discussions with DEEP. While the results are preliminary and have not been discussed or agreed with DEEP, they show that the disposal fields can absorb the base wastewater flows from our plant and provide the basis for discussions with DEEP over the continued use of our disposal fields.

Another major effort has gone into identifying sources of Inflow and Infiltration (I&I) of water into the district's collection system so that we may reduce the volume of effluent flowing to our treatment plant. Not only do we want to get under the 100,000 gpd cur-

rently permitted, but also we do not want to construct a treatment plant with a larger capacity than necessary. To that end, the Facilities Plan Scope of Work includes a plan to find and minimize I&I into the system.

Thus far we have identified an estimated 60,000 to 100,000 gallons per day of potential I&I in the system based on manhole inspections, physical inspections, smoke and dye testing, flow isolation testing of 5.5 miles of sewer line and 2.2 miles of CCTV inspections. As you will recall from our last update, the Board voted to spend \$110,750 to complete the inspection of the collection system. Woodward and Curran requested and receive approval from the DEEP to partially fund the effort. This April, we attempted to complete flow isolation testing on the remainder of the collection system but the unusually low water table resulted in inconclusive results. The retesting will be scheduled for the spring of 2013 after which a further repair plan will be developed.

The major activity for the coming year will involve finishing the Scope of Work project, analyzing the results and bringing that information with recommendations to the community. In addition, we will be implementing major repairs to the collection system as we have identified sewer mains attached to pump stations 6, 7, and 8 and seventy two manholes that are the cause of significant I&I issues. A project to plan and implement repairs was developed by Woodward and Curran, reviewed by the Planning Committee and the Board and is budgeted to cost \$459,625 for those parts of the collection system where significant inflow and infiltration has been detected. During the coming months the groundwater test results will be fully analyzed by Woodward and Curran to determine the capacity of our disposal beds. We will examine the option of continued use of our plant and disposal beds including the necessary and mandated upgrades to make them acceptable to DEEP. The clearing of the remaining 9,600 feet of sewer right of ways on taxpayers' property will be completed as part of this deferred maintenance project. Finally the regionalization study looking at building a pipeline to ship our waste to the Torrington treatment

plant will be completed. No major plant upgrades are planned for the coming year until we reach agreement with DEEP. We will, of course, be performing necessary maintenance while in this "status quo" mode.

The proposed budget includes an overall deficit of \$390,625, which we plan to fund by applying for a Clean Water Fund 20 year 2% loan in the amount of \$459,625. If approved, it would bring our Fund balance up to \$793,677, which is just \$24,876 below our June 30, 2011 level. While the pressure on public finances has reduced funding opportunities at the state and federal levels, there are still sources of loans (and some grants) to be pursued for different parts of our project. The Finance and Planning Committees along with the Board will be working with Woodward and Curran over the next several months to explore in greater detail all the funding and financing options available to the District.

The Board will keep the taxpayers up to date on the Scope of Work project and discussions with DEEP through written notices and community meetings. Ultimately, the Board will hold a public meeting to discuss alternative solutions and the required capital to implement the solution selected.

The Board's recommended mil rate of 3.30 maintains taxes at the current rate and enables WLSO to address issues in an effort to meet DEEP requirements while reducing unplanned operating expenses.

The Board remains committed to developing an environmentally sound and financially acceptable solution for our sewage disposal and thanks you, the taxpayers, for their support.

