

Vermont Department of Environmental Conservation*Agency of Natural Resources*


Commissioner's Office

103 South Main Street, 1 South [phone] 802-241-3808

Waterbury, VT 05671-0401 [fax] 802-244-5141

- MEMORANDUM -

To: Senate Committee on Institutions
Senate Committee on Natural Resources and Energy
House Committee on Corrections and Institutions
House Committee on Fish, Wildlife & Water Resources

From: David K. Mears, Commissioner 
Department of Environmental Conservation

Date: February 10, 2011

Subject: Potable Water Supply and Wastewater Feasibility Studies

On behalf of the Agency of Natural Resources, the department is pleased to submit the attached report pursuant to §§ 12(a)(1) and 12(b) of Act 161, the Capital Bill for Fiscal Year 2011.

Please contact Donald Robisky, Facilities Engineering Division at 241-3734 or donald.robisky@state.vt.us if you have questions regarding this report or would like to receive additional copies.

cc: Mr. David Gibson, Secretary of the Senate
Mr. Donald Milne, Clerk of the House

**AGENCY OF NATURAL RESOURCES
DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

REPORT

POTABLE WATER SUPPLY AND WASTEWATER FEASIBILITY STUDIES

January 2011

This report is submitted pursuant to §§ 12(a)(1) and 12(b) of Act 161, the Capital Bill for Fiscal Year 2011. Those sections provided that up to \$50,000 of the funds provided to the agency for the pollution control program, and \$50,000 of the funds provided for the water supply program, be made available to municipalities to undertake feasibility studies of site-appropriate potable water supply and wastewater systems, including innovative decentralized systems. The act further required submission of this report regarding the interest in the program, what projects were funded, and anticipated future construction costs of those projects.

Historically, the Department of Environmental Conservation used small amounts of money from its Pollution Control and Water Supply capital funds to finance wastewater or water system feasibility studies in communities through the use of Engineering Planning Advances pursuant to Title 10 V.S.A. Chapter 55, Subchapter 2. Originally, these planning advances were used to fund all planning studies (feasibility level studies as well as full preliminary project planning) and the final designs (preparation of project plans and specifications) of the original construction, expansion, or upgrade of municipal pollution control and water supply projects. With the arrival of the Vermont/EPA Pollution Control Revolving fund (also known as the Clean Water State Revolving Fund or CWSRF) in the early 1990s and the Vermont/EPA Drinking Water State Revolving Fund (DWSRF) in the late-1990s, funding of preliminary planning studies and final designs were directed to these loan programs. The Pollution Control program has continued to fund feasibility studies with the Engineering Planning Advances. The Water Supply program has opted to fund all levels of planning through the DWSRF.

In pollution control, these Feasibility Studies provide communities without municipal systems assessments of the condition of their septic systems – given their age and the soils in which they are installed, possible solutions to any problems found, potential service areas, and estimates of the construction and operations costs of those solutions. Similarly, in the water supply arena, the studies define a potential water source and service areas, and provide cost estimates for basic decision-making. This gives the communities enough information to decide if they wish to further pursue a municipal system.

The monies provided for a pollution control Planning Advance do not have to be repaid until such time as the community builds a sewage system, at which point they become a project cost included in the overall financing package for the project. Payback on DWSRF planning loans, if the project does not proceed into subsequent phases, starts 5 years after issuance and is repaid over 5 years. The subject legislation provided for planning advance type funding for water supply feasibility studies.

It generally takes a community over a year from the time it initially inquires about a feasibility study to decide to do one, so all activity this year has not resulted in an application for funding of a study. The following communities have actively considered conducting Wastewater Feasibility Studies, with three also considering Water Supply Feasibility Studies.

Groton: The Town applied for both pollution control and water supply planning advances in May. They completed the consultant Request For Proposal (RFP) process and made their selection. After the Department issued both planning advances the Selectboard decided it wanted to take the planning advances to the citizens at a special Town Meeting scheduled in September for another purpose. The warning article was phrased such that it appeared that the vote would be binding. The vote rejected proceeding with the studies. It is not clear whether this vote is binding on the legislative body. The Department has not rescinded the advances, allowing the Town time to reconsider its decision.

West Windsor: Although under informal consideration for several years, in August the Town formed a wastewater committee to look into the possibility of doing a wastewater-feasibility study for the village of Brownsville. The Committee assessed local interest in the project and talked with other communities which have done feasibility studies. After sending a written survey to residents they held a public meeting at which there was unanimous support, documented in a straw poll, for pursuing water supply and wastewater feasibility studies. The Town applied for planning advances for the studies and the Department has allocated funds for them. As of December the committee was preparing a Request For Proposal (RFP) to define the studies and to use as a basis for hiring a consulting firm to conduct the studies.

Lake Carmi/Franklin: The Town Watershed Committee is taking the lead on this project, and has made the Town aware of its efforts. The principle interest is the sewage needs of the camps lining the shores of Lake Carmi, but if a project develops the Town will be asked if it is interested in including the village of Franklin in the study. The Committee has already begun doing a camp-by-camp survey of the property owners regarding their septic system and their attitude towards a feasibility study. The committee held an informational meeting in July which was well-attended, with both camp owners and town residents present. The committee has done further work and has scheduled a meeting with the Selectboard in early 2011 to explain the project and gain the support of the Board to apply for financing of a wastewater feasibility study.

Huntington: The Town of Huntington is forming a committee to work on water supply and wastewater feasibility studies for the two villages in the town: Huntington and Huntington Center. The Selectboard is supporting the project and is expected to apply to the Department for financing in early 2011.

Fairfield: The Town Grant Committee assessed the interest of the residents of Fairfield and East Fairfield villages in doing a wastewater feasibility study. In the 1970's there was unanimous rejection by the voters of a municipal sewerage system in East Fairfield, and since then many property owners have made repairs and replacements to their septic systems, often at considerable cost. The committee wants to be sure that the study would be supported by residents before considering doing it for either village. Each village is served by a municipal water system owned by separate fire districts – neither of which is interested in also owning a community sewerage system. However, in late December, the

town decided to apply for a planning advance to fund a wastewater feasibility study for the villages.

The following communities were also actively evaluating the possibility of municipal sewage systems in 2010 – but have been using their own personnel and funds.

Charlotte: The Town has been gathering information and working on wastewater issues for the main village for years. The Town already has a small community septic system serving some buildings in the village and has more land with leachfield potential available to it. The town group working on these issues includes a hydrogeologist, certified site technician and a civil engineer, and the town has been running its own septic system permitting program for years. The group has been reviewing all available information and will prepare possible sewage handling alternatives, with cost estimates, for the village. Then the Town will decide whether to present the finding to the residents. The work will result in the functional equivalent of a Wastewater Feasibility Study.

East Montpelier: A new town committee dealing with the future of the village of East Montpelier has begun to consider wastewater issues. They are using the Wastewater Feasibility Study done in 2006-07. They are now looking at development options for the village, and what those would imply for sewage generation and handling. The newly-formed Fire District #1 is considering taking over the privately owned community potable water system serving the village.

Since 1996 the Department has also issued planning advances to finance wastewater feasibility studies in Cabot, Wolcott, Georgia/Georgia Shores, Shaftsbury, Westford, Addison and Peacham.

Summary of the specific information the legislation requested be included in this report:

- *How the municipal grant program is working and the demand for the grants.*

As was legislative intent, the funds are being issued as engineering planning advances. After completion of a feasibility study, the planning advance funds do not have to be repaid until a project that addresses the issue studied is undertaken by the municipality. As noted above, when a project does proceed to implementation, the cost of the study is typically not 'repaid', but instead is included in the total project cost and eligible for whatever grant/loan funding the construction project is eligible for.

None of the listed wastewater projects were initiated because of this legislation. All were previously underway and knew of the availability of planning advances for feasibility studies. All three of the potential water supply feasibility studies (Groton, West Windsor, and Huntington) are being pursued because of the availability of the planning advance funds and would not proceed if only the loans, with repayment required, had been available.

- *What projects were funded.*

Groton: Planning Advances for both water supply (\$17,430) and pollution control (\$28,750) were issued, but as noted there was a subsequent town vote rejecting proceeding with the studies. The Department has not yet rescinded the advances, allowing the Town time to reconsider its decision.

West Windsor: Planning Advances are in-process for both water supply and wastewater at \$20,000 each.

Huntington: Although not yet in-process, it is anticipated the town will request ~\$25,000 for water supply and ~\$35,000 for wastewater.

Fairfield: Also not yet in-process, but it is anticipated the town will request a ~\$35,000 planning advance for a wastewater feasibility study.

- *Anticipated future project construction costs.*

None of the planning projects have proceeded far enough along to develop any cost information.