

From: joan carlton [mailto:joan.carlton@comcast.net]
Sent: Wednesday, December 07, 2011 10:26 AM
To: HAARDE, BOB
Cc: Jim Rao; Lisa Eggleston; Jody Kablack
Subject: Information on Chatham Sewer Project

Hi Bob

At the last Sewer Steering Committee meeting, I mentioned that I would write up some information on Chatham's Sewer project since I have a house there and have been following it.

The goals of the Chatham Wastewater Management Project(CWMP) include:

- Addressing the nitrogen issues that are degrading the water quality of the harbors and estuaries along Chatham shores;
- Maintaining the excellent drinking water quality of the town's municipal ground water wells;
- Preserving the valuable fresh water pond resources in the town;
- Meeting acceptable wastewater management practices.

The CWMP recommended a 2 phase plan to be implemented over 30 years. Phase 1 (years 2010 – 2030) will result in installing a sewer system in 2/3 of the town. Phase 2, if implemented, would extend the sewer to the remainder of the town. The full project cost is estimated to be \$300 million with approximately \$200 million of this for Phase 1 of the project.

At the 2009 Town Meeting, \$59 million was approved for the "Initial Implementation" of Phase 1. I have a copy of the 2009 Warrant that includes this sewer article. The town has received grants and low interest loans to cover part of this cost. These are –

- \$18.5 million grant and 23.3 million low interest loan – from USDA for the wastewater treatment facility (significant portion provided by ARRA Stimulus funding)
- \$12.2 million low interest (2%) loan from MA Water Pollution Abatement Trust for the construction of the collection system/pump stations. (ARRA provided \$1.4 million in principal forgiveness)

The "Initial Implementation" has been underway since spring of 2010 and is estimated to take 30 months. This phase includes construction of the new wastewater treatment facility, 5 pump stations and construction of the sewer lines along some roads including

route 28. Work on Route 28 is being done in the spring and fall but it feels like it has been going on for a long time and the continual detours are frustrating the merchants. The next planned request to Town Meeting for funding for Phase 1 is scheduled for May 2012. I don't know the size of this request.

They will be no betterment charges. All costs except individual connections will be paid for on the tax rate. The costs for homeowner connections must be paid by the homeowners and is estimated to be \$3,000 – 10,000. Connection is mandatory. Low interest loan will be available from the Community Septic System Load Program managed by Barnstable County. The average homeowner bill for operating costs is expected to be \$30-40 per month.

The town has a cost calculator on their web site so homeowners can calculate their property tax cost for the sewer based on their evaluation. I entered \$600,000 for an evaluation. The year by year results from the calculator are attached. The results are shown 3 ways – (1) without being offset by debt drop-off, (2) with debt drop-off and (3) with debt drop-off and expected sewer revenue. For the \$600,000 evaluation, the average property tax cost for the next 50 years is \$482 per year, excluding debt drop-off.

I have some material that I picked up at the town office as well as some that I printed from their web site. If anyone is interested, I can share this material.

Best – joan