

## **Questions and Answers on Governance Position on Municipal Sewer and Water**

1. **How similar are the current municipal water and sewer systems in both municipalities?**

The Town and the Village both obtain their water from the Champlain Water District (CWD). The Town outside the Village has 3538 customers, 59.2 miles of waterline and 474 hydrants. The Village has 3346 customers, 34.42 miles of waterline and 379 hydrants. Water service encompasses almost the entire Village; rural portions of the Town are on wells. Both municipalities treat their wastewater flow at the Tri-Town (Essex, Essex Junction and Williston) Wastewater Facility in the Village. The Town outside the Village has 30.54 miles of sewer, 16 municipal pump stations and 880 sewer manholes. In comparison, the Village has 30.09 miles of sewer, 9 pump stations and 774 manholes. Almost all of the Village is on municipal sewer; sewer in the Town is only allowed within the designated sewer core area as a pre-existing grant condition to limit urban sprawl.

2. **Why is the recommendation made that the merger will transition the two systems into one with separate user classes that have different rates?**

One entity will provide centralized control by the merged government for consistency with overall community zoning and utility coverage, operational efficiencies especially with respect to staffing, and simplified State permit compliance. Although the wholesale water cost from CWD and the wholesale sewer cost from the Tri-Town facility are at the same rate for both municipalities, their retail rates currently differ. Existing debt is different and contributes to the rate differential as does the amount of infrastructure, the financial participation by Global Foundries and other issues.

3. **How would the combined system be managed and would the fees remain different?**

The elected governmental body would act similar to a Board of Water and Sewer Commissioners and manage the system as one entity. Daily operation of the systems would be under control of the Municipal Manager and his/her staff would manage and operate the entire system as one. Debt incurred under the legacy systems would be paid off by the users of each legacy system until such debt was retired. Water and sewer charges within each legacy sub-system during the transition would likely be different - a combination of a uniform rate charge based on usage and different surcharge costs that reflect the difference in the two legacy systems. Some existing debt remains due for the next 20 years so a full rate consolidation would take at least that long to achieve equality.

**Flip page to see an Infrastructure Comparison**

# Infrastructure Comparison

## Village of Essex Junction and Town of Essex Outside the Village

### TWO IMPORTANT NOTES:

1. Water and sewer utility rates do not impact tax rates. Maintenance of these systems is paid for by the users.
2. The age of infrastructure is not the issue when it comes to cost. The issue is the maintenance needs.

**ROADS:** Based on a study of all roads in greater Essex, using a standardized assessment protocol, the general condition of the road network is about the same in the Village as in the Town outside the Village. However, the Village has 36 miles of paved roads; the Town outside the Village has 53 miles of paved roads and 23 miles of gravel roads. Grant funding covers a small portion of the cost of maintenance.

**SIDEWALKS:** Although ADA compliance and maintenance issues are continually studied and addressed, there is no current, comprehensive study of the average condition of the entire sidewalk network. However, the Village has a sidewalk policy to be pedestrian-friendly as an urban center and has historically put more resources into snow removal and maintenance. The Town outside the Village has a much larger road network (see above) that requires more resources than the Village, and this competes with sidewalks for resources. Grant funding covers a fairly large portion of the cost of sidewalk construction.

**WATER UTILITY:** The Village and the Town outside the Village both obtain their water from the Champlain Water District (CWD) at the same rate. Village water infrastructure is on a similar maintenance schedule as the Town outside the Village water infrastructure. Maintenance schedules are based on multiple factors, not just the age of the system. All costs are paid by the users of the system. Residents not on municipal water pay nothing toward the municipal water/sewer enterprise fund. Residents on a well/septic system are responsible for the costs of maintaining or replacing that system. Residents on municipal water also pay for the costs of connecting to and maintaining the connection from the building to the curb stop, in addition to user fees.

**SEWER UTILITY:** Both municipalities treat their wastewater flow at the Tri-Town (Essex, Essex Junction and Williston) Wastewater Facility in the Village at the same cost. Village sewer infrastructure is on a similar maintenance schedule as the Town outside the Village sewer infrastructure. Maintenance schedules are based on multiple factors, not just the age of the system. All costs are paid by the users of the system. Residents not on municipal sewer pay nothing toward the municipal water/sewer enterprise fund. Residents on a well/septic system are the responsible for the costs of maintaining or replacing that system. Residents on municipal sewer are responsible for the costs of connecting to and maintaining that connection from the building sewer to the municipal sewer main, in addition to user fees.

**STORMWATER:** Stormwater is already aligned/consolidated under the current Public Works budget. The entire stormwater infrastructure of greater Essex is currently being studied. Most large stormwater projects qualify for grant funding.

**How we would maintain systems in a post-merger environment?** Little would change. Public Works and utilities will conduct studies on issues and look for funding to address them, including state and federal grants. Departments anticipate some improved efficiency in addressing maintenance issues.

**Will the utility systems expand due to merger?** Utility expansion is generally initiated by new development, which is not linked to merger. Development is controlled through the development review process. The Town also has a sewer core boundary to limit future expansion to existing capacity. Any major utility expansion within the community would entail governing board approval and public input.