

MINUTES
COMMISSIONERS OF BRIDGEVILLE
July 10, 2017 – 5:00 P.M.
BRIDGEVILLE PUBLIC LIBRARY

I. Call to Order

The meeting was called to order at 5:00 P.M. by President Pat Correll. Present: Commissioners Tim Banks, Tom Carey, Sharon McDowell, Town Manager Jesse Savage and Solicitor Dennis Schrader. Absent: Lawrence Tassone.

II. Quorum Present

President Correll reported a quorum was present to discuss Bridgeville Town business.

III. Approval of Agenda

IV. Motion to approve the Agenda as modified – McDowell; 2nd – Carey; motion carried.

V. Old Business

A. Wastewater Treatment Options Update

Hans Medlarz, Sussex County Engineer, explained the Sussex Waste Water Treatment Option. Sussex County in conjunction with the respective municipal engineering consultants developed an alternate scenario for a Western Sussex County District connecting to the City of Seaford estimated at a project cost of \$12.68 million. The City of Seaford's Council agreed to a full buy-in for the existing municipal systems as they exist on this day, including any remaining legacy obligations. Sussex County would assume all municipal sewer related assets, liabilities and legacy obligations after district expansion. Sussex County has a uniform user rate, \$286/year, for all its accounts. There are 71,000 accounts paying into the Uniform rate which causes rate stability. The County would invoice all sewer customers on an equivalent dwelling unit basis not on a metered rate. Growth rated experienced across the municipalities has been under 2.3 percent per year. The Estimated annual household cost will be \$561/year per EDU (\$286, current (FY 18) system wide User Charge per EDU, plus \$275 total debt service includes refinanced existing debt). Sussex County will refinance Bridgeville's debt, at a better rate after it takes over the debt. Sussex County rolls all necessary future treatment and transmission upgrades in the system wide User Charge. All potential future customers within and outside the municipal boundaries of the Western Sussex district area will pay the identical debt service contribution to rate stabilization. The Town of Bridgeville may request formation of a County sewer district pursuant to Title 9 Delaware Code § 6501. Mr. Medlarz stated that thanks to Mr. Schrader, there is also Title 9 Delaware Code § 6502, the opportunity for the county to assume operations in the meantime. After receipt of the request from the town, Sussex County Council may establish the initial Western Sussex Area of the Unified Sewer District under an initial propped boundary matching the municipal sewer service areas contingent upon load allocation transfer under the General TMDL. After the Unified Sewer District expansion approval by the Sussex County Council, the Engineering Department will submit a Preliminary Engineering Report, Environment Assessment and a Planning Advance funding Request to the State CWSRF. The Preliminary Engineering

Report will develop a detailed cost estimate based on the proposed initial boundary and identify expansion areas for an even better economy of scale.

President Correll opened up the floor to the public for questions:

Al Bowers, 6 Canvasback Circle, asked what is going to be the status of the Bridgeville WWTP once this new transmission line, is it going to stay in service for emergency use? Mr. Medlarz stated that, the WWTP will be demolished, the site will be returned to a natural state, there will only be a small pump station and a small County maintenance facility that will remain.

Joe Kennard, 16 Gadwall Circle, asked if this is going to be a flat user rate per volume, for sewer is that correct. Mr. Medlarz stated that, the flat user rate based on residential equivalent dwelling unit, which is defined in the County code as 300 gallons per day. Mr. Kennard asked about industrial use, why in the City of Seaford, Water & Sewer are flat rate, rather than a volume rate? Mr. Medlarz stated that the vast majority of the 71,000 accounts in the County do not have meters.

Mike Harrigan, 20 Amanda's Teal, asked regarding the rate of \$275 to pay off the loan that is as of today? Also, the growth of Heritage Shores with another 1,000 homes (EDUs) will that lower the \$275? Mr. Medlarz stated that, any growth existing in the Municipal system as of today and at the time of turnover will lower the rate. The \$275 is as if you add no additional dwelling units from now until the time you connect.

A gentleman asked about the future updates regarding the Seaford facility.

Mr. Medlarz stated that the Seaford facility has improvements planned by the year 2025 currently however they may be able to renegotiate that.

Bill Atwood, 113 Emily's Pintail, asked if the County would assume the almost \$4 million dollars debt. Mr. Medlarz stated that if the district is formed then the district assumes all assets, debts and legacy obligations in which the County can refinance for a better rate. Mr. Atwood asked if there be any financial impact regarding the contract that Bridgeville has with Greenwood? Mr. Medlarz said, no.

Tony Terracciano, 11 Ruddy Duck, asked if the user charge of \$286 takes the place of the monthly sewer charge the residents receive from the Town of Bridgeville? Mr. Medlarz stated yes it does, but it gets billed quarterly not monthly.

Stephen Dell, 12 Gadwall, asked if the County has the power to force septic users to add units from an onsite source to a central system. Mr. Medlarz stated that the County does not have that power, but the State does.

Robert Costello, 7 Harlequin Loop, asked if the water rate would go to a flat rate. Mr. Medlarz stated that the billing on water is on meters and will stay on meters unless the Town says changes it. The County does not have the power to tell the Town how to charge for their water. Mr. Costello also asked if the \$12.68 million is that today's number? Mr. Medlarz stated that, that number has an escalation factor for the inflation factor built in based on the consumer pricing. Mr. Costello asked if that could go up two percent. Mr. Medlarz stated that currently they are currently looking at a 2.8% annual CPI change.

James Clark, 130 Emily's Pintail, asked if Mr. Medlarz or the City Engineer done a calculation that compares the sewer rates that we are paying now on average per dwelling with the sewer rates we'd be paying in the future under your plan. Town Manager Jesse Savage stated that currently the average resident is paying \$370 per year, looking at the upgrades that our Engineer is going to share with you after this presentation, it could be anywhere from \$800 to \$1,000 per year.

A lady asked if the residents are going to be paying water with the meters and then on top of that a sewer bill. Town Manager Savage Jesse stated that under this option residents will continue to get a water bill, but no longer a sewer bill from the town. Residents will get a sewer bill quarterly from the County.

Lisa Turner, 93 Emily's Pintail, asked how long it will take to approve this option and is it the Commission that will be approving this? Mr. Medlarz stated that the Town Commission has to make an official request, the County cannot take action. The time line that the County provided the EPA identifies end July or beginning of August.

Tony Spiridakis, 37 Harlequin Loop, asked if the residents had a choice whether to pay the \$1,000 per year or the \$561 per year. Mr. Medlarz stated that the County is here to inform the residents of the options but it is the Commission's decision.

Armand Ferraro, 69 Canvasback Circle, asked what the average EDU costs. Town Manager Savage Jesse stated that right now the average resident user is about 3,500 per gallons per month which equates to \$370 per year, sewer only. Under the County's scenario an EDU is 300 gallons per day, which equates to 9,000 gallons per month.

Jay Mervine, 210 N. Main, stated he was a little confused about the process. He said, so you are saying that the WWTP will be dismantled, so it would only a pumping station for that flow coming from Greenwood? What would happen to the employees of the Town would be become County employees? He also asked if the WWTP in Seaford going to become a County plant? Mr. Medlarz stated that the facility in Bridgeville would become a pumping station/maintenance facility only and the County would offer the Town employees an opportunity to join the County

workforce. The City of Seaford would remain a City facility because it is the City's owned and operated WWTP.

Rose Marie Clark, 130 Emily's Pintail, asked what happens to the meter charges, if the sewer goes to the County. ~~J~~Town Manager Savage ~~esse~~ stated that they would still have the meters, for water purposes only, and that those fees would still stay in effect. Mr. Medlarz stated that the County does not use meters for their sewer district.

Jason Loar, Town Engineer from Davis, Bowen and Friedel discussed what options the Town has if they upgrade the WWTP that they currently have. In order to upgrade the current WWTP to the best available technology with the ability to stream discharge 100% of the time and continue spray as much as possible, it came out pushing \$16 million. The USDA offered \$4 million in grants and the State offered \$1 million. The Town is currently permitted for 800,000 gallons per day. The current flow is less than 300,000 gallons per day. If the town would go to 100% spray Application with no stream discharge at current treatment process, additional land would be required (a spray site, Lagoon site and required buffers). Currently the town has a 25 million gallon but the minimum the Town would need is a 72 million gallon lagoon. With any of these options the Town would have to purchase or lease more land. A full WWTP Rehabilitation would cost about \$14,922,496. Minor WWTP Rehabilitation would cost about \$12,524,581. Only doing a Minimal WWTP Rehabilitation would cost \$10,365,771. No WWTP rehabilitation but still do spray improvements only, it was \$5,793,750. A new WWTP treating to TN 10/mg/l came to \$19,127,445. If the Town stayed with spray and stream, and also built a new WWTP treating to TN 10/mg/l, would be about \$15,034,795.

The floor was opened to the public for questions:

Mike Harrigan, 20 Amanda's Teal, asked if any of the options just stated included State or Federal grants. ~~Jason~~Mr. Loar stated that at this time, it does not; these are just the capital costs. The USDA said that they would offer \$4 million and the State is offering \$1 million.

Bill Jefferson, 204 S. Main, asked what we are paying ~~per-acre~~ to spray? ~~Jason~~Mr. Loar stated it is eleven thousands of a dollar.

Al Green, Heritage Shores, stated that these options do not say anything about the existing debt and asked exactly how much the debt is for. ~~Town Manager Savage~~Jesse stated that there is approximately \$3.8 million in existing debt.

Bonnie Dell, 12 Gadwall, wanted clarification that the County would take over the \$3.8 million. ~~Town Manager Savage~~Jesse stated that they would take everything.

Mr. Medlarz stated that the amounts on the presentation were the construction amounts. The \$3.8 million would be refinanced by the county and is included in the \$275 rate.

VI. Adjournment

Motion to adjourn –Carey; 2nd –Banks; the meeting was adjourned at 6:21 P.M.

Respectfully submitted,

Lawrence Tassone, Commission Secretary

Ashley Walls, Transcriptionist

DRAFT