

Town of Bridgeville

Public Presentation

May 24, 2021

Originally presented July 5th and 10th , 2017

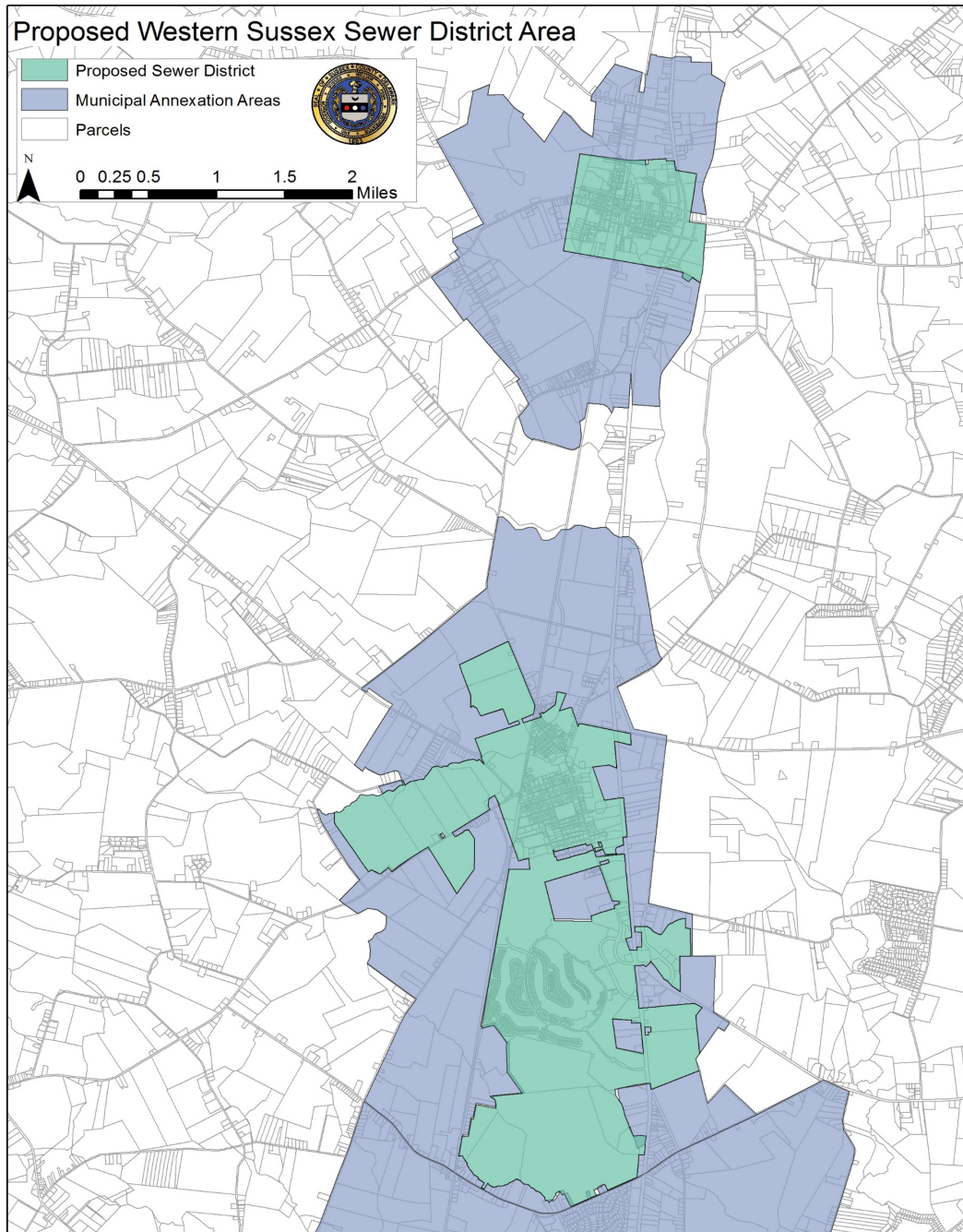
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HISTORICAL BACKGROUND

- In May of 2016, the Town of Bridgeville signed the Administrative Order of Consent with the US EPA mandating treatment improvements estimated at **\$15.9 million**.
- In February of 2017, the municipal councils of Bridgeville and Greenwood requested Sussex County to investigate an alternate sewer service scenario.
- Sussex County in conjunction with the respective municipal engineering consultants developed an alternate scenario for a Western Sussex County Sewer District connecting to the City of Seaford estimated at a project cost of **\$12.7 million**.
- In July 2017, Sussex County presented the alternate scenario to the councils of Bridgeville and Greenwood which voted for the inclusion in the District.
- On August 22, 2017, County Council adopted a resolution establishing the Western Sussex Area of the Unified Sewer District pursuant to Title 9 Del. Code § 6501.
- However, for the time being Bridgeville still owns and operates the system serving the Bridgeville/Greenwood area until June 30, 2021.





WESTERN SUSSEX SEWER DISTRICT BOUNDARY



FUNDING STATUS

- The County submitted the project to DNREC for funding consideration under the Clean Water State Revolving Fund and on August 14, 2018, the State issued a binding commitment offer in the overall amount of \$16,634,748* to be repaid within 30-years with 2.5% interest.
- On November 27, 2018, Council accepted the offer and approved the associated borrowing ordinance. After project completion, \$3,200,000 will be applied in principle forgiveness reducing the overall borrowing.
- On May 15, 2020, the County filed a supplemental CWSRF funding request in the amount of \$850,000 which was approved by the Water Infrastructure Advisory Council on July 21, 2020, in the form of "Loan Forgiveness".

* Includes existing debt refinancing.



EXPECTED CHANGES

- The inclusion in the Western Sussex Sewer District Area does not change the underlying land use. The municipal and County Comprehensive Plans, in particular the annexation areas remain in effect.
- Sussex County assumes all municipal sewer related assets, liabilities and legacy obligations after district expansion.
- Sussex County has a “uniform” service charge for all its 75,000 EDUs. Future expansion of treatment & transmission systems is included in the service charge assuring “rate stability” and historically annual increases have been +/-2%.
- Sussex County invoices all property owners quarterly for the sewer service charge on an Equivalent Dwelling Unit (EDU) basis NOT on a metered rate.
- Sussex County assess all non-tax-exempt parcels, vacant or improved, with sewer service availability an annual debt service assessment. The assessment is billed in conjunction with the property tax.
- All future customers within and outside the municipal boundaries of the Western Sussex District Area will pay the identical assessment contributing to rate stabilization.



WESTERN SUSSEX SEWER DISTRICT COSTS

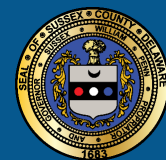
- The proposed Sewer Service Charge for FY 2022 is \$296/year per EDU (house, mobile home, apartment, business, etc.); billed quarterly to **all properties.**
- The proposed Western Sussex Sewer District Area annual assessment is \$285/EDU.
- Commercial customers are assessed on a fixture unit or historic flow basis establishing the base line EDU number per account.
- Annual costs:
 - \$296/EDU – proposed FY 2022 system wide sewer service charge
 - \$285/EDU – annual assessment incl. refinanced existing debt
 - **Total: \$581/year per EDU**
- The current impact fees in Bridgeville are \$6,000/EDU & \$1,080/EDU infill lot special.
- Sussex County's proposed Sewer Connection Charge (impact fee) in FY 2022 is \$6,600/EDU with no "infill" lot exception.



WESTERN SUSSEX BILLING SCHEDULE

Quarterly Service Billing Schedule		
Bill Date	Billing Period	Due Date
2/1	January 1 – March 31	3/31
5/1	April 1 – June 30	6/30
*8/1	July 1 – Sept 30	9/30
11/1	Oct 1 – Dec 31	12/31
<i>*First Sussex County billing</i>		

*Annual Assessment Billing Schedule		
Bill Date	Billing Period	Due Date
7/1	July 1 – June 30	9/30
<i>*Billed as part of annual property tax bill</i>		



QUESTIONS

