The Town is facing a significant capital improvement project - the upgrade of both its District 1 and 2 wastewater treatment facilities. These facilities, which serve the downtown area of Ridgefield (District 1) and a portion of Route 7 (District 2) serve areas that provide the Town with many beneficial services. These facilities play a vital role in maintaining environmental quality, and allow us to have an active town center that benefits all residents as they use the many facilities in Town - restaurants, businesses, library, schools, arts facilities, and the like. They also provide a place where septage from parcels on septic systems can be discharged and treated. The project to improve the treatment facilities is being driven by the need to meet newly imposed limits for the removal of phosphorous from the wastewater and to replace old, outdated, and inefficient equipment. It is important to recognize that the upgrade of these treatment facilities is not an option - they are governed by permits and regulations which require the treatment system to be upgraded, not to mention that the facilities themselves have reached or exceeded their service life after operating 24/7 for over 25 years.

The Town has applied for and has won a place on the Connecticut Department of Energy and Environmental Protection’s (DEEP) Clean Water Fund fundable list for this estimated $48 million project. DEEP establishes a new list every two years and the current list which Ridgefield is on is scheduled to expire on June 30, 2019. By being on the list, the Town is eligible to receive an estimated $11.5 million dollars in grants to help offset the cost of the project. In addition to the grants, the DEEP’s program includes a loan provision for the remaining cost of the project ($36.5 million) which can be repaid over a 20 year period at an interest rate of 2 percent.

The approach to repayment of the $36.5 million loan that has been presented to the community calls for payments to be made from 2 groups – the community at large and the users of the system. It is common for towns facing such upgrades to share the costs across the entire town, recognizing that everyone benefits by having these plants in place. In this case, as was done when the Town last upgraded its facilities in the early 1990s, the Town is proposing to repay $8 million of the loan through general taxation. This means that a taxpayer whose current tax bill is $13,000 per year would experience an increase in their tax bill of an estimated $48 per year. The initial tax assessment would not be levied until 2023 when the first
payment of the loan is projected to be due. Sewer system users, a mix of businesses and residents, will be bearing the balance of the loan of $28.5M. Payment for this portion of the loan will be made through the Town’s Sewer User Charge System. The Water Pollution Control Authority (WPCA) is working with a sewer rate consultant to finalize a model to project future sewer user charges. Forecasts call for a bump in rates next year followed by very moderate increases for the next several years to provide funds for this project. The annual cost for a sewer unit is projected to increase from its current value of $470 to $914 over a 10 year period. More information on the proposed rate structure can be found on the WPCA’s website (https://www.ridgefieldct.org/water-pollution-control-authority-wpca). Sharing the costs between these 2 groups seems a fair and reasonable approach to finance this necessary project.

The WPCA has been focused throughout the capital planning process on developing the most cost effective project that can take maximum advantage of the grant monies available. Discussions with the DEEP have indicated that it would be a distinct disadvantage to the Town should the referendum not pass. At a minimum, the $1.3 million grant from the Phosphorus Grant program would be lost, and the balance of the projected $11.5 million in grants jeopardized. The impacts of not approving the funding referendum are outlined in a DEEP communication available on the WPCA website (https://www.ridgefieldct.org/water-pollution-control-authority-wpca). In short, it shows that the longer the project is delayed, costs to the Town increase. As one observer at a recent meeting put it “the WWTF project is on sale for now, but it is a limited time offer”. We believe no one wants the Town to be in the last scenario the DEEP describes where the Town is not only required to upgrade the plant as designed, but required to pay fines for its failure to do so in a timely manner. Delaying the project will also increase the project cost due to inflation, and at the current annual rate of inflation of 3.5 percent for construction projects of this type, the project cost would increase by $1.7 million for every year of delay.

We are hopeful that voters can understand the need for the project and the desire to maximize grant funding, and thus approve the funding referendum. With the regulatory requirements to upgrade the treatment facilities, the current availability of grant funds, and the advanced age and condition of the Town’s existing treatment equipment and facilities, the time to undertake this project is now. The WPCA website has more information,
including a helpful flyer on the drivers for this project, its schedule, and associated costs.