

Wastewater District Commission

February 24, 2021

Alta at River's Edge Wastewater Connection Discussion

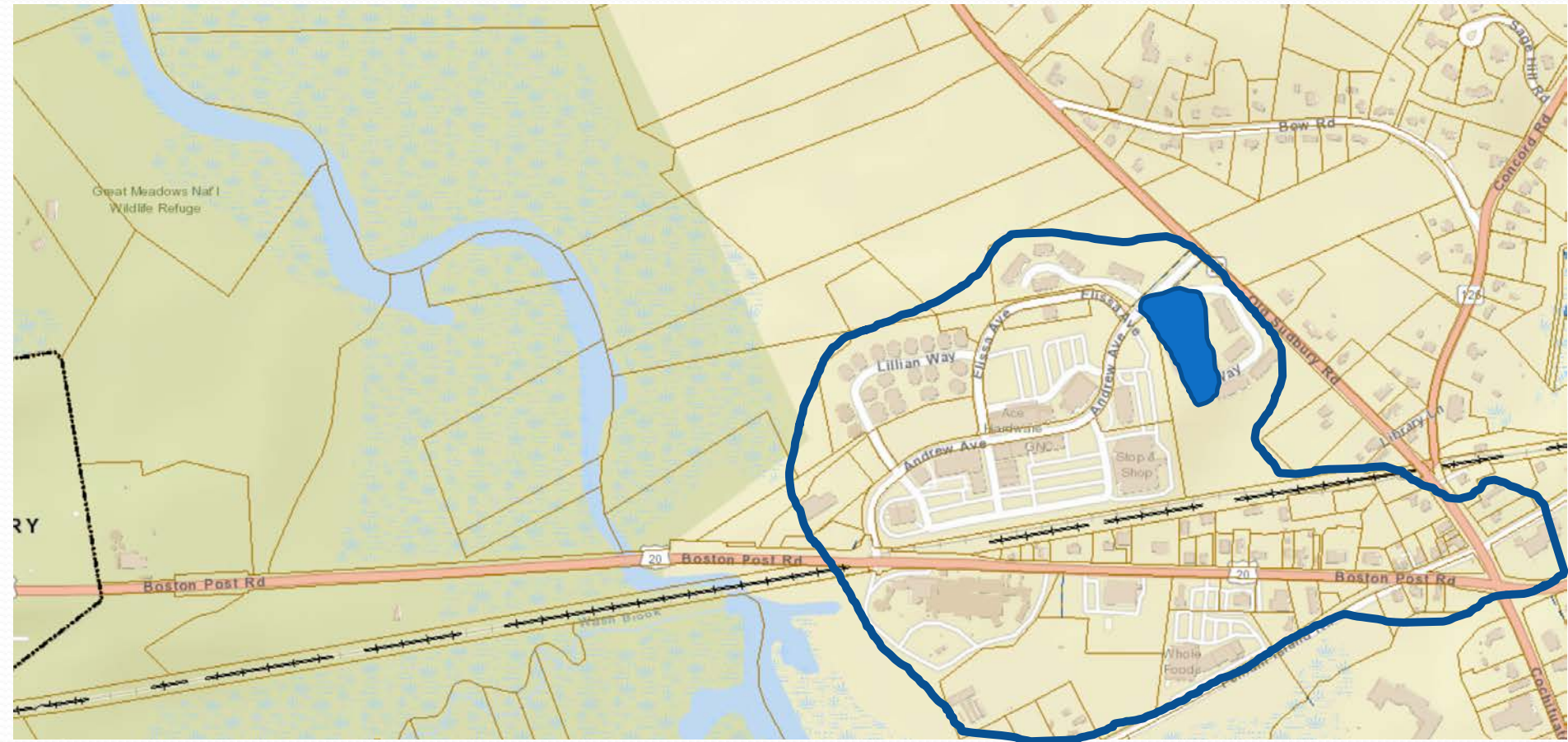
Paul Brinkman, Town Engineer



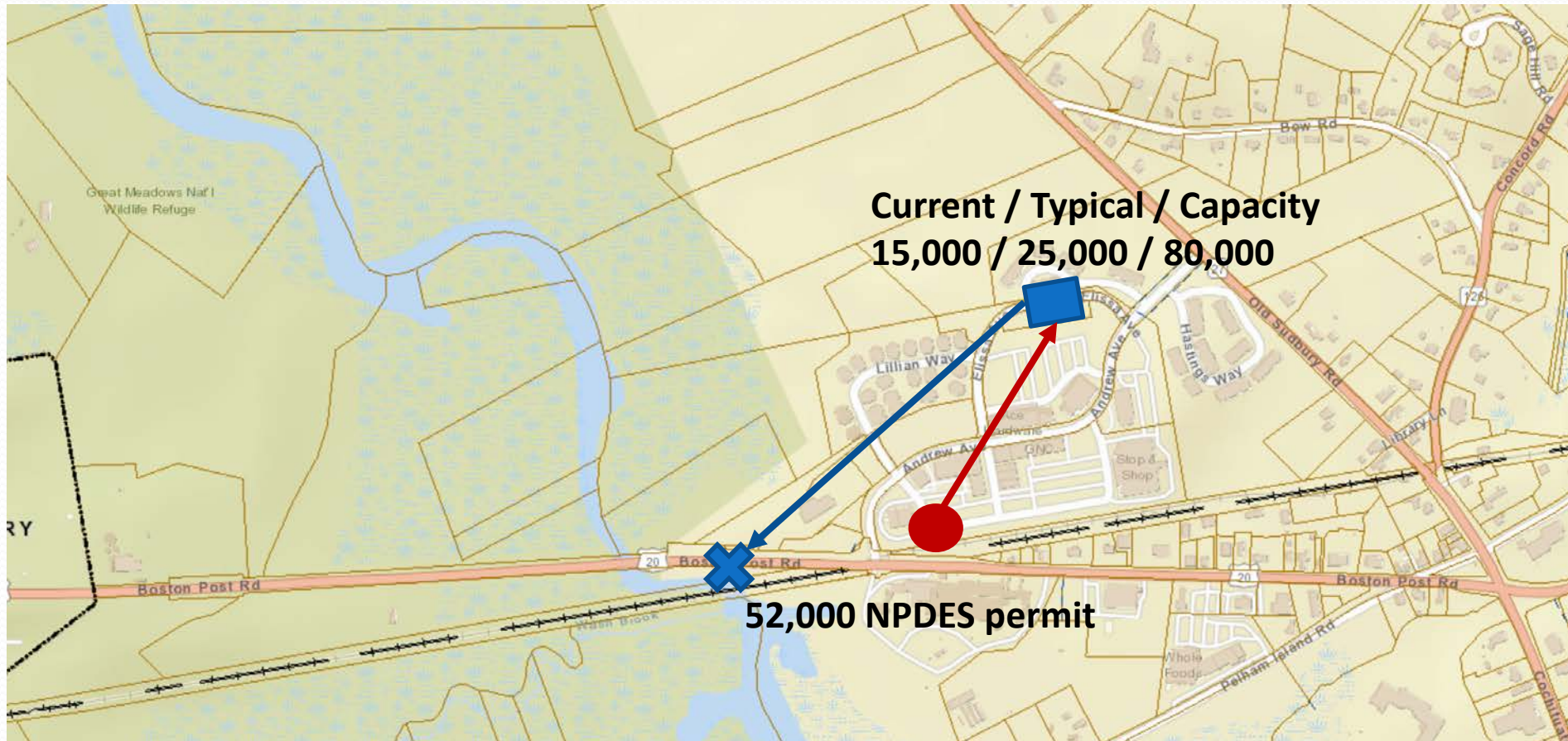
Agenda

- Basis for Staff Recommendation
 - 3 Scenarios
- Sewer Use Application Review
 - Basis for \$150,000 Privilege/Connection Fee
- MassWorks Grant / Construction Update
- Annual Sewer Use Fee Estimate for Alta at River's Edge
 - Calculation
- Operation and Maintenance Agreement

Service Area



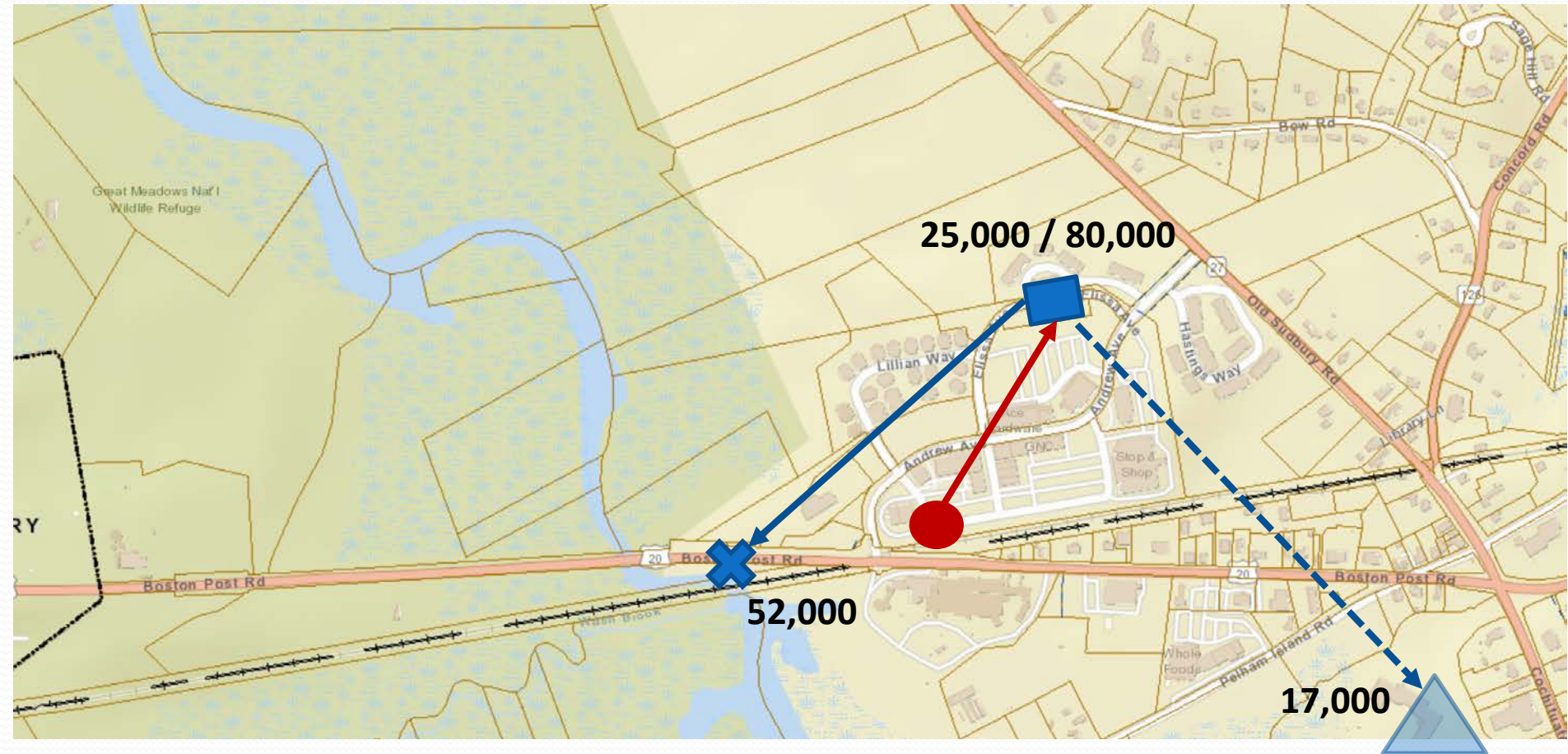
Current Configuration



Administrative Consent Order

- Issued to Town due to concerns of “over-selling” the capacity of the plant.
- Requires the Town to design and construct a groundwater facility when the flow reaches 80% of the NPDES capacity – 41,600 gallons per day.
- WWMDC holds a permit to allow this to occur on a field adjacent to Town Building.

Current Permitted



Scenarios

- #1 Remain the Same
 - No change in user base
 - No change in flows
- #2 Flow Increase
 - No change in user base
 - Increase in flows to greater than 42,000 gallons per day
- #3 Connect Alta at River's Edge
 - Increase in User Base
 - Increase in permitted discharge capacity
 - Increase in flows

Scenario #1

- User base as is
- No change in flow
- Revenues stagnant
- Costs increase at or greater than inflation
- All capital needs paid by existing user base
- Rates increase
- Administrative Consent Order(ACO) remains in effect

Scenario #2

- No change in user base
- Flows increase to 42,000 gpd
- Revenues shift to those consuming services, but still with same group
- Costs increase at or greater than inflation
- Rates change and focus to those users consuming services
- ACO activates. Existing user base responsible for all capital costs that are estimated in excess of \$2M (rates increase dramatically)

Scenario #3

- User base expands (50% based upon Title V)
- Flows increase
- Revenues are spread to larger base
- Costs increase but are recovered from larger base, more optimal operation of plant
- Rates are initially reduced and are stabilized over the long-term
- Permitted flows increase and match plant capacity at no cost to users
- ACO eliminated at no cost to existing users

SUA



Wayland Wastewater Management District (WWMD)
 66 River Road, Wayland, MA 01778-2697
 508-358-6851 wastewater@wayland.ma.us
MUNICIPAL SEWER USE APPLICATION

Applicant Name	Alta at River's Edge, LLC	Property Owned	<input checked="" type="checkbox"/>	Property Rented	<input type="checkbox"/>
Applicant Phone # (781) 541-5822		Owner/Site Manager (SM)	Cecelia Bolognia - Regional Manager		
Applicant Email	jim.lambert@woodpartners.com	SM Phone #	(781) 541- 5868		
Business Name	Wood Partners	SM Email	cecelia.bolognia@woodpartners.com		
Location Address 490 Boston Post Road					
Proposed Use Residential Housing (rental apartments)					

Check all that apply

Change in Business	<input type="checkbox"/>	Change in Flow	<input checked="" type="checkbox"/>	Vacant	<input type="checkbox"/>	Existing Connection	<input type="checkbox"/>
New Owner	<input checked="" type="checkbox"/>	Change in Space	<input type="checkbox"/>	Occupied	<input checked="" type="checkbox"/>	New Connection	<input checked="" type="checkbox"/>
Closed Business	<input type="checkbox"/>	New Billing Address					

To Be Completed by WWMD

Current Design Flow	0	gallons per day	Basis for Current Design Flow	Empty Unserved Property
Change Design Flow	35,840	gallons per day	Basis for Change to Design Flow	Title V New Connection
Total Final Design Flow	35,840	gallons per day	Source of Increase	New Connection / Construction

Applicant/Site Manager Acknowledgement:

- The undersigned has read the rules and regulations and agrees to conform with the laws, rules, regulations and ordinances relating to the use of the WWMD System.
- This application addresses solely wastewater design flow allocations and billing by the WWMD.
- Additional approvals are required for construction activities associated with changed or new physical connections to the sewer.
- All costs associated with the construction of sewer modifications are to be borne by the applicant.
- This application is not considered approved until all fees have been paid and WWMD signature provided.
- Application may be deemed invalid if the Privilege Fee payment is not received within 90 days.

Signature of Applicant: [Signature] Print Name: James Lambert Date: 12/15/20

Signature of Site Manager: [Signature] Print Name: M Date: _____
 If required

WWMDC USE ONLY	Privilege Fee : \$ 150,000	(Design flow	N/A	gpd X Fee \$
WWMD Approval [<input checked="" type="checkbox"/>] or Disapproval [<input type="checkbox"/>]	Signature: <u>[Signature]</u>		Date: <u>12/18/20</u>	
Comments: Contingent on the proponent constructing a wastewater pumping station and force main to connect to the Town's facilities at the property line and a pipe and leaching field to receive and dispose of the Town's finished effluent at the property line. The proponent will construct the facilities to conform to Town requirements and permits.				

Directions: 1) Return the completed Municipal Sewer Use Application to the WWMD at the location noted above. The WWMD will review for completion. 2) If no fee is required, the DPW will review and approve as appropriate. 3) If a Privilege Fee is required, the Application will require approval by the Commission. 4) Applications requiring Privilege Fee payment will not be considered approved until payment is made to the Treasurer's Office, 41 Cochrane Road, Wayland, MA by check payable to "Town of Wayland". 5) Applicant is required to comply with all applicable wastewater regulations and pay all fees prior to permitted occupancy.

Privilege/Connection Fee

- \$150,000 recommended by Town Engineer and approved by Commission
- Betterment fee was established at \$65.07 per gallon per day. This value has been used for entities purchasing additional capacity at the same rate.
- In the past fee this was used to provide additional revenues to District used primarily to offset O&M costs.

Alta at River's Edge

- Capacity requested – 35,840 gallons per day
- Assume fee of \$65.07 per gallons per day
- Potential fee \$2,332,108.80
- Value of MassWorks project to District
 - \$2,203,000
- Delta $\$2,332,208.80 - \$2,203,000 = \$129,108.80$
- Round up to \$150,000 to cover costs to District like Town Engineer's, DPW Director, WOM time, etc.
- Does not include assets such as leaching field.

Recent Guidance on Bettements



Geoffrey E. Snyder
Commissioner of Revenue

Sean R. Cronin
Senior Deputy Commissioner

Informational Guideline Release

Bureau of Municipal Finance Law
Informational Guideline Release (IGR) No. 2021-1
February 2021

Supersedes Prior Inconsistent Written Statements

BETTERMENTS AND SPECIAL ASSESSMENTS

ASSESSMENT AND COLLECTION PROCEDURES

MassWorks / Construction Update

- Pipeline project
 - 90% design of the pipe just completed
 - Next steps bid/award/construct
- Plant Upgrades / SCADA
 - Preliminary Assessment complete
 - Will finalize scope of work after bids for pipe received
- Alta site facilities
 - Final design under review by Town

Annual Sewer Use Fees

- Based upon operation and maintenance expenditures
- Spread out to user base
 - 80% based upon the Title V flow capacity assigned to user
 - 20% based upon actual discharged flows
 - Quarterly charges

O&M Expenditures

- Changes associated with the Alta project
 - Personnel, utilities, and O&M associated with Alta site facilities
- Increases in existing:
 - Electricity
 - Biosolids – (Sludge)
 - Chemicals
- Most Costs are fairly fixed and will change only minimally with additional flow (within capacity of plant)

O&M Cost Analysis

	FY20 Actual	FY21 Budget	FY22 Level Funded	FY22 with Alta@RE	Comments relative to the addition of A@RE
Salaries (Account Specialist)	81,461	85,830	85,830	85,830	No change in Salaries Anticipated
Salaries (Part-time)	-	2,500	2,500	2,500	No change anticipated
Total Personnel Services	81,461	88,330	88,330	88,330	
Facility Operating Contract	46,800	50,000	50,000	50,000	Core Services for WWTF and one PS
Increase for New Facilities				15,000	Additional Operating Contract for two pump stations and groundwater monitoring
Facility Labor & Other Prof. Serv.	1,299	12,500	10,000	12,000	Possible minor increase due to more facilities (alarm response) - Minimal historical charges
Surface Water Testing (OARS)	7,671	7,800	8,100	8,100	No change
Admin Serv's & Other	249	500	-	-	Not needed
Legal Services	-	2,500	2,500	2,500	No change - no charges anticipated
Training & Education	278	350	1,200	1,200	No change
Building Repair & Improvements	1,270	5,000	4,000	4,000	No change (same plant)
Equipment Repairs & Maint.	41,231	15,000	15,072	15,000	No change in first years - new facilities, possible long-term increase (10+ years out)
Vehicle Repairs	-	500	500	500	No change
Disposal (Trash Removal)	1,144	1,500	1,500	1,500	Fixed Monthly fee No change
Sludge Disposal	14,823	25,000	22,500	38,700	Conservative \$, Proportional increase based upon flow increase
Chemicals	6,576	10,000	10,000	17,200	Proportional increase based upon flow increase
Pipeline Maintenance	8,700	10,000	8,500	8,500	No change in first years - new facilities, possible long-term increase (10+ years out)
Markup & Other	62	-	-	-	Not needed
Natural Gas-NIT Grid & Dir. En.	4,796	5,000	5,000	5,000	No new heated facilities No change
Electricity -Eversource	36,536	45,000	40,000	57,280	Half of the proportional flow increase. Many electrical loads are base loads
Two new pump facilities				7,500	Raw lift at Alta (5K) and small effluent station (2.5K)
Telephone -Verizon	2,224	3,750	3,000	3,000	Core charges for WWTF No change
New facilities				1,500	Additional telephone for new facilities. May be reduced if radio based system used
Water -Town of Wayland	314	1,000	1,000	1,000	No change (no water at new facilities)
Transfer to Gen. Fund (Indirects)	34,913	36,472	36,472	39,891	Adjusted based upon actual budget for FY22 Increase for O&M, reduction due to debt retirement
Total Services	208,866	231,872	219,344	289,371	
Supplies	3,267	2,500	3,500	3,500	No change
Vehicle Gasoline	530	500	750	750	No change
Uniforms - WOM	-	355	355	355	No change
Office Supplies	-	-	250	250	No change
Small Equipment	-	25,000	25,000	25,000	No change in first years - new facilities, possible long-term increase (10+ years out)
Contingency	-	10,000	20,000	20,000	No change
Total Goods	3,797	38,355	49,855	49,855	
Total Operating Expenses	294,143	358,557	357,529	427,556	
Receipts (User Charges)	279,143	317,557	327,529	397,556	
Interest Earned on Savings	38,830	10,000	10,000	10,000	
Retained Earnings		31,000	20,000	20,000	
Total Revenue Required for O&M	317,973	327,557	357,529	427,556	

	TITLE V	Actual/Anticipated
Current flow (gpd) (connected)	70,203	25,000
Current unconnected capacity	8,359	
Alta@RE flow (gpd)	38,540	18,000
TOTAL	117,102	43,000

Cost / Revenue Required

	FY20 Actual	FY21 Budget	FY22 Level Funded	FY22 with Alta@RE
<i>Total Revenue Required for O&M</i>	317,973	327,557	357,529	427,556

Rate Impacts

- Without A@RE

Projected Rates FY22		FY22	
\$	6.80	\$	260,680.74
\$	5.11	\$	62,313.35
\$	15.32	\$	4,594.59
		\$	327,588.67
	7.1%		

- With A@RE

Projected Rates FY22		FY22 w/A@RE lower flow	
\$	5.46	\$	304,816.87
\$	4.10	\$	86,063.40
\$	12.30	\$	3,689.40
		\$	394,569.67
	-14.0%		

- Delta of 21%

Cost to Alta based upon Model

Alta at River's Edge Annual Bill (13083 gpd)		
Base Charge	\$	95,493.41
Tier 1 Charge	\$	26,185.29
Tier 2 Charge	\$	-
Total	\$	121,678.70

Operation and Maintenance (O&M) Agreement

- Agreement to cover the aspects of the wastewater system on the Alta property.
- MOA/MOU or similar format
- Areas of coverage
 - Town responsibilities
 - Alta responsibilities
 - Limits of parties
 - Notifications
 - Time of service and access to site
 - Consideration(s)

Town Responsibilities

- Operation and maintenance of facilities
 - Wastewater Pump Station
 - Leaching Field
 - Force mains connecting to these facilities
 - Permit compliance activities
 - Payment of utilities for Wastewater Pump Station

Alta Responsibilities

- Access
- Control of wastewater quality
- Coordination

Benefits to Town

- Full access to capacity of existing wastewater treatment facility
- Elimination of Administrative Consent Order related to current system constraints

Benefits to Alta

- No need to own/operate wastewater treatment plant
- No need to manage O&M contractors
- No need to contract with Engineer to provide first year oversight and for technical assistance
- No need to provide financial guarantees required under a **privately** owned wastewater treatment and disposal permitting
- Cost stability as part of a larger system

Consideration(s)

- Town
 - Leaching field – additional permitted capacity
 - No capital costs to WWMDCC existing customers
 - Optimization of existing treatment facility
 - Stabilized Rates
- Alta
 - No direct costs or responsibilities for wastewater management – pump station and leaching field by Town