



## **SEWER PLAN INFORMATION – JUNE 2016**

### **Financial Considerations**

The principal financial components of the sewer plan are the capital costs for creating it and the costs for operating and maintaining it. Estimates are set out in the April 22, 2016 Town of Bedford Sewer District Feasibility Study Update – Draft Preliminary Engineering Assessment, prepared by Arcadis Design & Consultancy. The feasibility study updates a feasibility study in 2003, itself updated in 2011, prepared by Malcolm Pirnie, an engineering consultancy firm which Arcadis acquired. The three studies are posted on the Town’s website at [www.bedfordny.gov](http://www.bedfordny.gov) click on “Sewer Proposal”. We wish to caution all concerned that the figures are rough estimates and to bear in mind that the creation of the sewer system is by no means certain and involves a lengthy process including numerous regulatory approvals and a vote of the property owners in the sewer district to be created.

#### Capital Costs

Arcadis set a probable cost of \$21,620,000 for the most expensive alternative presently under consideration (see page 6 of the feasibility study). We are hopeful that the Town can secure the funds for capital costs from water quality funds through Westchester County, New York City Department of Environmental Protection (DEP) and New York State. We would also consider a bond issuance for any balance required. The Town is submitting the following funding applications: to Westchester County for \$9,250,000 in Water Quality Improvement Program funds which the County administers, to DEP for up to \$8,000,000 and to New York State Environmental Facilities Corporation for the balance. To the extent that a bond issue may be needed, the property owners in the sewer district would be responsible for the repayment of the debt service through sewer fees.

#### Operation and Maintenance Costs

The property owners in the sewer district as well as any customers of the district would be responsible for such costs through sewer fees. The annual charge to each such property owner would depend upon effluent flow created by the business activity, type of activity and other factors. As an example, a restaurant or an apartment building creates greater flow than a stationery store.

The Town is in discussions with the New York State Department of Corrections and Community Supervision (DOCCs) with respect to DOCCs becoming a customer of the proposed sewer district. Presently DOCCs operates a waste water treatment system at the Bedford Hills Correctional Facility and the Taconic Correctional Facility. The plans being considered between the Town and DOCCs included DOCCs conveying the system to the Town for nominal or no consideration and becoming a customer of the sewer district (DOCCs presently is a customer of the Town’s Consolidated Water District). It is estimated that flows would comprise between 80% and 90% of total flows.