

## WASTEWATER MANAGEMENT PROJECT IN WEST CORNWALL VILLAGE

The Town of Cornwall (the “Town”) seeks taxpayer approval to appropriate and finance with bonds, USDA loans and grants, or other grant funds, up to \$6,230,000 for the planning, acquisition and construction of a wastewater treatment facility and connecting sewer lines (the “Project”) in West Cornwall Village (the “Village”). The primary purpose of the Project is to bring the Village properties into compliance with the health code and enable commercial development. The Project construction is expected to be paid for in part from (1) a federal Community Project Funding (CPF) grant, and (2) a grant and/or a low interest loan from the U.S. Department of Agriculture (USDA). Operation and financing expense will be paid by users and by the Town’s annual budget. The USDA has indicated that the Town qualifies for grant and loan funding through their *Water & Waste Disposal Loan & Grant Program*. ***See “Financial Considerations” below.***

### Background

The Village is one of two active commercial centers in the Town. An iconic, single lane covered bridge crosses the picturesque Housatonic River and connects the hamlet to Route 7. The State of Connecticut (the “State”), in partnership with the federal government, has designated the structure, built in the 1860s, an historic landmark. During the last two hundred years, the Village has continuously supported commercial and residential activity.

The Village is a tight arrangement of property lines, septic systems, and drinking water wells. Some septic systems and drinking water wells are shared by more than one household or business. The constricted space inhibits the installation and maintenance of septic systems and wells which meet the State’s Public Health Code’s standards of compliance. Not all of the Village septic systems meet the current health code designed to protect surface and groundwater, as well as the Housatonic River. Additional commercial development is not permitted under the present wastewater disposal circumstances.

In August of 2016, a Town Meeting was held, and the taxpayers voted to appropriate up to \$52,000 for a study of water and septic alternatives for the Village. In 2017, the Northwest Hills Council of Governments (NHCOG) applied for, expended and administered a \$45,000 grant for additional study, and in July of 2019, a Town Meeting was held, at which Cornwall taxpayers approved expending funds for additional engineering and consulting work necessary to apply for grants. A Grant/Loan Application was submitted to the USDA in February of 2020.

### Siting, Design and Construction of the Wastewater Treatment Plant

The Project will utilize state of the art technology to build a facility sized to serve residential and commercial users in West Cornwall Village only. Several options for sites are being considered in West Cornwall. The facility will consist of underground treatment tanks and a structure about the size of a two-car garage located near the tanks to house the above-ground machinery, tools, and materials needed for the operation of the facility. The facility operation will utilize a Membrane Bioreactor which uses reverse osmosis technology to draw the wastewater through the system. The end result will be “near drinking water quality effluent” which will discharge into the Housatonic River via gravity. (Per WMC Engineering.) The facility will not emit noise or odors. Members of the study group have visited and toured several small operating facilities of this type in other Connecticut towns.

Adjacent property owners in the Village will have the opportunity to tap into the sewer system, which is proposed to run east and west along Route 128. A one-time fee for each property at this time estimated to be \$3,500 will be charged to hook into the system.

## Operation and Maintenance (O&M)

The annual cost of O&M of the wastewater system will be paid by the users and the Town and is estimated to be \$110,000 when it is running at or near capacity, and \$80,000 to \$90,000 annually (per WMC Engineering) at lower capacity initial usage. The usage fee will be payable monthly or quarterly, and adjusted for actual usage levels, subsidized by the Town in order to charge usage fees typical of surrounding region rates.

The boards of selectmen and finance will create a new department in the annual budget. All revenues paid in by users of the system will offset operating costs. The balance of the costs will be budgeted just like any other department.

## Financial Considerations

The \$6,230,000 appropriation for the proposed Project is expected to be financed as follows:

- (1) \$3,000,000 Grant: A federal Community Project Funding (CPF) grant, which was part of H.R. 2471, the “Consolidated Appropriations Act, 2022,” signed into law by the President on March 15, 2022.
- (2) Estimated \$3,230,000 Loan: The remainder of the Project is expected to be financed through a USDA 40-year loan at the USDA interest rate applicable when the Project is approved at referendum. The current USDA rate is 1.75%. The USDA sets a new rate each calendar quarter, so the actual rate may be higher, lower or the same as the current rate. This estimated loan amount could be reduced by any USDA grant or other funds applied for and received by the Town.

Receipt of USDA grant and loan funding is dependent upon and subject to referendum approval for the \$6,230,000 appropriation for the Project.

Debt service on the USDA loan is not expected to increase the Town’s debt service budget line item because the debt service on Town bonds issued in 2003 to finance the Cornwall Consolidated School expansion and renovations will cease in 2023. In other words, the costs of debt service on the Project will replace the costs of debt service on the school financing.

## Referendum

A referendum vote at Adjourned Town Meeting will be held on July 9, 2022. The ballot label for the question to be voted upon at the referendum shall be as follows:

“Shall the \$6,230,000 appropriation and general obligation bond issuance authorization (expected to be paid from an estimated \$3.0 million grant and \$3.23 million of Town general obligation bonds) to construct and install sewers lines, collection and treatment systems in the West Cornwall area of Town, known as the Wastewater Management Project in West Cornwall Village, as adopted by the Boards of Selectmen and Finance, be approved? YES/NO?”

The voting will be by paper/electronic ballot. Those desiring to vote for the question shall fill in the box in front of the question on the ballot at “YES”. Those desiring to vote against the question shall fill in the box in front of the question on the ballot at “NO”.

The full texts of the aforesaid resolution and question are on file, open to public inspection, in the office of the Town Clerk.

The polls for the referendum to be held Saturday, July 9, 2022, from 12:00 P.M. until 8:00 P.M., will be at Town Hall, 24 Pine Street, Cornwall, CT for electors and qualified voters.

You are eligible to vote (1) if you are a registered voter (elector) of the Town of Cornwall, OR (2) you are a citizen of the United States, age eighteen or older, who jointly or severally, is liable to the Town of Cornwall for taxes assessed against you on an assessment of not less than \$1,000 on the last completed grand list of the Town of Cornwall, or who would be so liable if not entitled to an exemption under subdivisions (17), (19), (22), (25) or (26) of Section 12-81 of the Connecticut General Statutes, as amended.

If you are not a registered voter (elector) in the Town of Cornwall and are voting as a property owner, you must also show proof of citizenship (if not already on file in the Town Clerk's Office). To find out if you have already filed prior to the referendum, please call the Town Clerk at (860) 672-2709 or email [cwltownclerk@optonline.net](mailto:cwltownclerk@optonline.net). Office hours are Monday–Thursday from 9:00 A.M. to 12:00 P.M. and from 1:00 P.M. to 4:00 P.M.

Corporations, limited liability companies, partnerships, trusts and other legal entities are not citizens of the United States and therefore are not eligible to vote. An individual serving as trustee of a trust that owns the property in the town is not eligible to vote.

Absentee ballots will be available beginning Monday, June 20, 2022. Applications may be downloaded from [www.cornwallct.org](http://www.cornwallct.org) or by contacting the Town Clerk at (860) 672-2709 or [cwltownclerk@optonline.net](mailto:cwltownclerk@optonline.net). If you choose to vote by absentee ballot, submit your completed application to the Town Clerk by placing it in the designated secure drop box outside the Town Clerk's office at 26 Pine Street or by mailing it to P.O. Box 97, Cornwall, CT 06753.

Once you have received your ballot and have completed it, you may place it in the designated secure drop box outside the Town Clerk's office or mail it. Do not take your absentee ballot to the polling place on the day of the referendum. Ballots must be returned to the Town Clerk by 8:00 P.M. on the day of the referendum.