

Rutland City Testimony Outline – CSO Grant Funding – Capital Bill

02-18-15

Capital Bill – CSO Grant

1. Rutland City CSO Project (explain CSO)
 - a. \$5.2 M total Cost
 - b. Subject of 1272 enforcement order to reduce CSOs
 - c. Two major follow up projects are scheduled
2. Approved for CWSRF funding plus 25% CSO Grant per 10 VSA Ch 55 Sec 1624a
 - a. CSO funding was historically approved in advance of project commencement
 - b. Irene caused change to give 1 year respite for funding
 - c. Administration plans to request Rutland's **\$1,248,000** in NEXT capital bill – this is one year too late
3. Timing of budgets and rate setting requires approval of CSO grant funding THIS biennium
 - a. Timeline shows that budgets and rates are approved in December, 2016 to support first bond payments in August-October 2017
 - b. If grant is not funded in current biennial capital bill, rates will reflect full \$5.2M cost.
4. Consequences of delay are
 - a. If no grant, 20 year cost to city is \$1,590,075
 - b. Annual cost to City for no grant is \$79,503
 - c. Rates higher than expected
 - d. Credibility of city for infrastructure bonds undermined with voters
 - e. Risk rejection of ordered infrastructure improvements in the future