

Cost and Funding Scenarios for Gateway Wastewater Expansion

	Engineers Estimate	Grant	Total after Grant is Applied to Cost
Phase 1A From current terminus to 434 West Main St.	\$ 166,000		\$ 166,000
Phase 1B From 434 West Main St. to 840 West Main St.	\$ 333,000	\$ 147,947	\$ 185,053
Phase 2 From 840 West Main St. To 1436 West Main St.	\$ 500,000		\$ 500,000

Phase 1A could be paid for by using either:

The fund balance in Wastewater that was at \$471,015 at the close of FY21 (FY22 balance will be available once FY22 audit is complete) Wastewater Capital Reserve which had a balance of \$458,056 at the close of FY22

Phase 1B could be paid for in part by using the \$147,947 grant that has been received. This would leave \$185,053 to fund with a bond

The bond would be paid back over 30 years by the users in Phase 1B. Payments would be assessed based on Grand List Value
 If Phase 2 connects in the future it is possible that Phase 2 users could be added to the payments for Phase 1B from the point Phase 2 connects
 A sample payback schedule for Phase 1B by only the users in Phase 1B is included in the packet
 A sample payback schedule for Phase 1B that assumes Phase 2 users hook up and begin sharing costs of Phase 1B by 2028 is also included

Phase 2 would be paid for by only the users in Phase 2 with a bond

The bond would be paid back over 30 years by the users in Phase 2. Payments would be assessed based on Grand List Value
 A sample payback schedule for Phase 2 by only the users in Phase 2 is included in the packet
 If Phase 2 users were added to share in the cost of Phase 1B the Phase 2 users would have two to pay on both bonds.
 There is a spreadsheet which details combined sample bond payback scenarios for users in Phase 2

Phases 1A, 1B, and 2 are constructed at the same time.

Phase 1A is paid for with the fund balance and/or wastewater capital reserve
 Phase 1B is paid for with the \$147,947 grant and remainder is bonded for
 Phase 2 is paid for with a bond
 All users in Phased 1B and 2 share in the cost of the bond payback.