



To: The Hinesburg Selectboard
From: Trevor M. Lashua, Town Administrator
Date: June 3, 2015
Re: Water/Wastewater – allocation award system ordinance update

The moratorium on wastewater allocations is fully effective on Friday, June 5th. The challenge for the next 12 months is to create and implement an allocation award system for water and wastewater that achieves, at a minimum, two primary goals:

1. To allocate finite water and wastewater resources in a manner that ensures the sustainable, efficient, and effective operation of the infrastructure.
2. To allocate finite water and wastewater resources in a manner that meets the community's goals as established in the Town Plan and implemented through the duly adopted zoning and subdivision regulations.

An allocation award system consists of the following general components:

- The amount of water and wastewater allocated annually (and over what period of time).
- The method for awarding water and wastewater allocations, along with the timing of those awards.
- The criteria upon which applications will be scored.

Annual Allocation Award Amount

The first task is determining the annual allocation award amount.

Water, currently, is the easier of the two – in that there is not much new capacity from the new wells once the Town accounts for projects with allocations that are not connected, the water lost during the nanofiltration treatment process, and the 7.5% capacity reserve discussed earlier in the year. Wastewater capacity begins with the premise that all 250,000 gallons per day of permitted capacity in the lagoon system is allocable. In the coming months, the Town will learn whether or not that assumption holds. For example, the State has already determined that phosphorous discharge limits will be lowered, but not the particulars of how those lower limits will be measured (a small detail with a potentially larger impact).

If the Town determines that a 10-year period is an appropriate timeframe within which to allocate the remaining wastewater capacity, the annual allocation awards must be established. Using the uncommitted residential wastewater reserve as an example, the Town would be allocating 50,717 gallons per day (gpd) in annual installments of nearly 5,072 gpd. The standard allocation unit for a single family residence is 210 gpd, though a unit's flow may be as low as 140 gpd for senior and other one-bedroom units. At 210 gpd, the total maximum number of single-family residential units built in a single year would be 24. Extend the allocation window to 20 years, and the maximum number of single-family residential units per year is cut in half, to 12. The number ultimately depends upon the developing State and Federal regulatory framework – which in turn ties in to the wastewater capacity study planned for later in the calendar year.

The award system should include a provision prohibiting the maximum capacity award in a given year, so that no single applicant may be awarded the total annual capacity allocation for water and/or wastewater.

Allocation Award and Timing

In keeping with prior allocation conversations, eligibility to apply should move to a point later in the development review process. This means moving the allocation application from following sketch plan approval to following preliminary plat approval.

If preliminary plat approval is received by an applicant prior to or on December 31st, a project would be eligible for an allocation award for the calendar year about to begin. One potential application and award timeframe is:

1. Applications due in January.
2. An internal review team reviews the applications to ensure they are complete.
3. Applications are forward to the Development Review Board (DRB) in February.
4. Using the criteria established in the ordinance (see section below for proposed criteria), the DRB “scores” the applications.
5. Scores are ordered from highest to lowest, and relayed to the Selectboard.
6. At a subsequent meeting, either in March or April, the Selectboard reviews the applications and the DRB’s scores, and determines whether or not to act on the applications.
7. Staff follows up with letters to applicants either announcing the allocation award, or that allocation was not awarded.
8. All applications and the scores will be posted for public review throughout the process.

The proposal to use the DRB for review and scoring follows Williston’s model – the Selectboard could task another body, such as the Planning Commission, or create a separate allocation award review team consisting of members of the Selectboard, DRB, Planning Commission, staff and the public.

Any ordinance needs to include the following components:

- How to break a tie?
- In what circumstances would a partial award be appropriate?
- Is there an appeal process for the scoring?
- The water and wastewater systems do not overlap perfectly – how do we handle awards for water or wastewater only?

Review and Award Criteria

Points will need to be allocated amongst the criteria. For simplicity’s sake, a 100-point scale may be preferable. The suggested criteria for scoring are lifted from the most recent version of the Town Plan:

- *Energy Efficiency and Performance* – For example, points for energy efficiency and performance could be allocated as follows:
 - 10 points = 75-100% of units at the highest level of the efficiency ratings or net-zero design.
 - 7-9 points = 50-75% of units at the highest level of the efficiency ratings or net-zero design.
 - 4-6 points = 25-50% of units at the highest level of the efficiency ratings or net-zero design.
 - 3 points = Construction to state standards.
- *Design Quality and Context* – Does the project fit within its surroundings, enhance the streetscape, provide character and depth, fit within in any prescribed design framework or generally accepted

design principles, etc. This should be paired with an explicit set of design standards in the regulations.

- *Mixture of units* – Single and multi-, and single-family homes in a variety of sizes, styles, and price points.
- *Affordable and Senior Housing* – To fill specific needs, beyond the desire for a mixture of units (though a mix may include affordable and/or senior units).
- *Provides community and/or neighborhood space.*
- *Bicycle and Pedestrian Friendly* – With a focus on connection to existing infrastructure or construction of critical or missing components.
- *Stormwater/Low Impact Design* – To reflect the greater prioritization of stormwater mitigation and management, especially as it relates to new development.

Embedded in the ordinance, somewhere, should be a mechanism to appeal the DRB or other committee's score – either in total or components thereof. The likeliest home for an appeal is at the Selectboard meeting where the actual awards may be made.