



Water Supply and Treatment Bond

Town of Hinesburg

10632 Route 116 Hinesburg VT 05461

802.482.2281 | hinesburg.org

Frequently Asked Questions

Q: What is the bond vote for?

A: The bond vote on November 4, 2014 is for the acquisition of two new wells, construction of the necessary pumping and treatment infrastructure, and connection to the existing distribution system. The two new wells are located on the Wainer property, accessed off of Shelburne Falls Road. The wells have been tested and are capable of producing between 200 and 240 gallons per minute (gpm). Treatment would remove iron and manganese and soften the water before distribution.

Q: Why is this project needed?

A: The Town's existing wells can no longer adequately keep pace with the existing water system demand. As a result, the State has issued the Town a "notice of violation" for non-compliance. MTBE, a gasoline additive, has also been detected in the existing wells.

Q: How much will the project cost?

A: The total project cost is estimated at \$1.5 million. The project costs include the construction of a pumping and treatment facility, installation of treatment equipment, and connection to the existing distribution system.

Q: How much is the bond for?

A: The bond vote seeks authorization to borrow \$1.5 million. If construction and equipment costs are less than anticipated, the Town would only borrow an amount necessary to pay for the project.

Q: Where is the Town borrowing the money from?

A: The funds would be borrowed from the State of Vermont's Drinking Water Revolving Loan Fund. The loan is subject to a 20-year term, per U.S. Environmental Protection Agency guidelines. A benefit of borrowing from this fund is that interest rates are fixed at 3%.

Q: Who pays?

A: As proposed, current and future water system users. Property taxpayers who are not connected to the municipal water system would not pay directly for the project.

Q: Who votes?

A: All registered voters may vote on the question, in accordance with State law.

Q: Why are the water users the only ones paying?

A: Utility projects are often paid for by the users of the system (revenues generated by the utility are used to repay debt, a type of bond known as a "revenue bond"). Water system users receive a direct benefit from the project with improved water quality and capacity, while the community as a

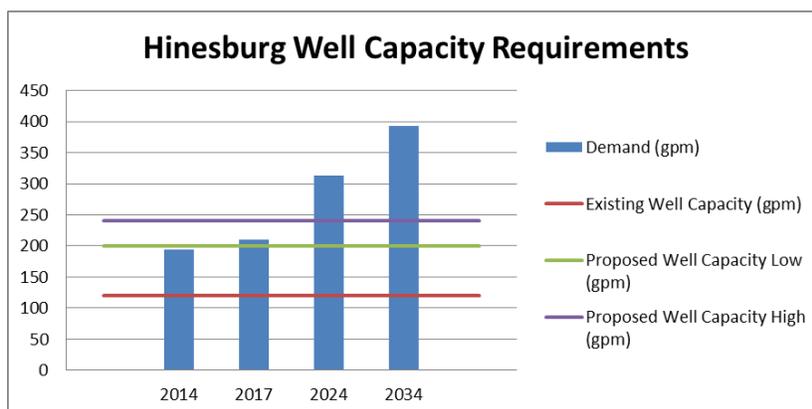
whole benefits in various indirect ways. Past water and wastewater projects in Hinesburg have been paid for in this manner.

Q: How much will this cost water users, on average?

A: A basic estimate projects an annual cost increase of \$125 per year (\$31.25 per quarter or \$10.42 per month) per water user. This estimate, the most conservative available, does not take into account new water users, implementation of an allocation fee for new water users (similar to the wastewater allocation fee), additional State and Federal funds, or potential MTBE legal settlement funds (estimated at \$300,000) – all of which could lessen the projected financial impact on current water users.

Q: Does this project enable all of the projected growth in the village area to occur?

A: No. This project is designed to meet current water quality and capacity needs. The projected yield (between 200 gpm and 240 gpm) meets those needs, while providing a nominal amount of additional capacity to support new connections and short-term development. The graph below shows the current and projected supply needs (the blue “Demand” bars), along with the capacity of the current (red line) and new wells (green and purple lines).



Q: Is there a plan to increase future capacity (i.e. find additional sources) to meet current and/or projected needs?

A: The Town is in the process of identifying additional potential sources for water, focusing first in the areas nearest the proposed wells.

Q: Would in-home treatment systems still be needed?

A: In-home treatment systems would not be necessary, though individual water users may choose to retain those systems.

Q: Will the water still be discolored or produce scaling (the buildup that results from hard water)?

A: No. The new wells, coupled with an aggressive distribution system flushing program, will prevent discoloration from occurring. The proposed treatment will soften the water and address issues with scaling.

Q: What happens if it's a “no” vote?

A: The answer is not entirely clear at this time, though it is possible the State would proceed with punitive measures (such as fines) until the violation is corrected.