

REGIONALIZATION 10 YEARS LATER A SUCCESS WORTH SHARING



GNHWPCA Background

- In 2005 the 4 municipalities of New Haven, Hamden, East Haven and Woodbridge joined together and formed the Greater New Haven Water Pollution Control Authority.
- It has been 10 years and the City and Towns have been pleased with the benefits of regionalization.



Stratford Background

- Since 2013 the GNHWPCA has been evaluating the possibility of having the Town of Stratford become a partner in the Authority.
- The evaluation has shown that there are considerable benefits to a partnership.



GNHWPCA System Overview

- GNHWPCA was created in July 2005 under C.G.S. §§ 22a-500-519, which provides that any two or more municipalities may create a new regional authority.

Summary of GNHWPCA Constituent Municipalities and Wastewater Systems				
Current GNHWPCA Municipalities:	New Haven	Hamden	East Haven	Woodbridge
Population Served	123,630	49,510	25,650	990
Approximate No. of Customers	22,000	14,000	8,000	350
Treatment Plant	East Shore Plant (40 mgd)	N/A	N/A	N/A
Pump Stations	15	8	6	1
Siphons	1	2	5	0
Sewer Collection System	275 miles	163 miles	105 miles	8 miles
Average Daily Flow	19.0 mgd	9.1 mgd	4.7 mgd	0.5 mgd

Benefits of Regionalization

- Better equipped to provide area-wide leadership and governance framework, program diversity and capacity, and long-term strategic focus to better serve customers at lower costs.
- More effective and broad based protection of the environment at lower cost by leveraging available resources.
- Maintains public control of assets and protection of watershed.
- Provides opportunities to decrease costs and increase investment in infrastructure.
- Rate-payer charges minimized through economy of scale opportunities (administration, maintenance, purchasing, customer service, etc).
- Annual Cost of Service Study to determine rates and the annual audit to measure performance.

Benefits of Regionalization

- The following summarizes some of the benefits to GNHWPCA's constituents:
 - Shared management cost savings:
 - Executive Director
 - Finance and Administration
 - Billing and Customer Service
 - Engineering and Operations
 - Additional consolidation cost savings opportunities include regulatory compliance, emergency response, laboratory, and sludge management
 - Provides additional opportunities for existing GNHWPCA staff
 - Increases environmental protection of Long Island Sound
 - Enhances GNHWPCA Bond Rating

What is Being Regionalized?

- Stratford WPCF assets which are being merged with the GNHWPCA include:
 - The Water Pollution Control Facility (Beacon Point Road)
 - Pump stations
 - WPCF Equipment and Infrastructure
 - The real property related to the WPCF operations
 - All other assets related to the operation of the Stratford WPCF
- * Assets do not include storm water system



Environmental Benefits

- The GNHWPCA's East Shore Plant and Stratford WPCF both discharge to the Long-Island Sound and share the same environmental protection goals.
- Having one larger, environmentally focused entity provides increased stewardship to regional environmental protection.
- The GNHWPCA has in-house staff equipped to manage environmental and regulatory issues with economies of scale.
- Enhances priority and leverage for CT DEEP Clean Water Funds resulting in greater infrastructure investment.



Improvement Projects

- Wet Weather/Nitrogen ESWPAF Upgrade
- Tide Gate Projects
- Trumbull Street Sewer Separation Project
- West River CSO Study
- Hamden, East Haven and Woodbridge Infiltration & Inflow Projects
- Complete Rebuilding of Nine Pump Stations in New Haven Sewershed
- Replaced/Lined 30 miles of sanitary and combined sewer line
- Several Capital Improvement Projects related to DOT, Private Developers, and University Projects



The Process

- The process under which this transaction has been contemplated and negotiated has been conducted to maximize benefits to the Constituent Municipalities, Rate Payers and Environmental Stakeholders.
 - Cost of service study performed by an International Independent Consulting Firm.
 - Hired expert consultants in the water pollution control authority field.
 - Hired outside counsel to negotiate transaction.



Questions and Answers

Question:

1. Does the state support regionalization?
2. Will New Haven residents pay the debt of Stratford?
3. What controls will there be over the user rates?

Answer:

1. Yes, DEEP supports the transaction. The existence of GNHWPCA is proof of concept and precedent.
2. No, based on the terms of the transaction current GNHWPCA rate payers will not share in the debts or operating costs. Stratford will have a separate user rate based on Stratford costs alone.
3. The user rates will be determined annually by an independent cost of service study performed for GNHWPCA and Stratford users. Additionally the user rates will have to be approved by the GNHWPCA board.