

## **CENTRAL WEBER SEWER IMPROVEMENT DISTRICT TREATMENT PLANT EXPANSION & UPGRADE PROJECT**

**The Central Weber Sewer Improvement District is in the process of constructing a \$140 million upgrade and expansion of its wastewater treatment plant. The following addresses frequently asked questions relating to the project.**

### ***What is the Central Weber Sewer Improvement District?***

The Central Weber Sewer Improvement District (the “District”) provides wholesale sewer treatment services to various municipalities within Weber and Davis Counties. Each participating governmental entity operates and maintains its own sewage collection system but transports the raw sewage through a series of pipelines to the District for treatment. Entities served include:

Farr West City	Ogden City	South Ogden City	City of Harrisville	Pleasant View City
Washington Terrace	Marriott-Slaterville	Riverdale City	Weber County	North Ogden City
South Weber City	City of West Haven	Hooper	Portions of Plain City, Roy, & Uintah	

### ***Why is the expansion and upgrade necessary?***

The existing sewer treatment facilities were built 55 years ago. The expansion is necessary to meet the increased demand for sewer services resulting from current and anticipated growth. The upgrade will satisfy the discharge requirements imposed by both the State and the EPA and is required whether or not growth occurs. Without the upgrade, the District could be in violation of established standards resulting in fines of up to \$100,000 per day.

### ***Are there less costly or better alternatives?***

No. The Preliminary Engineering Design submitted by Montgomery Watson Harza, underwent a Value Engineering process whereby a group of independent engineers thoroughly evaluated all assumptions, treatment alternatives, designs, etc. Recommended improvements and changes were implemented and the resulting project is the one under construction.

### ***What is the cost of the project?***

The estimated cost is \$140 million.

### ***How will it be financed?***

A portion of the cost will be financed on a pay-as-you-go basis. The majority of the cost will be financed by issuing a series of tax-exempt bonds. \$10 million and \$50 million of such bonds were issued earlier this year bearing interest rates of 2.3% and 3.9%, respectively. The amount of subsequent bonds to be issued over the next 3 years will be affected in part by the amount of impact fees collected (new construction).

### ***How will the bonds be repaid?***

Impact fees will offset a large part of the costs associated with expansion. However, given the unwillingness of bond purchasers to rely solely on projected future growth revenues, taxes and monthly user rate charges will also be “pledged” as sources of repayment for expansion-related bonding and for that portion bonds used to finance the costs of upgrading. While taxes will continue to be levied at their current levels, treatment charges billed to each city will be increased substantially.

### ***Can new growth “shoulder” more of the burden?***

No. The District’s Board of Trustees has already increased the impact fees from \$300 to \$2,333 for each new residential permit issued. This amount represents the legal maximum permitted by Utah law.

### ***How much will it cost me?***

It depends. The District currently charges each City an average of \$5.50-\$6.00 a month for each home’s sewer treatment. This charge will double starting January 1, 2009 and will increase by approximately 20% each of the following three years. You will likely see an increase in your monthly bill but such increase depends on how each City chooses to implement the sewer treatment increase. For retail customers located in Marriott-Slaterville, Plain City, Roy City and the Town of Uintah the District currently charges \$7.50 per month. Beginning January 1, 2009 the monthly charge will be \$12.00 to \$14.30 with increases of approximately 20% each of the following three years.

### ***How can I find out more?***

By contacting the District at (801) 731-3011. If necessary, additional information can be provided by the District’s engineers, financial advisors, legal counsel, etc.

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