

CROMWELL WATER POLLUTION CONTROL AUTHORITY
RESOLUTION ADOPTING RULE OF APPORTIONMENT
OF SEWER SYSTEM BENEFIT ASSESSMENTS

Whereas, The Cromwell Water Pollution Control Authority as agent for the Town of Cromwell (hereinafter "The Town"), has constructed or caused to be constructed a trunk and local Sewer System and proposes to expand said system by building additional Sewer Systems and:

Whereas, The Authority has determined that the properties (lands and improvements) which are or will be benefited by the construction of said Sanitary Sewer System fall within one or two categories – namely generally and specially benefited properties: (1) generally benefited properties being all those properties on the Grand List of the Town, which properties benefit from the increase in value to all property in the Town as a result of the improved sanitation, the abatement of pollution, the service to Town-owned facilities, the value of Town-owned facilities, the availability of trunk sewers for future extension into and service of other areas of the Town, and the value of the sewage collection and treatment system itself, which generally benefited properties are to support the said system through general taxation and /or benefit assessment's and (2) specially benefited properties being those to which the Sewer System is, or may become available, whether they abut on said Sewer System or not, which specially benefited properties are to support the said Sewer System through the payment of benefit assessments to be levied upon them by the Town; and

Whereas, The Authority desires to establish a fair and equitable method of apportionment of the portion of the cost of said Sewer System, which is to be borne by such specially benefited properties;

Now Therefore, be it resolved that the Cromwell Water Pollution Control Authority hereby adopts as a basis for apportionment of the portion of the cost of said Sewer System to be borne by the specially benefited properties, the following rule or method:

1. Definitions

For the purpose of this rule or method, the following terms, phrases and words, shall have the following meanings:

A. Gross Floor Area

The square footage (SF) of improvements used other than as residences and calculated on the basis of outside measurements.

B. Improvement

A building or structure affixed to land, in which a person may dwell or in which a person may work.

C. Improved property

Land upon which an improvement exists.

D. Zoning Regulations

The Planning and Zoning regulations, as amended, presently in effect in the Town of Cromwell.

E. Residential

A building or structure used or useable as a place of dwelling by one (1) or more persons, whether located in a residential district or not.

F. Non-Residential

A building or structure used by (1) or more persons for other than a place of dwelling, including, but not limited to, commercial, industrial, institutional and public improvements.

G. Multi-Use

A building or structure, which contains both residential and non-residential use.

H. Dwelling

A building or structures, in which people live or can live.

I. Unit

A measurement used to represent the space within a building structure, occupied for residential purposes by a single-family group whether located in a residential district or not.

J. Equivalent Dwelling Unit (EDU)

A measurement used to establish a ratio between residential and non-residential use of improved property.

K. Development

A tract of land upon which an improvement is being or is to be constructed, such as, but not limited to, non-residential or residential subdivisions and projects.

L. Developer

A person or persons engaged in the subdividing or improvement of land and who has executed a Developer's Permit-Agreement with the Authority, including the "Commercial Developer's Permit Agreement" or the "Residential Developer's Permit-Agreement."

M. Consumer Price Index (CPI)

The CPI is determined by the US Department of Labor "Bureau of Labor Statistics", www.bls.gov, Consumer Price Index- All Urban Consumers (Current Series).

N. Developer's Permit-Agreement (DP-A)

An agreement between the Authority and a developer providing the terms and conditions under which sewer service is to be extended, by the developer, to a residential subdivision or non-residential development.

O. Sewer Extension Permit-Agreement (SEP-A)

An agreement between the Authority and a property owner providing the terms and conditions under which sewer service is to be extended to a single lot.

P. Sewer System

Shall mean sanitary sewers, force mains, pump stations, manholes, cleanouts, building laterals, and all appurtenant structures thereto as shown on plans identified in the Developers Permit-Agreement.

2. Assessments

All such specially benefited properties shall be assessed on a uniform rate basis according to categories, adjustments, and exceptions as follows:

The portion of the cost of the Sewer System which is to be borne by the owners of the properties which are specially benefited by such Sewer System shall be determined in accordance with the following three methods and the total assessment of each property shall be the sum of the assessments resulting from the application of the said three methods to the particular property or the sum of the total of the methods deemed applicable to the particular property by the Authority.

A. Lateral Charge:

A lateral charge of \$2,500.00 shall be assessed if a building lateral is being connected to a sewer installed by the Town of Cromwell. This lateral charge shall include the first twenty-five (25') feet, or portion thereof, and thereafter a charge of \$120.00 per linear foot (LF). The charge shall be annually adjusted on February 1, by the CPI, as determined by the US Department of Labor "Bureau of Labor Statistics".

No lateral charge(s) shall be assessed for a lateral installed by a developer.

B1. Unit Charge: (Applicable to Sewers constructed before Jan 1, 2009):

Except as provided in 3.C., a uniform charge of \$2,300.00 shall be assessed for each unit, equivalent unit or portion thereof contained in the property being assessed. Such assessment charge shall be levied against the owner or owners of each property containing such unit or units. The charge shall be annually adjusted on February 1, by the CPI, as determined by the US Department of Labor "Bureau of Labor Statistics".

No unit charge(s) shall be assessed to connect a building to a sewer installed by a developer.

B2. Unit Charge: (Applicable to Sewers constructed on or after Jan 1, 2009):

Except as provided in 3.C., a uniform charge shall be assessed for each unit, equivalent unit or portion thereof contained in the property being assessed,

based upon all project costs that are accounted to the project by the Town and CWPCA. Such assessment charge shall be levied against the owner or owners of each property containing such unit or units.

No unit charge(s) shall be assessed to connect a building to a sewer installed by a developer.

C. Outlet Charge (Connection Fee) Except as provided in 3.C., a uniform charge of \$2,700.00 shall be assessed for each unit, equivalent unit, or portion thereof, contained in the property being assessed. The outlet charge for a development shall account for all costs associated with design, construction, financing of existing trunk interceptor lines to which this development will connect. Such assessment charge to be levied against the owner/developer of each property containing such unit or units. The charge shall be annually adjusted on February 1, by the CPI, as determined by the US Department of Labor "Bureau of Labor Statistics".

3. **Method of Calculation of Units and Equivalent Dwelling Units (EDU's)**

A. Units/EDU's:

1. One (1) unit shall be assessed for each residential dwelling space contained within a building or structure regardless of size.
2. One (1) unit shall be assessed for each property granted a subdivision "free-split" with a benefit to the sanitary sewer system if improved upon.
3. For non-residential properties the basis for an equivalent dwelling unit is 2,500 SF.

B. All improved properties containing non-residential uses shall be charged based on the EDU Formula on the total non-residential building SF divided by 2,500 SF, or any part thereof, as follows:

<u>EDU Formula (SF Unit Multiplier)</u>		<u>*See "Appendix A - Assessment Examples"</u>
1 Unit -	\$2,300	1 st 2,500 SF
2 - 5 Units -	\$2,000	2,501 – 12,500 SF
6 -10 Units -	\$1,500	12,501 – 25,000 SF
11 + Units -	\$1,000	25,001 – and up

C. Improvement to an existing non-residential building or structure:
The improvement shall be assessed per the EDU formula. The existing building's SF shall be considered in the calculation of additional EDU's using the appropriate step in the EDU formula, if the improvement is equal to or exceeds 2,500 SF.

A minimum of One (1) unit shall be assessed to any freestanding improvement. Non-residential freestanding improvements shall be assessed based on building SF, if connected to the sewer system.

D. Multi-Use:

Such building or structure shall be assessed for each residential dwelling unit and non-residential SF.

4. Permit Agreements

- A. Developer's Permit-Agreement (DP-A) assessment figures shall be calculated using the CPI of the most recent completed year. If a CWPCA approved DP-A goes unsigned into a new year the assessment figures shall be adjusted to reflect the CPI of the last completed year, as of the date the agreement is executed.

Said assessment shall be made, as to each proposed unit in said development, and shall be due and payable at the signing of the Developer's Permit-Agreement, prior to the construction of the Sewer System.

- B. Sewer Extension Permit-Agreement (SEP-A) assessment figures shall be calculated using the CPI of the most recent completed year. If a CWPCA approved SEP-A goes unsigned into a new year the assessment figures shall be adjusted to reflect the CPI of the last completed year, as of the date the agreement is executed.

Said assessment shall be made, as to each proposed unit in said development, and shall be due and payable at the signing of the Sewer Extension Permit-Agreement, prior to the construction of the Sewer System.

5. Assessment Benefit Waiver

Whenever, in the opinion of the Authority, as provided for in the Connecticut General Statutes (CGS), Chapter 103, Municipal Sewerage Systems, Sections §7-245 through §7-273a, because of the shape, condition, nature, location or distance of any land or improvements, but not because of the application of the EDU Formula, the total assessment of such property under the provisions hereof would not reflect the extent of the benefit to such property, a factor or percentage of such lateral charge and/or unit charge and/or outlet charge may be used to determine the extent to which the Authority believes such property to be benefited.

6. Project Cost Waiver

If in the opinion of the CWPCA, a proposed sewer system would improve the health, environment or general welfare of an area and/or of the Town, but the cost of the sewer installation and assessments would cause an undue hardship

on the property owners who would be assessed, the CWPCA, may, in its sole discretion, deduct certain costs of the sewer project from the overall project costs, and pay such deducted costs from previously collected sewer funds; provided the previously collected sewer funds are adequate and have not been pledged for other purposes.

The CWPCA, in its sole discretion, may take into account the following, in its determination whether such deductions are warranted:

- a. The ability of the users being directly benefited by the sewer to satisfy an assessment.
- b. The increase in property values by the project.
- c. Costs that may benefit a larger part of the Town, or costs that would naturally fall under a different budget.
- d. Other benefits that result from the addition of sewers based upon economic or other data available to the CWPCA.
- e. Other factors that the CWPCA, in its sole discretion, concludes are in the best interests of the Town and the existing and future sewer users.

Any cost reduction deemed reasonable by the CWPCA, in its sole discretion, for any specific project may not be utilized for another, separate project, nor does such a decision set precedent with respect to any future decision by the CWPCA.

7. Assessment for residential undeveloped property

A. Residential property that is undeveloped and which cannot be subdivided pursuant to the current zoning and/or subdivision regulations will be assessed in accordance with the rule of apportionment as a single lot. The property will be assessed as follows:

1. Lateral charge: Deferred until lateral is put into use.
2. Unit Charge: Assessed per method B.1. or B.2. as applicable.
3. Outlet Charge: Deferred until service is provided.

In the event such property is subdivided or an additional lot(s) is established, after an assessment is levied, each of the newly established lots, when developed, will be assessed per sections 2.A., 2.B2. and 2.C.

B. Residential property that is undeveloped which can be subdivided in accordance with zoning and/or subdivision regulations in place at the time assessments are established:

One assessment is established for such property and assessed per this rule of apportionment (with the lateral charge and outlet charge deferred if the property is undeveloped). If the property is subdivided once an assessment is levied, each of the newly established properties will be assessed per sections 2.A., 2.B2. and 2.C.

**Adopted by,
Cromwell Water Pollution Control Authority, January 30, 2015.**

Alice Kelly, Chairman

Copies of the revised "Rule" are available at the offices of the Town Clerk and Cromwell Water Pollution Control Authority, 41 West Street, Cromwell, CT 06416

Appendix A - Assessment Examples

The following examples are presented for illustration purposes only as an explanation of how the process for determining assessments is undertaken. These examples should not be interpreted as an indication of a proposed assessment, nor should they be construed as anything other than examples. In the event of a conflict between these examples and the Rule of Apportionment (ROA), the language of the ROA shall prevail.

Established 2007 Charges shall be subject to increase annually by the CPI as described in the "Rule of Apportionment of Sewer System Benefit Assessments (ROA)".

For residential and non-residential properties the basis for an equivalent dwelling unit is 2,500 SF. This was established in 2007 by taking the median single family home's square footage built in Cromwell between the years of 2002 through 2006.

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Estimates are based on an assumed assessment for a single-family home, which equals one (1) equivalent dwelling unit (EDU), regardless of size:

| <b><u>Type of Charge</u></b> | <b><u>Assessment Formula Per EDU</u></b> |
|------------------------------|------------------------------------------|
|------------------------------|------------------------------------------|

|         |            |
|---------|------------|
| Lateral | \$2,500.00 |
|---------|------------|

|        |            |
|--------|------------|
| Outlet | \$2,700.00 |
|--------|------------|

EDU Formula for non-residential assessments – Unit equals Square Footage (SF) divided by 2,500.

|            |            |
|------------|------------|
| 1 Unit     | \$2,300.00 |
| 2-5 Units  | \$2,000.00 |
| 6-10 Units | \$1,500.00 |
| 11+ Units  | \$1,000.00 |

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Residential Assessment – Town Installed Sewers	
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<u>Example #1</u>	<u>Single Family Dwelling (1 EDU, regardless of size)</u>
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1 Lateral	\$2,500.00
1 Outlet	\$2,700.00
1 Unit	<u>\$2,300.00</u>
Assessment Total	\$7,500.00

<u>Example #2</u>	<u>Multi-Family Dwelling (3 EDU's)</u>
1 Lateral	\$2,500.00
3 Outlet x 2,700 ea.	\$8,100.00
3 Unit x 2,300 ea.	<u>\$6,900.00</u>
Assessment Total	\$17,500.00

Non-Residential Assessment – Town Installed Sewers

*See “Rule of Apportionment of Sewer System Benefit Assessments” 3. C.

<u>Example #1</u>	<u>4,900 S. F. Office Building (1.96 EDU's)</u>
Lateral 1 x 2,500	\$2,500.00
Outlet 1.96 x 2,700	\$5,292.00
1 Unit x 2,300	\$2,300.00
.96 Unit x 2,000	<u>\$1,920.00</u>
Assessment Total	\$12,012.00

<u>Example #2</u>	<u>23,000 SF Office Building (9.20 EDU's)</u>
Lateral 1 x 2,500	\$2,500.00
Outlet 9.20 x 2,700	\$24,840.00
1 Unit x 2,300	\$2,300.00
4 Units x 2,000	\$8,000.00
4.2 Units x 1,500	<u>\$6,300.00</u>
Assessment Total	\$43,490.00

<u>Example #3</u>	<u>100,000 SF Office Building (40.00 EDU's)</u>
Lateral 1 x 2,500	\$2,500.00
Outlet 40 x 2,700	\$108,000.00
1 Unit x 2,300	\$2,300.00
4 Units x 2,000	\$8,000.00
5 Units x 1,500	\$7,500.00
30 Units x 1,000	<u>\$30,000.00</u>
Assessment Total	\$158,300.00

<u>Example #4</u>	<u>25,000 SF Existing Building (10.00 EDU's)</u> <u>Addition SF 15,000 (6 EDU's)</u>
Lateral 1 x 2,500	Existing (previously paid)
Outlet 6 x 2,700	\$16,200.00

Example #4 - Continued

1 Unit x 2,300	Existing (previously paid)
4 Units x 2,000	Existing (previously paid)
5 Units x 1,500	Existing (previously paid)
6 Units x 1,000	<u>\$6,000.00</u>
Assessment Total	\$22,200.00

Multi-Use Assessment – Town Installed Sewers

<u>Example #1</u>	<u>2 Residential “Apartments” (2 EDU's)</u> <u>& 3,200 SF Building (1.28 EDU's)</u>
Lateral 1 x 2,500	\$2,500.00
Outlet 3.28 x 2,700	\$8,856.00
Unit-2 Residential x 2,300	\$4,600.00
1 Unit x 2,300	\$2,300.00
.28 Unit x 2,000	<u>\$ 560.00</u>
Assessment Total	\$18,816.00

Residential Assessment – Developer Installed Sewers

<u>Example #1</u>	<u>Single Family Dwelling (1 EDU regardless of size)</u>
1 Outlet	\$2,700.00
<u>Example #2</u>	<u>25 Lot Subdivision (1 EDU regardless of size)</u>
25 Outlets x 2,700	\$67,500.00

Non-Residential Assessment – Developer Installed Sewers

<u>Example #1</u>	<u>4,900 S. F. Office Building (1.96 EDU's)</u>
Outlet 1.96 x 2,700	\$5,292.00
<u>Example #2</u>	<u>23,000 SF Office Building (9.20 EDU's)</u>
Outlet 9.20 x 2,700	\$24,840.00
<u>Example #3</u>	<u>25,000 SF Existing Building (10.00 EDU's)</u> <u>Addition SF 15,000 (6 EDU's)</u>
Outlet 6 x 2,700	\$16,200.00