



CECIL COUNTY, MARYLAND

DEPARTMENT OF FINANCE

FISCAL IMPACT NOTE

SUMMARY OF LEGISLATION

SPONSOR: Council President Hodge at the request of the County Executive

BILL NO. 2016-21 – AMENDMENT – CAPITAL BUDGET – SCOPE MODIFICATIONS AND TRANSFER OF BONDS BETWEEN WASTEWATER CAPITAL IMPROVEMENT PROJECTS

A bill to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland for the fiscal year ending June 30, 2017, to modify the scope of the Inflow & Infiltration – Port Deposit project (55061) and modify the name and the scope of the Repair Port Deposit WWTP project (55069) within the Wastewater Capital Improvement Program. The bill will also move \$1,120,000 in bond expenditure authority from the Inflow & Infiltration project to the Port Deposit WWTP project.

FISCAL IMPACT SUMMARY: The approval of this bill will have no net effect on the Capital Improvement Program of Cecil County.

FISCAL ANALYSIS:

Bill No. 2016-21 proposes to amend the Wastewater Capital Budget for the fiscal year ending June 30, 2017 in order to move \$1,120,000 of bond expenditure appropriation from the Inflow & infiltration – Port Deposit project to the Replace Port Deposit WWTP project.

The bill before Council will reduce the scope of the Inflow & Infiltration – Port Deposit project to only include the study of the Port Deposit sewer collection system and repair of the most pressing leaks in order minimize the amount of I&I entering the system, which includes repairs to sewer pipe, manholes and other system components using a variety of techniques. The reduction of scope will allow the move of \$1,120,000 of bond revenue and expenditure authority to the Replacement of the Port Deposit WWTP.

The scope of the replacement project is being changed from repairing the tank at the old plant to constructing an ENR package WWTP at a new location on the grounds of the former Bainbridge Naval Training Center. The WWTP will have an initial capacity of 250,000 gallons per day but will be sited, designed and built such that it can readily be expanded in steps over time as needed to accommodate increased flows. The project will also include the construction of a sewer pumping station and force main to convey sewage from Port Deposit up to the site of the replacement WWTP; the treated effluent from the WWTP to the existing outfall which will continue to be used; and the decommissioning and demolition of the existing Port Deposit WWTP. The project will serve existing Port Deposit residents,

provide wastewater treatment plant capacity needed to support the redevelopment of the Tome School and Bainbridge sites, and other users within its service area.

The change in scope to replace the Port Deposit WWTP increases the total project cost primarily in the out years of the Wastewater Capital Improvement Program.

Moving the funds to a replacement project will change the investment of the \$1,120,000 into a 40 year asset versus the original 20 year asset. Using the straight line depreciation method it will lower the depreciation expense by \$28,000 per year to the Wastewater Fund once the plant is complete as compared to funding I&I repairs within the town.