

Irvington Sewer Panel Committee Action Plan 6-10-25

Meeting attendees at RRYC: T Chapman, P. Robinson, S. Strait. Absent: J. Taylor MC Bradley and J. Harris.

1. **USDA Review: Action on hold.** USDA told us that the loan applicant would most likely have to be the owner of the system. Our plan is to have the collection and transportation system built and turned over to Kilmarnock for ownership and operation. In preliminary conversation with Kilmarnock, they see taking on the loan debt, even with payments by Irvington as a low probability as it would affect their debt carrying capacity. This needs to be revisited at a later date.

Action: on hold

Accountability: T Chapman

2. **Kilmarnock Collaboration:** Kilmarnock's initial feedback is that they want to see our projected loadings prior to any discussion of connection and user fees. Kilmarnock has agreed that near the Compass Entertainment complex is the logical connection. J. Taylor and T. Chapman met with S. Cockrell, M. Sebra and RT Nunn on 6-3. Given some recent discussion that Kilmarnock was evaluating tie in the Wilson Rd area properties we wanted to understand how this affected our plan that Kilmarnock and/or the county would be interested in pursuing a USDA grant for the area from the end of Irvington to a connection at Compass. Ms. Cockrell confirmed that for the near future neither entity would be interested in this alternative. This means we have to revise our financing allocations as updated from our 2/27/24 Public Meeting as attached.

Action: On Hold.

Accountability: T Chapman

3. **Lancaster County Collaboration:** County plans continue to change and the EPA consultant is holding meetings in preparation of a county wide report on alternatives.

Action: Continue to participate in the EPA Consultant phone calls.

Accountability: P. Robinson and J. Taylor

4. **Investigate Funding Alternatives:** Given Kilmarnock's initial reaction to the USDA loan issue we need to consider alternatives.

Action: Have an informal review of financing options with Chesapeake Bank.

Accountability: T. Chapman

5. **Public Private Collaboration:** Given that the Town Center Line would serve primarily business connections it seems appropriate that, in addition to the meals tax funding that some additional capital contribution is made by the benefitting business. We have had some preliminary discussions along this line and have followed up with Ed Villafane (GM of Tides Inn) and ICN/King Carter Holdings owners and representatives.

Action: Inform ICN/King Carter Holdings and Tides Inn about the need to increase private capital contributions to cover the portion of the line from the town boundary to Compass connection to keep Town investment at a maximum of \$1.4 Million. The revised calculations are shown in the following table.

Accountability: T Chapman

6. **Identify Business and Residential Connections on Town Center Line:** Initial estimates for Phase IA and IB have been estimated and are attached in a table. We need to clearly identify the other businesses and residents along the line that would be willing to connect with the estimated \$20,000 fee (note this assumes Kilmarnock reduces their out of town connection fee from \$15K to \$5K.)

Action: On hold

7. **Next meeting:** 9/8/25, 6:30pm at Town Office.

Revised Proposed Cost Allocation

	<u>Potential Cost Allocation from Feb 27, 2024 Public Meeting</u>	<u>Revised Potential Cost Allocation 6/10/25</u>
Town Center Sewer Line	\$3,493,000	\$3,493,000
Removal of Out-of-Town Portion	\$760,000	0
	Assumed USDA Grant by County or Kilmarnock	
<u>Net Cost</u>	<u>\$2,733,000</u>	<u>\$3,493,000</u>
Removal of Laterals and Grinders	\$750,000	\$750,000
<u>Net Cost</u>	<u>\$1,983,000</u>	\$2,743,000
Potential Private Capital Contributions*	\$600,000	\$1,343,000
<u>Net Cost to Town</u>	<u>\$1,400,000</u>	<u>\$1,400,000</u>