

**AGREEMENT**

by and between the

MIAMI BEACH ASSOCIATION AND THE  
MIAMI BEACH ASSOCIATION WATER POLLUTION CONTROL AUTHORITY

OLD LYME SHORES BEACH ASSOCIATION AND THE OLD LYME SHORES BEACH  
ASSOCIATION  
WATER POLLUTION CONTROL AUTHORITY

OLD COLONY BEACH CLUB ASSOCIATION AND THE  
OLD COLONY BEACH CLUB ASSOCIATION  
WATER POLLUTION CONTROL AUTHORITY

and

THE EAST LYME WATER AND SEWER COMMISSION

regarding the

CONNECTION OF BEACH ASSOCIATIONS' SEWERAGE SYSTEM

to the

EAST LYME SEWERAGE SYSTEM

Dated

July 24, 2018

THIS AGREEMENT, made and entered into on this 24<sup>th</sup> day of July, 2018 by and between the **EAST LYME WATER AND SEWER COMMISSION**, the duly designated and authorized Water Pollution Control Authority of the Town of East Lyme (hereinafter "East Lyme") **MIAMI BEACH ASSOCIATION** and the **MIAMI BEACH ASSOCIATION WATER POLLUTION CONTROL AUTHORITY**, the duly designated and authorized Water Pollution Control Authority of the Miami Beach Association (hereinafter "Miami Beach") **OLD LYME SHORES BEACH ASSOCIATION** and the **OLD LYME SHORES BEACH ASSOCIATION WATER POLLUTION CONTROL AUTHORITY**, the duly designated and authorized Water Pollution Control Authority for the Old Lyme Shores Beach Association (hereinafter "Old Lyme Shores") **OLD COLONY BEACH CLUB ASSOCIATION** and the **OLD COLONY BEACH CLUB ASSOCIATION WATER POLLUTION CONTROL AUTHORITY**, the duly designated and authorized Water Pollution Control Authority of the Old Colony Beach Club Association (hereinafter "Old Colony") each located in the Town of Old Lyme. Miami Beach, Old Lyme Shores, and Old Colony are sometimes referred to collectively as the "Beach Associations" and sometimes referred to individually as a "Beach Association";

WITNESSETH:

WHEREAS, the Beach Associations are incorporated under special acts of the Connecticut legislature, which legislation provides that they may construct and maintain sanitary sewers and related facilities; and

WHEREAS, each of the Beach Associations have established a Water Pollution Control Authority having all the rights, powers, duties and obligations set forth in Connecticut General Statutes Section 7-245 et seq. as amended; and

WHEREAS, each of the Beach Associations are subject to a Consent Order issued by the Connecticut Department of Energy and Environmental Protection which provides, inter alia; that the Beach Associations shall design and construct sanitary sewers to collect sewerage within the boundaries of their respective beach associations and to convey same by way of a shared pump station and force main pipe in Connecticut Route 156 through portions of the Town of Old Lyme and East Lyme, connecting to the westerly terminus of East Lyme's sanitary sewer system; and

WHEREAS, on January 25, 2018 the Connecticut Department of Energy and Environmental Protection issued an Order to East Lyme requiring, inter alia, that East Lyme enter into an agreement with the Beach Associations allowing them to construct and connect a sewer transmission main in East Lyme and to connect the wastewater flow from the Beach Associations to East Lyme's sewage system; and

WHEREAS, East Lyme and the Beach Associations desire to set forth their respective rights and obligations regarding the configuration of said facilities and the transmission of said wastewater;

NOW, THEREFORE, the parties agree:

1. For purposes of this agreement, East Lyme's existing "wastewater conveyance system" means that portion of its interceptor sewers, force mains and other directly related facilities located in the Town of East Lyme as shown on a map entitled "Regional Wastewater Map" dated June, 2018, prepared by Fuss & O'Neill, attached hereto as Schedule 1.

2. By resolutions adopted or to be adopted, each of the Beach Associations appropriated funds for the construction and equipping of sewer mains and related facilities

in the Towns of Old Lyme and East Lyme, to be connected to the westerly terminus of East Lyme's existing wastewater conveyance system described in Paragraph 1 hereof. For purposes of this agreement, the Beach Associations' "sewer main" means the force main pipe and related facilities located within the East Lyme territorial limits in and along Route 156 to its connection with the westerly terminus of East Lyme's wastewater conveyance system described in Paragraph 1 hereof. Said sewer main will be more particularly described in plans and specifications to be developed by the Beach Associations' engineers and approved by the East Lyme Water & Sewer Commission at a later date

3. The design, construction and installation of the Beach Associations' sewer main described in Paragraph 2 hereof shall be at the Beach Associations' sole cost and expense. Any permits for such work within the Town of East Lyme which may be necessary or required by any federal, state or municipal agencies, boards or commissions shall be obtained at the Beach Associations' sole effort, cost and expense. The sewer main shall meet the construction and performance standards of equivalent new construction performed under the jurisdiction of East Lyme. The cost of the acquisition of any land or interests in land for the construction and installation of the Beach Associations' sewer main described in Paragraph 2 hereof shall be at the Beach Associations' sole cost and expense. Should the Beach Associations deem it necessary or desirable, East Lyme will assist the Beach Associations in acquiring such land or interests in land, by eminent domain proceedings if necessary, provided that the Beach Associations will be responsible for all of East Lyme's costs and expenses, direct and indirect, in connection with such acquisitions.

4. East Lyme shall be reimbursed for any direct or indirect costs arising out of or relating to the planning, and construction of the Beach Associations' sewer main described in Paragraph 2 hereof to the East Lyme wastewater conveyance system described in Paragraph 1 hereof, including but not limited to the reasonable costs incurred in negotiating this agreement (in an amount not to exceed the \$15,000 previously paid by the Beach Associations, and provided that any unused amount shall be refunded to the Beach Associations), preparing and reviewing plans, designs and specifications, locating and providing information, inspecting construction in East Lyme, constructing minor upgrades to East Lyme's sewer system necessitated by the increased flows from the Beach Associations (excluding the upgrades contemplated in Exhibit A), and other items of a similar nature. Said expenses shall be set forth in monthly invoices from East Lyme to the Beach Associations and shall be due and payable 45 days after the date of each such invoice; provided, advance notice of any expenses in excess of \$3,000.00 for any month shall be given to the Beach Associations

5. Upon completion of the construction of the sewer main located within East Lyme and described in Paragraph 2, and upon East Lyme's approval of the connection, ownership and title to the sewer main located within East Lyme and described in Paragraph 2 hereof shall be vested in the Beach Associations. The Beach Associations shall be solely responsible for all costs and expenses of inspecting, maintaining, operating, repairing, and replacing any and all parts of the Beach Associations' sewer main, and monitoring and maintaining the flow of wastewater within said sewer main. Any capital expenses pertaining to said main shall be the sole responsibility of the Beach Associations.

If for any reason, including but not limited to unforeseen emergencies, the Beach Associations are unable to maintain efficiently or promptly provide for necessary repairs or replacements of any components of the sewer main located in East Lyme and described in Paragraph 2, as reasonably determined by East Lyme and the Beach Associations, East Lyme may take such actions and provide such services and materials as may be necessary or desirable to keep said sewer main in proper and efficient operating condition. Provided, however, that East Lyme shall have the right to act without prior consultation with the Beach Associations when the nature of the emergency does not permit such consultation. The cost of such services and materials shall be reimbursed to East Lyme within thirty (30) days after East Lyme sends to the Beach Associations a statement for such services and materials.

6. The Beach Associations shall install a flow measuring device at a mutually acceptable location which meets mutually acceptable specifications to measure, record and transmit the volume of sewage flow from the Beach Associations to the East Lyme system. The flow measuring device shall be calibrated on an annual basis by the Beach Associations, in accordance with mutually acceptable standards and written proof of calibration should be provided to the Town of East Lyme. Measurements of said flow shall be made at daily intervals and reported to East Lyme in a manner acceptable to the East Lyme Water & Sewer Commission (preferably on a remote basis).

7. The Beach Associations' share of the value of East Lyme's existing wastewater conveyance system described in Paragraph 1 hereof is 120,000 gallons per day and will be determined by application of the formula for cost apportionment between East Lyme and the Beach Associations attached hereto as Exhibit "A". As set forth in

Exhibit A, the Beach Associations will pay \$537,852.75 as their share of the value of East Lyme's wastewater conveyance system described in Paragraph 1 hereof, said amount to be paid as follows: On or before the commencement of transmission of wastewater from the Beach Associations to East Lyme, the Beach Associations shall pay to East Lyme a down payment of \$13,446.32, with the remaining balance of \$524,406.43 to be paid over 20 years at two (2%) percent interest to be compounded semi-annually, said payments to be \$15,971.11 and paid on a semiannual basis on a billing schedule to be mutually agreed upon by the parties, all as shown on Exhibit C attached hereto, or another amortization schedule agreed to by the parties.

The parties agree the Beach Associations will have an option to reserve an additional one hundred and eighty thousand (180,000) gallons per day of flow. Said reservation option is intended to provide additional transmission capacity for future needs. The buy-in for additional capacity is to be purchased in increments of 1,000 with a minimum of 25,000 gpd and shall be calculated utilizing the same formula as shown in Exhibit A attached hereto. If and when the additional transmission capacity is purchased, the parties will mutually agree to a revised Exhibit A and payment amortization schedule to reflect said purchased capacity.

8. The Beach Associations shall be responsible for a share of the cost of all future capital projects that occur in the East Lyme wastewater conveyance system described in Paragraph 1 hereof and in the Waterford sewer conveyance system that are charged to East Lyme in accordance with the "Bi-Town Agreement" between East Lyme and Waterford dated August 24, 1988, as amended and extended from time to time. Said share will be based on the respective design flows of East Lyme and the Beach

Associations. This provision shall include all capital costs and capital projects not covered under the annual conveyance fee described in Paragraph 9 hereof, including but not limited to a new Bridebrook Pump Station to be located near the connection point of the respective sewer systems.

9. Additionally, East Lyme shall receive from the Beach Associations a conveyance fee for the maintenance, operation and repair of the sewer transmission system described in Paragraph 1 hereof. Said fee shall be calculated in accordance with the methodology entitled "Conveyance Charge Calculation Through the East Lyme Sewer System"; dated February 2, 2018 and attached hereto as Exhibit "B". Said fee shall be paid to East Lyme twice per year and shall be due and payable sixty days after East Lyme sends to the Beach Associations a statement setting forth said amount.

10. On or before the commencement of the transmission of wastewater from the Beach Associations to East Lyme, the Beach Associations shall designate one Beach Association which shall be solely responsible for communicating with East Lyme concerning all aspects of the operation, maintenance and servicing of the Beach Associations' wastewater conveyance systems, including receipt and payment of all amounts due and payable under this agreement and bills and statements for services rendered. Until further notice, the Old Colony Beach Club Association will be responsible for such activities. By the execution of this Agreement each and all of the Beach Associations hereby acknowledge that they will be jointly and severally liable to the East Lyme Water and Sewer Commission for any and all amounts due and owing pursuant to this Agreement.



11. On reasonable notice and at reasonable times and intervals, all records of East Lyme pertaining to the calculation of reimbursable expenses described in Paragraph 4 hereof, and the calculation of maintenance, operation and repair charges described in Paragraphs 9 and 10 hereof, shall be available for inspection and review by authorized representatives of the Beach Associations.

12. East Lyme has promulgated and maintained rules and regulations consistent with state and federal guidelines with respect to the operation of its wastewater conveyance system described in Paragraph 1 hereof. The Beach Associations shall adopt and enforce the same rules and regulations for the use of the sewer main described in Paragraph 2 hereof. If East Lyme proposes to amend its rules and regulations in a manner which affects the Beach Associations' sewer mains, and if the proposed amendments are more stringent than those required by state and federal laws or guidelines, East Lyme and the Beach Associations shall agree on the necessity and terms of such proposed amendments before they are adopted.

13. The Beach Associations shall be responsible for assuring that the strength and character of the wastewater discharged into the East Lyme sewer system meets the requirements of the East Lyme Sewer Use and Sewage Disposal Ordinance. More particularly, the Beach Associations shall make provisions for odor and corrosion control to assure that the wastewater discharge at the westerly terminus of the East Lyme gravity main has an average hydrogen sulfide concentration of less than 5 ppm (vapor) and a peak concentration of not more than 15 ppm (vapor). The Beach Associations shall provide adequate facilities for treatment, testing and remote monitoring consistent with

East Lyme's standards and practices to assure that the hydrogen sulfide limitations are met.

14. The sewage transmitted from the Beach Associations to East Lyme shall be generated solely from the Beach Associations and no other sources. Any extension of this agreement to additional communities is subject to mutual consent of both parties. The parties agree to not unreasonably deny requests to add additional communities.

15. With the exception of any services that may be provided under Paragraph 5 of this agreement, this agreement shall not pertain to any services provided by East Lyme to the Beach Associations; provided that the parties have previously discussed entering into a Maintenance Contract and will do so on terms mutually agreed upon.. If the Beach Associations desire to contract with East Lyme for such services, that would be the subject of a separate agreement.

16. This Agreement is strictly for wastewater conveyance and transmission through East Lyme, and shall not be construed to diminish or affect East Lyme's treatment capacity at New London's Piacenti Facility.

17. This Agreement shall commence upon completion of the connection between the Beach Associations' wastewater conveyance system sewer main and the East Lyme wastewater conveyance system, and remain in full force and effect until terminated by mutual consent or upon the conclusion of any legal proceedings. The validity and enforceability of the obligations of the parties to this Agreement are premised on the continued existence of the "Tri-Town Agreement" among New London, Waterford and East Lyme, dated January 10, 1991 and the "Bi-Town Agreement" between East

Lyme and Waterford dated August 24, 1988, as they may have been amended and extended from time to time”.

18. It is the express intention of the parties that all disputes arising out of or related to this Agreement or to any rights or any relationship between the parties arising therefrom shall be solely and exclusively initiated and maintained in the Superior Court for the Judicial District for New London at New London, Connecticut. The Beach Associations and East Lyme each irrevocably consent to the jurisdiction of such court in any such actions or proceeding. The Beach Associations and East Lyme hereby expressly waive any and all rights they may have to trial by jury of any claim, demand, action or cause of action arising out of, resulting from or relating to this Agreement.

19. It is acknowledged that the City of New London and the Towns of Waterford and East Lyme may elect to enter into or establish a regional wastewater system at some time in the future. This agreement shall not be interpreted as requiring or inviting the Beach Associations to participate or join in such a regional wastewater system.

20. Any notices required under this Agreement shall be in writing and delivered by hand or by certified mail as follows:

The Miami Beach Association and  
The Miami Beach Association Water Pollution Control Authority  
P.O. Box 91  
Old Lyme, CT 06371

The Old Lyme Shores Beach Association and  
The Old Lyme Shores Beach Association Water Pollution Control Authority  
P.O. Box 80  
South Lyme, CT 06376

The Old Colony Beach Club Association and  
The Old Colony Beach Club Association Water Pollution Control Authority  
P.O. Box 10  
South Lyme, CT 06376

To East Lyme:

East Lyme First Selectman  
East Lyme Town Hall  
108 Pennsylvania Avenue  
Niantic, CT 06357

And to:

Chair, East Lyme Water and Sewer Commission  
East Lyme Town Hall  
108 Pennsylvania Avenue  
Niantic, CT 06357

21. The provisions of this Agreement shall be amended or modified only by written agreement duly executed by duly authorized representatives of East Lyme and the Beach Associations.

22. This document contains the entire agreement between East Lyme and the Beach Associations in respect to the matters covered by this Agreement. Except as may be expressly provided herein, nothing in this Agreement is intended to confer on any person other than East Lyme and the Beach Associations any rights or remedies under or by reason of this Agreement. This Agreement shall completely and fully supersede all other understandings and Agreements between East Lyme and the Beach Associations with respect to the matters contemplated herein.

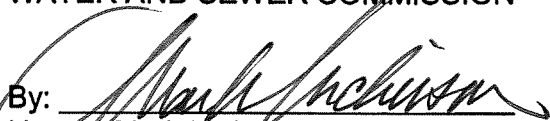
23. In the event that any provision of this Agreement shall for any reason be determined to be invalid, illegal, or unenforceable in any respect, the other provisions shall remain in force and effect.

24. This Agreement and any questions concerning its validity or construction shall be governed by the laws of the State of Connecticut.

IN WITNESS WHEREOF, the parties to this Agreement have caused this instrument to be signed in duplicate by their duly authorized officers, all of this 24<sup>th</sup> day of July, 2018.

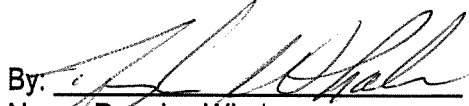
Signed, sealed and delivered  
In the presence of:

TOWN OF EAST LYME  
WATER AND SEWER COMMISSION

By:   
Name: Mark Nickerson  
Its: Chairman

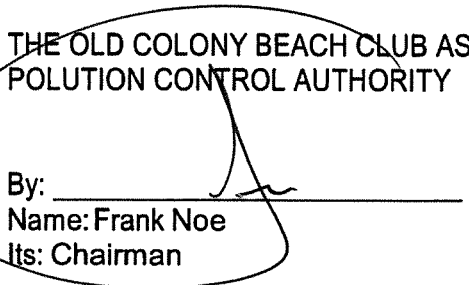
Date: 7/24/18

THE OLD COLONY BEACH CLUB ASSOCIATION

By:   
Name: Douglas Whalen  
Its: Chairman

Date: 7-18-18

THE OLD COLONY BEACH CLUB ASSOCIATION WATER  
POLUTION CONTROL AUTHORITY

By:   
Name: Frank Noe  
Its: Chairman

Date: 7/18/18

THE OLD LYME SHORES BEACH ASSOCIATION

By: \_\_\_\_\_  
Name: Matthew Merritt  
Its: President

Date: \_\_\_\_\_

IN WITNESS WHEREOF, the parties to this Agreement have caused this instrument to be signed in duplicate by their duly authorized officers, all of this 24<sup>th</sup> day of July, 2018.

Signed, sealed and delivered  
In the presence of:

TOWN OF EAST LYME  
WATER AND SEWER COMMISSION

By: \_\_\_\_\_  
Name: Mark Nickerson  
Its: Chairman

Date: \_\_\_\_\_

THE OLD COLONY BEACH CLUB ASSOCIATION

By: \_\_\_\_\_  
Name: Douglas Whalen  
Its: Chairman

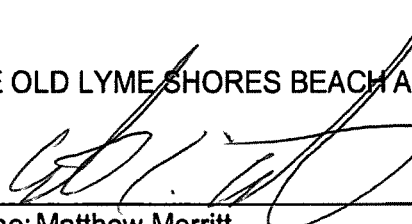
Date \_\_\_\_\_

THE OLD COLONY BEACH CLUB ASSOCIATION WATER  
POLLUTION CONTROL AUTHORITY

By: \_\_\_\_\_  
Name: Frank Noe  
Its: Chairman

Date \_\_\_\_\_

THE OLD LYME SHORES BEACH ASSOCIATION

By:   
Name: Matthew Merritt  
Its: President

Date 7/1/18

THE OLD LYME SHORES BEACH ASSOCIATION WATER  
POLLUTION CONTROL AUTHORITY

By: Joseph A. Halloran  
Name: Joseph Halloran  
Its: Chairman

Date 7/1/18

THE MIAMI BEACH ASSOCIATION

By: \_\_\_\_\_  
Name: Mark A. Mongillo  
Its: President

Date \_\_\_\_\_

THE MIAMI BEACH ASSOCIATION  
WATER POLLUTION CONTROL AUTHORITY

By: \_\_\_\_\_  
Name: Scott J. Boulanger  
Its: Chairman


Date \_\_\_\_\_

THE OLD LYME SHORES BEACH ASSOCIATION WATER  
POLLUTION CONTROL AUTHORITY

By: \_\_\_\_\_  
Name: Joseph Halloran  
Its: Chairman

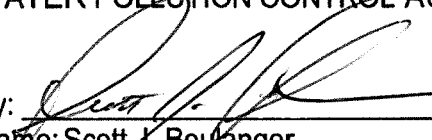
Date \_\_\_\_\_

THE MIAMI BEACH ASSOCIATION

By:   
Name: Mark A. Mongillo  
Its: President

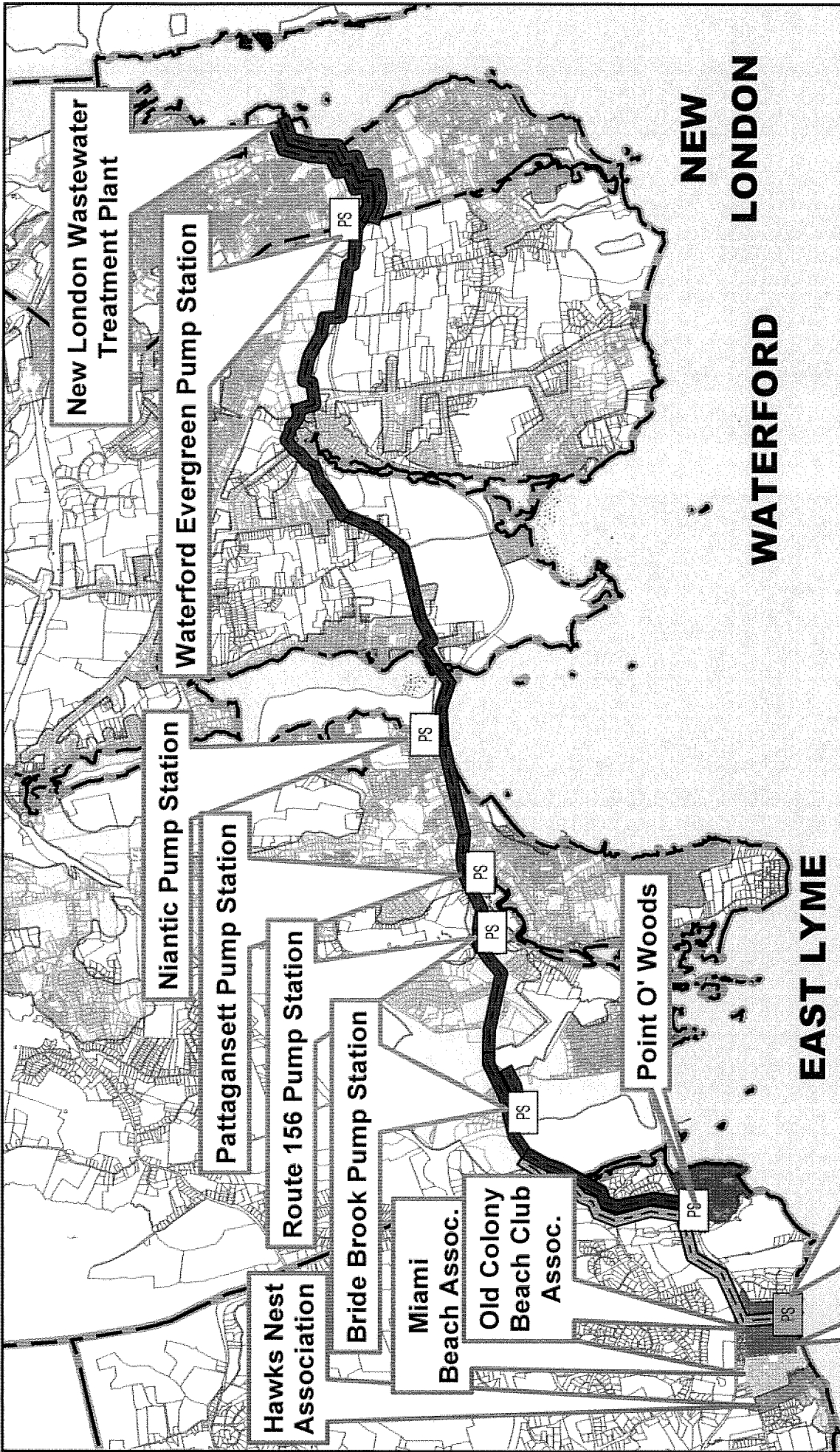
Date \_\_\_\_\_

THE MIAMI BEACH ASSOCIATION  
WATER POLLUTION CONTROL AUTHORITY

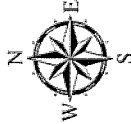
By:   
Name: Scott J. Boufanger  
Its: Chairman

Date \_\_\_\_\_





JUNE 2018



NOT TO SCALE

Transmission route through Old Lyme, East Lyme, Waterford and New London are for illustrative purposes only and actual alignment may vary.

Legend

- Pump Station
- Sewer Service Area
- Existing Force Main
- Proposed Pump Station
- Gravity Main Sewers
- Proposed Force Main

**Regional Wastewater Map**  
Wastewater Facilities Planning with  
Conceptual Association Connection

Figure 1



**FUSS & O'NEILL**

**OLD LYME**

# EXHIBIT A

## EAST LYME/OLD LYME BEACHES INTERMUNICIPAL AGREEMENT

### Initial 120K GPD Old Lyme Beaches Expansion

Calculation Date  
Jun-18

#### Buy-In Fee Calculation 2018 R-6

**East Lyme Bride Brook PS Flows** (1989 Agreement)  
 DOC Reserve 250,000 gpd (104K gpd borrowed -  
 Rocky Neck Reserve 169,000 gpd (Facilities Plan 2007 A)  
 Colton Rd Area 14,000 gpd (Facilities Plan 2007 A)  
 Giant's Neck Area 82,000 gpd (Facilities Plan 2007 A)  
 515,000 gpd  
 0.515 MGD

ADF Based on EDU's  
 40,500 37.04% Miami EDU's 225  
 39,780 35.62% Old Colony 225  
 34,380 29.34% Old Lyme Shores 191

**\*\*Rounded up to 120K gal**  
 114,600  
 120,000  
 Hawks Nest Contingency  
 Sound View contingency

180,000 Contingency for Future tie in of Soundview and  
 Hawks Nest Beaches - Town of Old Lyme  
 controlled & Misc. Areas A&B  
 Total Projected Flow to include future  
 contingency amounts  
 294,660  
 300,000 Ultimate Projected Flow

Project Name	A	B	C	D	E	F	G	H
	Net Project Cost (Total Less Grants)	Project Year (Approx)	* Approx # of Years in service	Depreciation for Pipes and 30 Yr Pump Stations	**EL ADF (MGD)	Old Lyme Beaches ADF (MGD)	Ratio OL Beaches as % of Total (MGD)	Old Lyme Beaches Contribution
<b>1 New London</b>								
A Treatment Capacity *	\$1,000,000.00	1990	28	-	1.62	0.12	0.0740741	n/a
B Capacity Improvement	\$150,000.00	1990	28	-	1.62	0.12	0.0740741	n/a
C Rtt/Dent Upgrade	\$127,211.00	1990	28	-	1.62	0.12	0.0740741	n/a
<b>2 Waterford</b>								
A Capital Improvement	\$474,687.00	1990	28	\$2,009,862.28	1.62	0.12	0.0740741	\$15,471.28
B Evergreen P.S.	\$722,379.00	2007	11	\$457,506.70	1.62	0.12	0.0740741	\$33,889.39
C Logger Hill Sewer Line Rehab	\$1,200,000.00	2012	6	\$1,056,000.00	1.62	0.12	0.0740741	\$78,222.22
<b>3 East Lyme</b>								
<b>Phase 1</b>								
Contract 1 Niantic-Waterford Force Main	\$2,143,896.00	1990	28	\$943,314.24	1.755	0.12	0.0683761	\$64,500.12
Contract 2 Niantic Pump Station	\$2,271,231.00	1990	28	\$989,342.52	1.989	0.12	0.0603318	\$60,292.16
Contract 3 Niantic Interceptor	\$596,464.00	1990	28	\$438,444.16	1.755	0.12	0.0683761	\$29,979.09
<b>Phase II</b>								
Contract 5 Pattagansett Pump Station	\$1,625,301.00	1990	28	\$715,132.44	1.571	0.12	0.0763845	\$4,625.01
Contract 9 W. Main St. Inter. & P5	\$1,288,623.00	1990	28	\$566,994.12	0.786	0.12	0.1526718	\$86,563.99
Contract 10 Medium Pumping Stations (BtBk, Rt. 156, & G. Neck)	\$112,783.00	1990	28	\$49,634.52	0.525	0.12	0.2285714	\$11,242.75
<b>Other</b>								
Colton Rd. Sewer Extension	\$133,779.00	2000	18	\$85,618.56	0.525	0.12	0.2285714	\$19,569.96
Bridebrook P.S. Upgrade	\$522,768.00	2002	16	\$243,958.40	0.525	0.12	0.2285714	\$55,761.92
Niantic P.S. Bypass	\$70,673.00	2005	13	\$40,048.03	1.989	0.12	0.0603318	\$2,416.17
<b>New Capital</b>								
Bridebrook P.S. Relocation*****	\$0.00	2019	0	\$0.00	0.635	0.12	0.1889764	\$0.00
Niantic P.S. Upgrades	\$418,000.00	2018	0	\$418,000.00	1.989	0.12	0.0603318	\$25,216.70
Pattagansett P.S. Upgrades	\$0.00	2018	0	\$0.00	1.571	0.12	0.0763845	\$0.00
Route 156 P.S. Upgrades	\$0.00	2018	0	\$0.00	0.635	0.12	0.1889764	\$0.00
Niantic P.S. Force Main Impvs.	\$0.00	2018	0	\$0.00	1.755	0.12	0.0683761	\$0.00
Collection System Capacity Impvs	\$0.00	2018	0	\$0.00	1.571	0.12	0.0763845	\$0.00
<b>Total</b>	<b>\$13,257,797.00</b>			<b>\$6,222,845.97</b>			<b>Buy-in Fee</b>	<b>\$537,852.75</b>

- NOTES:
- \* Number of years from original 2012 calculation have been updated to 2018 for depreciation
  - \*\* includes Associations Waste Water of 114,600 (rounded up 120,000 gal.) projected GPD
  - \*\*\* EL ADF Column (E) includes projected wastewater flow shown in Column F needed to achieve ratio in Column G (Beaches as % of total)
  - \*\*\*\* Reimbursement For New Capital Projects will be based upon depreciation and percentage flows conveyed by each component of the collection system. Bridebrook P.S. flows will be apportioned using East Lyme ADF flows of 0.515MGD or greater as measured for future capital projects.
  - \*\*\*\*\* Assumes \$1.6M Project w/25% CWF grant will be added in due course

## **EXHIBIT B**

### **EAST LYME/OLD LYME BEACHES AGREEMENT – 2/2/18**

#### ***CONVEYANCE CHARGE CALCULATION THROUGH THE EAST LYME SEWER SYSTEM***

The Old Lyme Beach Associations (or OLBA) will pay the East Lyme Water & Sewer Commission (or ELW&SC) twice per year for the cost of conveyance thru the East Lyme wastewater conveyance system. For the purposes of this agreement, the Old Lyme Beach Associations (OLBA) refers to Miami Beach, Old Lyme Shores Beach & Old Colony Beach. The OLBA flows would enter the East Lyme sewer system at the manhole east of the Campground on Rt. 156 west of the Rocky Neck Connector and would then proceed thru the main sewer line west to east down Rt. 156 to Waterford. The OLBA flows will go thru the four main pump stations in East Lyme; Bridebrook pump station, Fairhaven pump station (at the intersection of Fairhaven Rd and Rt 156), Pattagansett pump station (behind the Niantic Diner) and the Niantic Pump Station (next to Dad's restaurant). Because those four stations have the most flows going through them in Town, they require the most maintenance and time by our staff.

In determining the calculation of the conveyance fee, the Town of East Lyme will be allocating a percentage of certain line items in their budget to Old Lyme. Those line items are as follows; Maintenance of Pump Station Equipment, Field Salaries/Wages, Field Overtime and Materials and Supplies. Thirty five percent (35%) of the total cost of the each these line items would be divided up into four and allocated to each of the four pump stations. Then the Old Lyme Beaches would pay their percentage of flow through each of the four main pump stations times the allocated amount to that pump station. For example, if the Maintenance of Pump Station line item in that year's Sewer Budget was \$60,000, then 35% of that number is \$21,000. The \$21,000 would be divided by four to give a base line of \$5,250 for each of the four pump stations. Then Old Lyme's flow compared to the flow at each pump station would determine the amount that Old Lyme would pay for that item. So if Old Lyme's flows were as follows; 8.7% of Bridebrook's flows, 4.9% of Fairhaven's flows, 3.5% of Pattagansett's flows and 2.2% of Niantic flows; then those percentages would be multiplied by the \$5,250 to determine Old Lyme's share for that line item.

The above calculation will also use the same percentage of flows as identified above for two budget line items and then multiple by the actual cost. These line items are Maintenance of Wet Wells and utilities. Because East Lyme will know these actual costs for each of the four main pump stations, this number will be easy to determine.

The East Lyme Sewer Department has a line item for Maintenance of System. This line is meant to pay for repairs to the sewer main throughout the entire system. There are 44.7 miles of pipe throughout the EL sewer system but only 3.13 miles of this pipe is the main line in which OL's flows will go thru. The calculation will include that percentage of pipe that the OL flows go

through  $(3.13/44.7 = 6.99\%)$  times the percentage to flows between OL and East Lyme to arrive at a component of this line allocated to Old Lyme.

Old Lyme will also pay their percentage of the cost that Waterford will charge East Lyme for conveyance through Waterford. This will be calculated by taking Waterford's conveyance times the percentage of Old Lyme's flows to East Lyme's flows.

By way of illustration, attached is a sample calculation that will show how the conveyance biyearly fee is determined. This sample calculation reflects a conveyance fee of \$25,614.

OLBA shall pay the ELW&SC twice per year based on estimated flows from Old Lyme. In the first billing after the end of each fiscal year (the October billing), the ELW&SC will perform a reconciliation of actual costs compared to actual flows from the previous fiscal year and will then make a one-time correction (either up or down) based on that reconciliation.

# TOWN OF EAST LYME

## SEWER DEPARTMENT

### Potential Old Lyme Conveyance Costs



#### EXECUTIVE SUMMARY

when ADF is used it represents average daily flow

#### ASSUMPTIONS

EL Sewer Dept's total FY 17-18 Budget \$ 2,090,733

OL will pay NL directly for sewer treatment

Initial OL Flows	In Season	38,000	ADF for	10 wks of in season
	Out of season	13,000	ADF for	remainder of year
	Est Total Yrly Flow	6,495,000		
	Initial OL Design Flow	114,660	Avg Daily Design flow	
	ADF for EL	803,151		
	Total Est EL Flow	293,150,115		
	OL flow compared to EL Flow	2.22%		\$ 46,322

OL flow would go thru 4 EL pump stations		<b>OL %</b>
	Bridebrook	205,000 ADF 8.68%
	Fairhaven	360,000 ADF 4.94%
	Pattagansett	515,000 ADF 3.46%
	Niantic	850,000 ADF 2.22%

% of est EL Sewer Labor dedicated to 4 stations 35%

#### OLD LYME SHARED COSTS FOR CONVEYANCE THRU EAST LYME \*

Maint. of Pump St Equip	\$	1,013	
Maint of Wet Wells	\$	1,162	
Maint of System	\$	38	
Utilities	\$	4,439	
Field Salaries/Wages	\$	13,762	
Field OT	\$	3,174	
Materials & Supplies	\$	608	
% of Waterford Convey	\$	1,418	\$ 25,614

\*these numbers don't include capital costs that OL would be responsible for their share

If Old Lyme were to be a straight customer of East Lyme, annual payment would be  
 6,495,000 YF / 1000 \* \$ 7.67 /1000 gal = \$ 49,817

If Old Lyme paid rate - treatment of East Lyme, annual payment would be  
 6,495,000 YF / 1000 \* \$ 4.60 /1000 gal = \$ 29,854

11/1/16 rate

#### Point o Woods Flows as EL's Customer

From the 5/16 & 11/16 billings

Tot Flow	5,880,219	million gallons	In Season	35,000	ADF
Billing	\$ 45,741.97		Out of season	12,000	ADF
			Design Flow	105,000	ADF

shaded numbers are inputted

**EXHIBIT C**

6/28/2018

Semiannual Payment Amortization Schedule



MyCalculators.com

**Amortization Schedule****\$ 524,406.43 Loan with Semiannual Payments****2.0% Interest Rate -Compounded Semi-Annually****40 Semiannual Periods**

<u>Semiannual Period</u>	<u>Payment</u>	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Remaining Balance</u>
1.	\$ 15,971.11	\$ 10,727.05	\$ 5,244.06	\$ 513,679.38
2.	\$ 15,971.11	\$ 10,834.32	\$ 5,136.79	\$ 502,845.06
3.	\$ 15,971.11	\$ 10,942.66	\$ 5,028.45	\$ 491,902.40
4.	\$ 15,971.11	\$ 11,052.09	\$ 4,919.02	\$ 480,850.31
5.	\$ 15,971.11	\$ 11,162.61	\$ 4,808.50	\$ 469,687.70
6.	\$ 15,971.11	\$ 11,274.23	\$ 4,696.88	\$ 458,413.47
7.	\$ 15,971.11	\$ 11,386.98	\$ 4,584.13	\$ 447,026.49
8.	\$ 15,971.11	\$ 11,500.85	\$ 4,470.26	\$ 435,525.64
9.	\$ 15,971.11	\$ 11,615.85	\$ 4,355.26	\$ 423,909.79
10.	\$ 15,971.11	\$ 11,732.01	\$ 4,239.10	\$ 412,177.78
11.	\$ 15,971.11	\$ 11,849.33	\$ 4,121.78	\$ 400,328.45
12.	\$ 15,971.11	\$ 11,967.83	\$ 4,003.28	\$ 388,360.62
13.	\$ 15,971.11	\$ 12,087.50	\$ 3,883.61	\$ 376,273.12
14.	\$ 15,971.11	\$ 12,208.38	\$ 3,762.73	\$ 364,064.74
15.	\$ 15,971.11	\$ 12,330.46	\$ 3,640.65	\$ 351,734.28
16.	\$ 15,971.11	\$ 12,453.77	\$ 3,517.34	\$ 339,280.51
17.	\$ 15,971.11	\$ 12,578.30	\$ 3,392.81	\$ 326,702.21
18.	\$ 15,971.11	\$ 12,704.09	\$ 3,267.02	\$ 313,998.12
19.	\$ 15,971.11	\$ 12,831.13	\$ 3,139.98	\$ 301,166.99
20.	\$ 15,971.11	\$ 12,959.44	\$ 3,011.67	\$ 288,207.55
21.	\$ 15,971.11	\$ 13,089.03	\$ 2,882.08	\$ 275,118.52
22.	\$ 15,971.11	\$ 13,219.92	\$ 2,751.19	\$ 261,898.60
23.	\$ 15,971.11	\$ 13,352.12	\$ 2,618.99	\$ 248,546.48
24.	\$ 15,971.11	\$ 13,485.65	\$ 2,485.46	\$ 235,060.83
25.	\$ 15,971.11	\$ 13,620.50	\$ 2,350.61	\$ 221,440.33
26.	\$ 15,971.11	\$ 13,756.71	\$ 2,214.40	\$ 207,683.62
27.	\$ 15,971.11	\$ 13,894.27	\$ 2,076.84	\$ 193,789.35
28.	\$ 15,971.11	\$ 14,033.22	\$ 1,937.89	\$ 179,756.13
29.	\$ 15,971.11	\$ 14,173.55	\$ 1,797.56	\$ 165,582.58
30.	\$ 15,971.11	\$ 14,315.28	\$ 1,655.83	\$ 151,267.30
31.	\$ 15,971.11	\$ 14,458.44	\$ 1,512.67	\$ 136,808.86

6/28/2018

Semiannual Payment Amortization Schedule

32.	\$ 15,971.11	\$ 14,603.02	\$ 1,368.09	\$ 122,205.84
33.	\$ 15,971.11	\$ 14,749.05	\$ 1,222.06	\$ 107,456.79
34.	\$ 15,971.11	\$ 14,896.54	\$ 1,074.57	\$ 92,560.25
35.	\$ 15,971.11	\$ 15,045.51	\$ 925.60	\$ 77,514.74
36.	\$ 15,971.11	\$ 15,195.96	\$ 775.15	\$ 62,318.78
37.	\$ 15,971.11	\$ 15,347.92	\$ 623.19	\$ 46,970.86
38.	\$ 15,971.11	\$ 15,501.40	\$ 469.71	\$ 31,469.46
39.	\$ 15,971.11	\$ 15,656.42	\$ 314.69	\$ 15,813.04
40.	\$ 15,971.17	\$ 15,813.04	\$ 158.13	\$ 0

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<b>Totals</b>	<b>\$ 638,844.46</b>	<b>\$ 524,406.43</b>	<b>\$ 114,438.03</b>	
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