THE BOND BUYER

Vermont voters approve wastewater bond issuance

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Voters in South Burlington, Vermont, approved a \$34 million wastewater bond proposal on Tuesday, the largest of several similar local referendums approved statewide.

The South Burlington wastewater bonds will fund overhauling and replacing pumps that serve the Bartlett Bay Wastewater Treatment Facility, which provides service to nearly all of South Burlington's 20,282 residents.

The facility, which was built in the 1970s and hasn't been upgraded since the late 1990s, has degraded and is nearing the end of its useful life and requires "significant capital investment to comply with applicable regulatory requirements," city officials said.



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In October, an engineering consulting firm hired by the city reported the facility needed to replace four wastewater pumps and install new filtration membranes to continue providing safe and adequate service.

"The public interest and necessity demand that the city design, engineer, plan, and install capital equipment and make capital improvements to the facility," their report read.

Several other bond proposals targeting local water and wastewater infrastructure received approval from voters on Tuesday, including \$5.8 million for water mains in the city of Bennington and \$2.5 million for water mains and \$1.1 for wastewater networks in Rutland.

Along with local funds, there has been a statewide push to finance upgrades and improvements to dated wastewater systems.

The American Society of Civil Engineers rated Vermont's wastewater infrastructure D-minus in its 2023 <u>Infrastructure Report Card</u> — noting a decrease in spending and an increase in the rate of failures and breakdowns — and advised widespread upgrades and improvements across the state.

"Aging infrastructure has led to failed wastewater treatment systems and combined sewer overflows," the report said, adding the state should "take advantage of all available funding sources, including American Rescue Plan Act funding" to carry out capital improvements.

In October, Gov. Phil Scott spearheaded an effort to address the issue, creating the Village Water and Wastewater Initiative.

The program will funnel to municipalities portions of the \$30 million made available for upgrades to Vermont's water and wastewater networks through ARPA. The funds are meant to supplement local monies and accelerate the development of water systems and wastewater disposal networks.

"Investing in water, sewer, and stormwater initiatives is key to revitalizing communities and spurring economic growth," Scott said in a <u>press</u> release announcing the program. "When you have the needed infrastructure, you can build more housing and open up more opportunities for businesses to grow."

South Burlington's capital plan calls for tapping a mix of financing to fund the Bartlett Bay overhaul including ARPA funds as well as the \$34 million in GOs approved Tuesday.

Voters in the city also approved two smaller funding proposals: \$15 million of tax increment financing bonds for roadway improvements and \$14.5 million of bonds to boost the capacity of local schools.