

Water Department Funding Strategy

Executive Summary

The Town of Bristol has developed a comprehensive, data-driven approach to water system infrastructure management and financing, utilizing findings from its 2016 Drinking Water Asset Management Grant to create a sustainable, long-term capital improvement plan.

Current System Overview

Bristol's municipal water system currently has 680 connections, representing a compact but essential utility infrastructure. Our system analysis, completed through the Drinking Water Asset Management Grant, has enabled us to prioritize critical waterline upgrades and develop equipment replacement schedules based on asset condition assessments and lifecycle projections.

Projected Growth and Development

Several strategic development initiatives will impact our water system capacity and revenue projections:

Planned Development Projects

- **Lover's Lane Development:** 18.8-acre parcel planned for multi-unit residential construction
 - Land sale December 2018
 - Construction timeline dependent on market conditions and permitting
- **Stoney Hill Business Park:** 8.61-acre commercial development
 - Firehouse Apartments, 20 units of low- and moderate-income rental housing units completed in 2023
 - AllEarth Renewables solar tracker manufacturing facility completed in 2024

While these developments represent significant growth potential, our planning approach accounts for variable growth scenarios to ensure financial sustainability regardless of development timing.

Strategic Capital Planning Approach

Our long-range capital plan incorporates a conservative, sustainable financing model designed to maintain system reliability while minimizing rate burden on current users:

Annual Capital Allocations

- **Equipment upgrades:** Systematic replacement based on asset management data

- **Emergency repairs:** \$10,000 annual reserve for waterline maintenance
- **Major construction projects:** Revised six to seven-year cycle for comprehensive infrastructure replacement given the age and condition of the current water system

Funding Strategy

Our multi-source financing approach maximizes available resources while minimizing municipal debt burden:

1. **Capital Fund Accumulation:** Annual deposits to build substantial project reserves (targeting 100% of equipment upgrades and emergency repairs)
2. **DWSRF Planning Loans:** Leverage Drinking Water State Revolving Fund resources for engineering and design phases
3. **DWSRF Construction Loans:** Leverage Drinking Water State Revolving Fund resources for construction phases
4. **Grant Financing:** Additional construction financing with potential grant components (Northern Border Regional Commission)
5. **Congressionally Directed Spending:** Additional construction financing for construction phases
6. **Loan Forgiveness Optimization:** Strategic use of DWSRF loan forgiveness provisions for engineering and construction

This integrated approach maximizes the value of state and federal resources while maintaining fiscal responsibility and rate affordability for our community.

Adaptive Management

Our plan includes built-in flexibility to respond to changing conditions. Should anticipated development projects accelerate user growth significantly, we will adjust project timelines accordingly to meet increased demand while maintaining our commitment to sustainable financing practices.

Conclusion

Bristol's water department funding strategy represents a thoughtful balance of proactive infrastructure management, responsible fiscal planning, and strategic use of available funding resources. This approach ensures reliable water service delivery while protecting ratepayers from unnecessary financial burden and positioning the Town to respond effectively to future growth opportunities.