

Milford water system to get upgrade (The News Journal)

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MILFORD -- The city of Milford will receive a federal loan of up to \$5.6 million to upgrade and essentially double the capacity of its aging water system.

The 40-year loan, made available under a five-year rewrite of the federal farm bill enacted by Congress in June, will carry an interest rate of 2.75 percent.

City Manager David Baird, noting that 4.5 percent was the best rate that the city could find elsewhere, said the interest rate would save about \$780,000 for city taxpayers over the 40-year life of the loan.

In February, city residents handily approved a referendum that authorized a bond issue of up to \$15 million -- carrying an interest rate of up to 5 percent -- to pay for water, wastewater and electric department improvements. The debt would be secured with revenues from taxes and water, sewer and electric fees.

The referendum authorizes spending up to \$5 million for the water project, but Baird said he expected that the bond proceeds would be tapped for only \$1 million to \$1.5 million.

The money is made available through the U.S. Department of Agriculture's Rural Development program. Marlene Elliott Brown, director of the program in Delaware, said the loan reflects a congressional effort to make a dent in a nationwide backlog of about \$3 billion in rural water and wastewater projects.

The only other Delaware entity listed among 236 recipients of \$547 million in farm bill infrastructure projects was Sussex County's Angola Neck Sanitary Sewer District, which received \$6.3 million in farm bill loans and grants among total federal, state and local funding totaling \$24.5 million. The \$33 million project calls for extending central sewer service to 1,500 homes, many of which are victimized by failing on-site septic systems.

"This is really our tax dollars coming home to improve the water system here in Milford," Brown told a crowd that included five members of Milford City Council.

The Milford money will be used to essentially double the capacity of the existing water system. The city will add a water treatment plant, three wells and a water storage tank with a capacity of about 1 million gallons. Baird said the Washington Street water treatment plant, housed in a building that once hosted the police department and other city operations, had been providing water for about 100 years.

Once the new facilities are in place, Baird said, the old treatment plant will be taken off line for a round of improvements. The town's growth, fueled by an aggressive annexation policy, had caused water pressure shortcomings that, at one point, forced the Milford School District to call off classes.

The news conference was attended by Rep. Mike Castle, R-Del., and Sen. Tom Carper, D-Del. Both said the farm bill, widely viewed as dealing with corn, soybeans and other commodities, featured rural infrastructure improvements as a major component.

"I think the state of Delaware needs to refocus on this to some degree, and I also thinks the federal government needs to," Castle said. "The bottom line is that the need here in Milford was apparent."

Carper said the farm bill also encompassed energy, nutrition and conservation as they apply to rural development.

"Part of conservation is making sure we do this infrastructure piece and that we do it right," he said.

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