

Witchduck and Thoroughgood Dredging Project..... At What Cost?

*“An informed citizenry is the bulwark of a democracy”
Thomas Jefferson*

Dear Neighbors,

In June we sent an issue paper addressing the high cost, the inequitable distribution of the channels, and the inordinately high risks to the property owners. See Exhibit A. Some of you have courageously reached out to us to voice your concerns or examined our website at <http://dredgetax.com/>. Contrary to the project volunteers August 9 letter stating there are only a few owners opposed to the project, we are certain that there are over 20 owners (from all coves) not willing to pay the 51.5 cents SSD or 55% tax increase. Some want dredging at a more affordable cost, a few are opposed to any dredging, others don't want to pay for someone else's dredging because of their choice to live in a tidal community, and lastly, a couple of families just wish this project would just go away.

Mostly, people asked why the costs are so high relative to other communities and what options are available to make the dredging more affordable and equitable. Based on our analysis provided in the attached exhibits, we provide the following answers and options for your consideration.

Why are the costs so high?

- The number and the positioning of channels near properties are the primary reasons. By examining the 7 May plan, Exhibit B, and the cost of each channel (3 dredgings) one can see many of the channels have to be dredged 3.5 – 4.0 feet deep. As drawn, the channels approach (to tens of feet) to many properties, thus significantly reducing their need for driveways, and out of pocket expenses. This shifts the burden to the rest of us in the form of the SSD. At \$34.13 per cubic yard plus 20% engineering costs, these totals mount up and demonstrate a lack of cost consciousness by the plan designers. Also, the channels at the back reaches of the coves are 15 – 20 feet wide, which are excessive and contributes to the high costs.
- Potential options:
 - Eliminate most channels such that no channels are closer than 200 feet to properties or cross property lines. See Exhibit C, Option A, where the SSD would be 23.40 cents.
 - Make the dredge plan totally equitable by ensuring all properties get a channel near their properties and reduce their need for costly driveways. See Exhibit D, Option B with SSD of 59.76 cents.
 - Break up the project into four separate coves where each cove decides its own requirement and pays their own expenses. See Exhibits E – I, Option C, SSDs costs would range from 45.06 cents to 73.34 cents.
 - Reduce widths of smaller channels from 15 – 20 feet to 8 – 10 feet and reduce some depths by a foot.
 - Extend the city spur to include channel 6. For other dredge projects, the city has contributed to over 20%. By including channel 6, the city's share would increase to 10%.
 - Ideas from above can be combined for a more affordable and equitable plan. The recently defeated SSD of 24 cents for Thoroughgood Cove is probably a more reasonable cost.
- The property values for each cove vary significantly and impacts the SSD. Coves 1 and 4 would pay the least if they were priced separately (Exhibits F and I). Cove 2 would have an astounding SSD of 73.34 cents (Exhibit G). Aggregating the costs for each cove into one project masks the fact that the properties that benefit the most and account for most of the volume to be dredged, generally pay the least. The flip side of this egregiousness is that many of the homes that pay some the highest costs will receive the least benefit, or level of service, based on the position of the

channels. Compounding their expenses, these owners will have to pay for driveways for lengths of 200 – 300 feet to access the channel at costs of up to \$20K for each dredge cycle, or \$60K total. Logical questions for property owners on Hermitage Point, Ewell Point, and North Witchduck Rd (See Exhibit A) to ask the city and organizers are?

- Why do our properties not get a neighborhood channel within 200 feet? By the city's own definition channels serve two properties.
- Why should we pay for dredging to other properties so deep into the coves, and we do not get the same benefit?
- Who made these decisions and on what basis of fairness?
- To ensure owners make informed decisions of their total estimated costs, the city needs to provide owners an estimated cost of their driveways before voting.
- Four properties valued at \$2.3M on cove 4 were let out of the dredge plan by the organizers and the city public works to ensure the cove can attain the 80% threshold. The consequences of the action:
 - Increases the SSD cost 3.7%.
 - Is gerrymandering¹ and creates a double standard. The city informed us in a meeting on 23 September these properties would not benefit as they are 200 feet from the channel. We pointed out the obvious that the aforementioned properties cited above are 200 – 300 feet away from the channel and should have the same "get out" clause.
- There are three properties valued at \$1.768M that receive tax relief (all yes votes). These properties pay no SSD, increase the SSD 2.8%, and pass the costs onto the rest of us.
- There are 5 undeveloped properties and many homes significantly below the average cost of \$749K. All the undeveloped properties have channels near to those properties.
- The long term consequences of this decision will last at least 16 years and can cost many owners much more than \$120K (Exhibit J). Most of us have much higher priorities in our lives to spend our hard earned money, as opposed to exorbitant and unnecessary dredging. Based on the region's slow economic recovery and correlation with defense spending, are we willing to risk getting locked into such a costly investment with so much uncertainty. Keep in mind many other waterfront communities do not have SSDs, and certainly none as expensive as our proposed 51.5 cents—the highest in the city. See Exhibits J – K for projected costs for properties of varying values and comparison of other SSD rates. The numbers are staggering.

As owners we all made choices of where to live, at what cost and knowing the geography and the tides. The cost of altering our peaceful, serene landscape should be borne by the property owners proportional to the extent of their expenses, and not distributed to the rest of us. We hope that our neighbors will closely examine our analysis, discuss with us or your neighbors, and ask the hard questions to the organizers and the city planners on what they are doing to develop a more reasonable, equitable plan. We have addressed our concerns with the city and the organizers and presented them with options. It is now your time to be heard to demand a more responsible, affordable plan and to know what you are in fact paying for so you can make a more informed decision.

Points of contact: Paul O'Neil, Brandon Cholek or Rachel Greenberg at dredgetax.com. We look forward to the opportunity to discuss our analysis, insights and the options we have laid out with all property owners so that we collectively make informed decisions leading to a more affordable, and equitable outcome. Color versions of Exhibits A – K can be viewed at dredgetax.com.

¹ Gerrymandering manipulates the constituencies of (a voting area) so as to give one party an unfair advantage.