

**RICHMOND WATER AND SEWER
COMMISSION MEETING
November 18, 2013 MINUTES**

Members Present: Ashley Lucht (arrived 6:10 pm); Amy Lord; Chris Granda; Bard Hill; Bruce Bailey

Members Absent: None

Others Present: Geoffrey Urbanik, Town Manager, Kendall Chamberlin, Water Resources; Peter Pochop, Green Mountain Engineering; Bob and Chris Fischer; Sheila Bailey; Harold Irish; Donna Lyons; Frank Stewart; John Rankin; Linda Parent, Town Clerk; and Ruth Miller was present from MMCTV to tape the meeting.

Ms. Lucht called the meeting to order at 6:00 pm.

Ms. Lucht asked if there was any public comment.

Sheila Bailey said it seemed that public comment would be better if it was at the end of the meeting, so that people could say something after the business had been discussed. Ms. Lucht said she was open to trying it.

John Rankin said that this would mean that people would have to wait an hour to be able to speak. There was no decision to move the public comment period.

John Rankin said he wanted to comment about rates, and his research showed that the 1/2 ERU rate structure was an uncommon way to structure rates. In Vermont, only Northfield does this. Other methods of fixed charges differ by class, and they are more common. It was graduated sort of like a tax table. He suggested that the town look at other municipalities rate structure because the current ERU leaves people unhappy.

Bard Hill said that Jack Linn is exploring alternatives to our rate structure. Mr. Granda noted he had spoken to Jack Linn and the group had not yet met.

Bob Fischer said that he had never received an answer on what we were doing with the money we were overbilling. Ms. Lucht disagreed that the town was overbilling and that the revenue was due to higher usage than predicted. Mr. Fischer said the town was overbilling by \$60,000 to \$80,000 per year. Ms. Lucht said she wanted to challenge this. It was agreed that billing would be examined at the next meeting.

Mr. Hill requested that we examine budgeted revenue, actual revenue, the billed amounts and collected amounts.

Superintendent's Report

Mr. Chamberlin said that the department was getting ready for Winter, checking meters and such. One of the haulers was delinquent over \$10,000 and the department was shutting him off until he paid \$5,000.

Harold Irish asked who this was. Mr. Chamberlin said his practice was not to reveal delinquent accounts during open meetings but he would speak with Mr. Irish privately if he wished.

Rates Discussion

Chris Granda provided slide presentation to illustrate the usage, former billing and new billing structure. The slides showed that with both residential and commercial consumption, most people used little but there were large swings in billing between accounts of similar consumption. The new rates leveled this out and reduced fluctuations, but greatly increased billed amounts on the top users.

Ms. Lucht said that the consumption model created a more equitable rate structure. Mr. Granda noted that was true but the net effects were dollars paid at the top end.

Mr. Hill asked if we could identify residential accounts that had more than one residential unit, such as apartment buildings, but had only one meter.

Ms. Lucht said that we could make sure they were paying per unit at least the minimum ERU.

Mr. Granda said that if the town went to a straight per-gallon charge, the revenue would be too variable and constantly out of budget. Regarding the commercial accounts, the graph shows even more inequity under the old structure.

Mr. Granda said that the system needed to bring in more revenue, but the net effect was not all accounts went up, and some went down.

Stephanie Douglas Hughes said this was not sustainable and she wasn't hearing answers, just questions. We need to talk about solutions.

Bard Hill said that we needed to do something both in the near term, less than one year, and in the long term, which is beyond.

Donna Lyons said she can't recoup this. She was overbilled for so long on four bedrooms, and now her rates doubled. She had no way to recoup her loss.

Mr. Granda acknowledged the need to address individual system users.

Stephanie Douglas Hughes said she gets it but doesn't agree with it.

Bard Hill said that if we have expenses, then we need revenue to cover them. In particular, we need to add new users and shift some costs to the town. He felt that this should best be done with the new water storage tank.

Ms. Lucht said that an increase to the allocation-only accounts was needed to charge for fire protection.

Mr. Granda said he wanted something in writing to go to the schools to prepare their budgets. He said that he had spoken to John Alberghini about this, and RES should be prepared to spend \$5,000 more next year and CESU (meaning Mount Mansfield Union) should be prepared to expect \$17,000 more.

Mr. Granda offered a motion to issue such correspondence and was seconded by Mr. Hill and the motion carried 5-0.

Approval of Minutes

Ms. Lord offered a motion to approve the minutes of October 7, 2013 and October 21, 2014 and November 4, 2013 and was seconded by Mr. Hill and the motion carried 5-0.

1 Delinquent Accounts Policy

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3 Ms. Lucht read the revised policy. Mr. Hill offered a motion to approve the revised delinquent
4 accounts policy and was seconded by Ms. Lord and the motion carried 5-0.

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6 The Manager asked if the board wished to have the delinquent tax collector manage the delinquent
7 accounts and agreements. The board discussed the merits and said they would be ok if the Manager
8 hired the delinquent tax collector to perform this function.

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10 Ms. Lucht said that the plans for the Open House would be delayed until Spring.

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12 Mr. Hill said he wanted to discuss the ISO maps at the next meeting, since there was no time at this
13 meeting.

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15 Adjourn

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17 Ms. Lord offered a motion to adjourn at 7:05 pm and was seconded by Mr. Bailey. So voted.

DRAFT