

**RICHMOND WATER AND SEWER
ANNUAL MEETING
July 7, 2014 MINUTES**

Members Present: Ashley Lucht, Chair; Bard Hill; David Sander (arrived 6:15 pm); Bruce Bailey;
Bob Fischer

Members Absent: None

Others Present: Geoffrey Urbanik, Town Manager, Kendall Chamberlin, Water Resources;
Chris Fischer; Michael Parent; Bill Parent; Sheila Bailey; Harold Irish; Peter
Pochop, Green Mountain Engineering; Joy Reap; and Ruth Miller was
present from MMCTV to tape the meeting.

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

1. Welcome and Public Comment

Ms. Lucht asked if there were any comments from the public.

Michael Parent and Bill Parent came to speak about the water allocation for the Masonic Lodge building. Bill Parent said that there were few tenants, no showers, and they used hardly any water. The bill was going from \$1,700 a year to over \$3,600, for a non-profit owner. They had low rents and they netted only \$4,000 a year. Mr. Chamberlin offered to do a unit inspection but said if there were four rental spaces then the account would have four Base Units.

There was some discussion on this account. Mr. Hill said that the bill was comprised of not only how much water was used, but the base charges for each unit. Mr. Parent said he was afraid they would have to raise rents.

Superintendents Report

Mr. Chamberlin said that operations were doing fine. Mr. Fischer noted that the wastewater facility inspection received an "Excellent" rating from the state, which was impressive. Ms. Lucht agreed that having no deficiencies was rare and congratulated Mr. Chamberlin.

Financial Reports

The Manager presented the financial reports. There was some discussion about the annual user receipts and the fourth quarter billing. The Manager explained that what was shown on the report was collections for the year between July and June but the fourth quarter billing for this fiscal year wouldn't be received until September. The CPA would be the one adjusting for this.

Ms. Lucht said that septage receipts were obviously higher than anticipated but still thought it prudent to stick with the \$100,000 in the budget. We should discuss how to spend the excess funds.

Mr. Hill asked if we knew of any extenuating circumstances with delinquencies. The Manager said usually not since we weren't required to obtain that information. The current delinquencies amounted to \$28,940.75. Delinquent septage was \$18,826.77.

Water Storage Tank Discussion

The Manager explained that the Income Survey had been completed and the system's average household income was \$55,000 which was low enough to qualify for advantageous funding from both

1 USDA Rural Development and the State Revolving Loan Fund. This was good news and the town
2 had several funding options as well as storage tank design options.

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4 Ms. Lucht further explained that USDA would not fund a tank larger than \$400,000 which is the
5 smallest size we're considering. She added that the Chlorine Contact Time project had also not yet
6 been approved by USDA. However, both the water storage tank and CCT project were approved by
7 the State Revolving Loan Fund. The SRF would only fund a smaller size tank also, but unlike USDA,
8 the town could build a larger tank and pay the difference using Bond Bank funding. The SRF loan
9 could be a negative 3% interest loan, meaning up to 60% of the cost of building would be forgiven
10 over a 30-year period. Ms. Lucht added that the repayment of an SRF loan was delayed and could
11 be timed to begin after the Browns Court note was complete, reducing the requirement for additional
12 funds on the budget. Further, reserves could be reduced somewhat to offset the new debt payment.

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14 Mr. Fischer asked if any additional grants might be available. Mr. Pochop said only the -3% loan that
15 he knew of. Ms. Lucht said this was like getting the CCT project for free, plus planning. She said we
16 needed to make a decision on the size of the tank by July 21st.

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18 Mr. Pochop said that once our rate and terms are finalized for approval we would have the
19 information required to make a decision.

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21 Mr. Chamberlin asked if East Main Street is under consideration? Mr. Pochop said that application
22 was combined with the Pleasant Street and Bridge Street applications.

23 24 Policy Discussions

25 26 Billing Estimation Policy

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28 The Manager explained that this established how and when an account billing would be estimated.
29 There was some discussion and minor amendments. Mr. Hill offered a motion to approve the Billing
30 Estimation Policy as amended and was seconded by Mr. Bailey. The motion carried 5-0.

31 32 Account Revision Policy

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34 The Manager explained the account revision policy. This policy would determine how accounts were
35 determined and allow for appeals of those determinations.

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37 There was some discussion and minor amendments to this policy.

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39 Mr. Hill offered a motion to approve the Account Revision Policy as amended and was seconded by
40 Mr. Sander. The motion carried 5-0.

41 42 Service Extension to Reap Property

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44 The Manager explained that the Reaps had purchased a portion of the former Willis farm and had
45 development plans for it. They had requested the Water Commission extend water and sewer
46 service to their property on West Main Street, from behind the schools. There had been a preliminary
47 meeting on this and the schools had indicated their interest. Joy Reap added that they were
48 interested in an emergency exit through their property.

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50 Ms. Lucht asked the commission if they were willing to serve this property. Mr. Bailey said it would be
51 remiss to not do this, if they were paying for it.

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53 The Manager and Mr. Pochop discussed the need for a cost estimate to do this. The Manager said it
54 would not be less than \$100,000 to extend the service, besides the emergency road costs.

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1 Mr. Granda asked about the opportunity costs of expending our unused capacity. The creamery
2 parcel may require capacity. Ms. Lucht said that on the books, the creamery parcel was carrying a
3 significant capacity. Mr. Chamberlin's report of existing unused capacity already took this into
4 account.

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6 It was agreed this would be continued on the next agenda.

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9 The warrants were approved.

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11 **2. Adjourn**

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13 Mr. Sander offered a motion to adjourn at 7:00pm and was seconded by Mr. Fischer. So voted.

DRAFT