

**RICHMOND WATER AND SEWER
ANNUAL MEETING
May 19, 2014 MINUTES**

Members Present: Ashley Lucht, Chair; Bard Hill; David Sander; Bruce Bailey; Bob Fischer

Members Absent: None

Others Present: Geoffrey Urbanik, Town Manager, Kendall Chamberlin, Water Resources; Connie Doherty, Finance Assistant; Chris Fischer; Carolyn Marshall; Peter Pochop, Green Mountain Engineering; 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 and there were none.

Ms. Lucht introduced the two new members of the Water Commission, David Sander from the Selectboard and Robert Fischer who took the vacant customer seat.

Approval of Green Mountain Engineering Services Agreement

Peter Pochop of Green Mountain Engineering explained that in 2013 the Board had approved a partial contract for the preliminary work on the water storage tank. This was prior to the approval of the bond, and was expected to be charged to a future Drinking Water state revolving loan fund, which had been approved but not yet accepted – pending approval of the bond. Since the bond vote had passed, work was continuing, however, the full contract had not been revisited. The amount approved for the state loan, RF3-302, was \$84,157 and the Engineering Services Agreement was for \$20,000 for the Chlorine Contact Time contract and \$78,817 for the full Water Storage Tank contract.

Mr. Bailey offered a motion to approve the full Engineering Services Agreement as presented and was seconded by Mr. Sander and the motion carried 5-0.

Approval of Loan DWSRF RF3-302

The Manager explained that this now had to be accepted, however, should the Water Commission approve the documents or the Selectboard? There was some discussion and the board agreed that the Selectboard should be the ones to accept the loan.

USDA Rural Development Funding

Mr. Pochop explained that Rural Development funding may be available for both the water storage tank and chlorine contact time projects. The town formally applied for funding on Friday, May 16th, and as far as the water storage tank goes, Rural Development was willing to fund a tank size up to 460,000 but not partially fund a larger tank.

This generated a significant discussion on tank size. Ms. Lucht said that deciding the size of the tank was extremely important at this time. We were applying to the State revolving loan fund which would fund a tank up to 250,000 gallons but could partially fund a larger tank as well. We were also conducting an income survey which could allow us to access more favorable financing. She noted the importance of this to the system.

1 Mr. Pochop then presented a computer slide show on tank sizes, costs, and funding options.

2
3 The tank sizes we were discussing were 250,000 gallons; 460,000 gallons; 550,000 gallons and
4 760,000 gallons. There was some discussion on the ERU calculation and Mr. Pochop explained that
5 the state and federal government did their calculations differently than we did for the rates. Therefore
6 it was difficult to show how the costs would break down on each project, but he felt his numbers were
7 very close.

8
9 Mr. Hill said he wanted to know how much it would cost and not on an ERU basis. Mr. Pochop
10 presented some information he felt answered this question.

11
12 The discussion turned to tank size. Mr. Chamberlin stated his case for the 760,000 tank, regardless
13 of available funding options for the smaller tanks. Mr. Chamberlin said this was best for Richmond
14 and would have lasting benefits beyond the repayment period.

15
16 Mr. Hill said he wasn't suggesting that we not plan for 100 years, but people are concerned about the
17 costs.

18
19 Mr. Bailey asked what were the chances of the system population doubling? We should only extend
20 into new areas if contractor pays. Mr. Bailey didn't see system demands requiring the largest tank.

21
22 Mr. Chamberlin stated additional arguments and noted the population changes between 1890 and
23 1990. He said the needs of the system were quite different.

24
25 Bob Fischer said that we could never get a "1" from ISO because our fire department is volunteer.
26 The consideration shouldn't be ISO but our ability to pay.

27
28 Mr. Fischer offered a motion to approve a tank size between 550,000 gallons and 760,000 gallons,
29 and that if we go for the larger tank size we eliminate the underground electrical and generator from
30 the chlorine contact time contract, which would be estimated at \$100,000 in value. Ms. Lucht
31 seconded the motion.

32
33 There was some discussion on this issue. Mr. Chamberlin said that he was willing to accept the
34 removal of these items if it meant support for the larger tank. He noted that the tank was more
35 important than electrical or backup power in the long run.

36
37 There was some additional discussion, and the motion carried 5-0.

38
39 Ms. Lucht asked when was the last date we could decide tank size? Mr. Pochop said that the income
40 survey was expected by July 11th. Therefore, roughly two months to make a final decision. Ms. Lucht
41 wanted this announced on Front Porch Forum again soon, with maybe a question and answer from
42 Mr. Hill. There was some discussion that this question and answer sheet could be mailed out as well.

43
44 Mr. Bailey asked if we should still consider a 400,000 gallon tank if USDA funding was available, and
45 the board agreed that yes, in only that case, the 400,000 gallon tank would still be considered.

46 47 Superintendents Report

48
49 Mr. Chamberlin noted that the Library had a sewer clog that was significant and their lateral was
50 replaced almost entirely, with new pvc. The old lateral was sections of clay tile that were almost
51 completely clogged.

52
53 Mr. Chamberlin noted a \$4,000 repair to the backup generator also. It seems the radiator had failed
54 and needed to be replaced.

55

1 Financial Reports

2
3 The commissioners reviewed the budget status and billed versus collected reports. Mr. Fischer noted
4 that we had billed roughly over \$80,000 more than we anticipated. Ms. Lucht noted that \$57,000 in
5 that was septage. Some newer customers and higher than anticipated water usage made up the
6 remainder. Mr. Fischer wanted to discuss what to do with the surplus funds in July.

7
8 Approval of Minutes

9
10 Mr. Bailey offered a motion to approve the minutes of March 17th, April 7th and May 5th. Mr. Hill
11 seconded the motion and the motion carried 3-0-2 with Mr. Sander and Mr. Fischer abstaining.

12
13 Ms. Lucht noted that we needed the tank PER, minutes and other information on the website.

14
15 The warrants were reviewed and approved.

16
17 **2. Adjourn**

18
19 Mr. Hill offered a motion to adjourn at 7:00 pm and was seconded by Mr. Fischer. So voted.

