

Richmond Water Resources

Annual Customers Meeting

May 21, 2019

6:00 PM

Library Meeting Room

Agenda

Questions and Comments from the public will be taken for each item, following that item's presentation

- Discussion of Accomplishments of Past year
- Discussion of FY2020 Budget and Rates
- Discussion of Upcoming Projects and Capital Projects
- Discussion of Disconnection Policy
- Adjourn

Accomplishments & Highlights

- Jolina Court Water and Wastewater line extensions
- Permit to replace Bridge St. railroad crossing. Work will be completed when upper Bridge St. work is done.
- Completed the Baker St. water line upgrade.
- Replaced well equipment and cleaned the well
- Rewrote the delinquent account policy
- Upgraded water line on Rail Road St. to Richmond Rescue.
- Assisted in engineering for waterline extension and upgrade at Camel's Hump Middle School

FY2020 Budget

- Operational Spending increasing by \$11,563 for Water; and \$38,304 in Wastewater largely due to increasing a part time position to full time and increase in administrative expenses and general insurance.
 - The increase in staffing was deemed necessary for the following reasons:
 - FY19 budget had 3 FT and 1 PT employees
 - FY20 budget may increase staffing to 4 FT employees
 - Staffing survey by the State recommends 4.3 FT employees
 - Finding a PT employee has proved challenging
 - Safety requirements for certain jobs require 2-3 people on site. A fourth full time employee would allow for this more often.

FY2020 Budget

- Water Capital decreasing by \$12,003 due to decrease in Jericho Road principal and interest payments and a decrease in the allocation to the Water Capital Reserve.
 - The decrease in the reserve allocation was to partially offset the cost of the increased staffing
- Wastewater Capital decreasing by \$11,701 due to reductions in the allocation to the Water Capital Reserve.
 - The decrease in the reserve allocation was to partially offset the cost of the increased staffing

FY2020 Budget

- Water revenue increasing by \$4,397 to cover the increased costs.
- Wastewater revenue increasing by \$26,603 to cover the increased costs.
- New this year is an allocation for interest earned on the bank account of \$1,500 in Water and \$3,500 in Wastewater.

FY2020 Budget

- We will now transition to a separate spreadsheet to discuss FY20 Rates.

Near-Term Projects

- Upper Bridge Street Section is permitted for the rail road crossing but construction has yet to begin.
- Water line Bridge Crossing (consisting of a pipe upgrade and move to more protected location) is scheduled for fall of 2019
- Camel's Hump Middle School waterline extension is scheduled for summer of 2019.

Financial Impacts – Capital Projects

This will summarize the impacts to the Water & Sewer Budget from our capital plans, showing current and projected indebtedness

- 2006 Treatment Plant Upgrades = \$3,740,000
repayment of \$348,378 over 20 years = \$22,220
per year
- 2010 Sewer Lining & Manholes = \$445,999; 50%
forgiveness – repay \$222,999 over 20 years @ 2%
= \$14,092 per year
- 2011 Jericho Road = \$941,200 total; repay over
20 years at variable rate, decreasing over time =
\$70,423 budgeted for FY20

Financial Impacts – Capital Projects

- 2014/15 Water Storage Tank & Chlorine Project = \$1,575,000 bond plus \$464,000 cash; bond repayable over 30 years at -0.7% interest; \$67,503 per year. This was a negative interest loan but has been restructured to give the same forgiveness up front on the principal and level out interest payments for the life of the loan.
- 2018 Baker St. Project totaling \$81,706 was paid out of cash reserves.
- Well improvements totaling \$24,025 Was paid out of cash reserves.
- Rip Rap to protect well site from river flooding totaling \$43,120 was paid out of cash reserves.

Financial Impacts – Capital Projects

- 2016 East Main Street = \$1,275,000 payable over 30 years beginning in 2019; estimated to be \$25,140 per year. This was a negative interest loan but has been restructured to give the same forgiveness up front on the principal and level out interest payments for the life of the loan.
- West Main Street / Gateway extension is yet to happen so is impossible to predict at this time. The cost for this will be paid for by customers of the new lines and possibly grants.
- Bridge Street and Bridge St. Bridge crossing project were approved for bonds or notes at 2018 Town Meeting for up to \$400,000 of a total project cost estimated to be \$415,000. Bridge Crossing project will be completed in fall 2019 and is estimated to cost \$320,000. This may mean we need to go back to the voters for more money to complete the upper Bridge Street project which may total \$200,000 - \$300,000.

Water Quality & Etc.

We have some of the best drinking water in the state. We were well within limits for our permit and had no violations for the year for either water or wastewater operations. The Richmond Water Resources Department is proud to serve our town and they do a fine job keeping the system running efficiently and communicating with the public. Thank you Kendall, Allen, and Aaron!

Stay tuned as we soon consider important policy changes such as the Universal Connection Policy and other water and wastewater policies.

We will briefly review some of these during the meeting, as time allows, but in-depth discussion will be ongoing at Water Commission meetings held every 1st and 3rd Monday at 6:00 pm.