

**RICHMOND WATER AND SEWER  
REGULAR MEETING  
July 21, 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; Sheila Bailey; Peter Pochop, Green Mountain Engineering; Joy  
Reap; Carolyn Marshall; George Gifford; Heidi Bormann; Mark Fausel; Jon  
Kart; Ian Bender; and Ruth Miller was present from MMCTV to tape the  
meeting.

Ms. Lucht called the meeting to order at 5:30 pm.

**1. Welcome and Public Comment**

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

Peter Mumford of 932 West Main Street wanted to connect to the water and sewer system. He said he could not expand on his property because of wastewater restrictions, and asked the Water Commission to please extend the lines down West Main.

**Award of Contract for Chlorine Contact Time**

Peter Pochop of Green Mountain Engineering explained the bid process for the Chlorine Contact Time project. The town received three bids, from Todd Chagnon Construction, GW Tatro Construction and J. Hutchins. Todd Chagnon Construction was the lowest base bid at \$113,250. There were four "alternate add-on" projects to be priced, and Todd Chagnon Construction was the lowest aggregate bidder when these were also considered. Mr. Pochop went on to explain that the first alternative, G1, was the emergency generator and staff was recommending that be dropped, since the larger storage tank that will be built will have several days of water storage, making the need for an on-site generator less of a priority. Also, alternate G3 would be awarded through a direct contract with Gary Bressor and not Todd Chagnon Construction.

Ms. Lucht discussed this bid and the state revolving loan funding. She said that without spending more than a regular bond, by using the revolving loan it was like getting the CCT project for free.

There was some additional discussion. Mr. Pochop provided a computer slide show to show the projected costs and repayments under the anticipated state Revolving Loan Fund. His analysis showed that this project would cost a single family unit \$8 per year for 30 years.

Mr. Hill asked what the life expectancy of this project was. Mr. Pochop said that at least 50 years but since the pipe was PVC it would likely last much longer, perhaps 100 years. Mr. Hill asked if this fulfilled a requirement and Mr. Pochop said yes it was a requirement of the permit to operate issued two years ago.

Mr. Chamberlin added that the gravel driveway was such a low cost item, that it made sense to do this.

1 Gary Bressor said that he wasn't happy with how the driveway works now and feels that it makes  
2 sense to put dollars into this project now as opposed to constant maintenance on the existing  
3 driveway which has a shared entrance with his property.  
4

5 There was some other discussion. Mr. Hill offered a motion to award the contract for the Chlorine  
6 Contact Project to Todd Chagnon Construction at a base bid of \$113,250 plus alternate G2  
7 Underground Electric at \$31,000 and alternate G4 New Gravel Drive at \$12,000 for a total of  
8 \$156,250. Mr. Sander seconded the motion.  
9

10 There was additional discussion. Mr. Fischer said he was not 100% sold on the electrical work and  
11 driveway. He was concerned that the new underground electrical service would become the town's  
12 maintenance and repair responsibility while the standard overhead service was the responsibility of  
13 Green Mountain Power. Mr. Bailey agreed. Mr. Fischer also stated that the existing gravel driveway  
14 could be more easily maintained with the Highway crew.  
15

16 Mr. Chamberlin said that the electrical service was a public safety issue. He felt that in the event of a  
17 flood, the power pole would be vulnerable and Green Mountain Power may not be able to restore  
18 service if the location was underwater. An underground service was more protected from damage.  
19

20 The Manager asked Mr. Pochop to talk about the vulnerabilities of underground power. Mr. Pochop  
21 said that accidental digging up of the line was the main concern but otherwise the lines would be  
22 buried in conduit which protected them from soil movement and water.  
23

24 Ms. Lucht mentioned that the more we spend, the more we save with the negative three loan. There  
25 was no reason not to do this.  
26

27 Ms. Lucht called the question. The motion carried 3-0-2 with Mr. Bailey and Mr. Fischer abstaining.  
28

#### 29 Water Storage Tank discussions 30

31 Mr. Pochop provided another computer slide show to illustrate the two remaining tank options being  
32 considered: a 550,000 gallon tank and a 760,000 gallon tank. Ms. Lucht said that there was no final  
33 word from USDA Rural Development on the 400,000 gallon tank financing and she felt that the  
34 decision needed to be made now, so this size tank was no longer an option.  
35

36 Mr. Pochop explained that with a 30-year revolving loan for the base-size tank fundable by the State,  
37 with a 20-year Vermont Municipal Bond Bank bond to fund the difference, the 550,000 gallon tank  
38 would cost \$65 per year per base unit. The 760,000 gallon tank would cost \$77 per year per base  
39 unit, a difference of \$12 per year or \$1 per month. Mr. Pochop said that the staff recommendation  
40 was to go with the 760,000 gallon tank since \$12 per year was a small price to pay for the additional  
41 storage capacity.  
42

43 Mr. Chamberlin said that he recently discussed fire insurance rates with the Jericho fire chief, and if  
44 the town was able to lower its rating by 1 point it would save homeowners \$150 per year on their fire  
45 insurance. There was additional discussion on this.  
46

47 Following substantial discussion on the merits of tank size, Ms. Lucht asked for a motion to determine  
48 the design size of the tank. Mr. Bailey offered a motion to approve a 760,000 gallon tank design  
49 conditioned upon negative three percent funding as referred to by Ms. Lucht.  
50

51 Ms. Lucht said that we would not know the final funding scheme until the project was finished and the  
52 state revolving loan funding finalized. Therefore the tank had to be designed and constructed prior to  
53 final funding. There was some discussion. Ultimately there was no second to Mr. Bailey's motion  
54 and the motion failed.  
55

1 Mr. Hill offered a motion to approve a 760,000 gallon tank design as described in Mr. Pochop's  
2 presentation, at a projected cost of \$1,184,351. Mr. Bailey seconded the motion.

3  
4 Mr. Sander said it would be foolish to not consider the future with this funding possibility and in the  
5 long run we may not save anything by going with the smaller tank.

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7 The motion carried 5-0.

8  
9 Mr. Fischer said that at an earlier meeting (May 19, 2014) there was a motion that was approved that  
10 said that if he supported the larger size tank then the CCT underground electrical and driveway would  
11 be removed from that project.

12  
13 Mr. Sander argued that we need to keep the buried line. Maintenance of the overhead line was  
14 perpetual. There was significant discussion.

15  
16 Mr. Fischer asked how the CCT award would go in light of the conflicting motion. The Manager said  
17 that they were aware of the conflict and discussing it and needed to come to a decision tonight,  
18 otherwise the award would stand.

19  
20 Maureen Kangley said it was dishonest to ignore the prior motions.

21  
22 Mr. Fischer offered a motion to amend the prior award of the CCT project to Todd Chagnon  
23 Construction to use the Base Bid only and Mr. Bailey seconded the motion. The motion failed 2-1-1  
24 with Ms. Lucht voting against and Mr. Hill and Mr. Sander abstaining. The Manager noted that the  
25 literature supplied at the last meeting indicated State statute required a majority of the full board to  
26 carry an affirmative vote.

#### 27 28 Budget and Rates adjustments

29  
30 Ms. Lucht lead the discussion on the budget and rates. She said that septage was unquestionably  
31 more than anticipated and that she and staff were prepared to amend the current year's budget to  
32 allow for an additional \$25,000 in septage revenue, and lower the anticipated sewer receipts by that  
33 same amount. She had prepared a slide showing how the rates would be affected.

34  
35 She noted this would lower the sewer rate by about 7%, saving about \$1 per month on a base  
36 residential unit and \$2.50 per month on a base commercial unit and \$35 per month on a base  
37 governmental unit.

38  
39 There was some discussion. It was decided that making this change should occur and Mr. Fischer  
40 offered a motion to amend the budget by increasing the septage revenue line by \$25,000 and  
41 reducing the sewer user fees revenue line by \$25,000 and was seconded by Mr. Bailey and the  
42 motion carried 5-0.

43  
44 Mr. Sander offered a motion to amend the FY2015 Rate Sheet as shown by Ms. Lucht to reflect the  
45 change in budgeted revenues and was seconded by Mr. Hill and the motion carried 5-0.

#### 46 47 Superintendents Report

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49 Mr. Chamberlin waived off the report due to time considerations.

#### 50 51 Utility Extension to Reap property on West Main

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53 The Manager explained that Green Mountain Engineering had prepared a cost proposal to scope the  
54 West Main water and sewer extension. The Manager advocated authorizing the scoping section at  
55 \$6,483 and waiting for further direction on the design.

1  
2 After some discussion, the board agreed that the Manager should award a contract to Green  
3 Mountain Engineering not to exceed \$7,000 for the scoping of this project.

4  
5 Approval of Warrants and Purchase Orders

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7 The Manager explained that Green Mountain Engineering required a purchase order for further work  
8 on the existing projects and PO 2415 in the amount of \$24,402.40 was on for approval.

9  
10 Mr. Sander offered a motion to approve Purchase Order 2415 to Green Mountain Engineering in the  
11 amount of \$24,402.40 for engineering related to the Water Storage Tank and Chlorine Contact Time  
12 projects. Mr. Bailey seconded the motion and the motion carried 5-0.

13  
14 Keith Moran, a local brewer, said he was curious about the water in Richmond and was considering  
15 locating here. There was some discussion, and Ms. Lucht said that a private meeting could be  
16 arranged to answer questions.

17  
18 The warrants were approved.

19  
20 **2. Adjourn**

21  
22 Mr. Sander offered a motion to adjourn at 7:00pm and was seconded by Mr. Hill. So voted.