

**RICHMOND WATER AND SEWER
COMMISSION MEETING
April 20, 2015 MINUTES**

Members Present: Bard Hill, Chair; David Sander; Lincoln Bressor;

Members Absent: Bruce Bailey; Robert Fischer

Others Present: Geoffrey Urbanik, Town Manager; Kendall Chamberlin, Water Resources; Peter Pochop, Green Mountain Engineering; Joy Reap; Maureen Kangley; Mary Houle; and Ruth Miller was present from MMCTV to tape the meeting.

Mr. Hill called the meeting to order at 5:35 pm.

Welcome and Public Comment

Ms. Hill asked if there was any public comment but there was none.

Executive Session

Mr. Hill explained we needed an executive session to update the Water Commission on the West Main utility extension contract. Mr. Sander offered a motion to enter executive session at 5:36 pm to discuss a contract with the Riverview Commons Mobile Home Park and was seconded by Mr. Bressor and the motion carried 3-0.

At 5:45 pm Mr. Sander offered a motion to adjourn the executive session and reconvene the regular session and was seconded by Mr. Bressor and the motion carried 3-0.

West Main Utility Extension Update

Mr. Hill opened the discussion and explained that while negotiations continue, the Water Commission has invested quite a bit of money to date – the Town Manager reported around \$43,000. Mr. Bressor asked how the Selectboard was receptive to paying part of this. Mr. Sander said that at the last meeting, the Selectboard agreed to review the request if the project did not go through, otherwise these up-front costs would be wrapped into the bonded project costs. Mr. Hill continued, and said that we were getting into financial discussions.

Peter Pochop of Green Mountain Engineering reported that he had prepared and the town submitted state revolving loan fund applications under the DWSRF and CWSRF programs, which were approved at the last meeting. He planned environmental work and geotechnical work once the weather warmed up, probably in May.

Water Storage Tank Update

Mr. Pochop reported that bids were opened on April 9th, and they came in significantly higher than projected. The engineer's estimate was \$1,042,870 but the bids ranged from \$1,629,000 - \$2,225,000. There was a discussion about the reasons why, but it was proposed that the large contractors had plenty of large projects already lined up and there was some disagreement between the contractor and the geotechnical advisor on the amount of work required on the site to support the large tank. Mr. Pochop said he was examining alternative approaches, such as seeing what items the contractor may be willing to delete as well as looking into a different tank design called a "wire-wound" tank which might be cheaper to construct. Mr. Pochop noted that the board had the authority under statute to exceed the borrowing approval by \$75,000 without seeking voter approval. The

1 Manager noted there were some cash reserves that could be applied to the project but he did not
2 recommend draining the accounts in order to build this project at this time.

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4 Mr. Bressor asked if we could reduce the size of the tank for a savings. Mr. Chamberlin said no,
5 since the bulk of the money was in the site and a smaller tank might use less concrete but the site
6 work would largely be the same. Mr. Pochop added that a single-cell tank may be less expensive
7 than the two-cell design, but that two cells allowed for water storage in the event one cell needed
8 repair or maintenance.

9 10 East Main Street Water Line

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12 Mr. Pochop explained that the water line replacement for East Main Street had been moved to the top
13 of the state's DWSRF priority funding list. The good news was that this project was designed and
14 permitted and ready to go – however, it required a bond vote to take advantage of the state's funding.
15 This was the same funding that got the town the negative interest rate on the water storage tank, and
16 this at least was guaranteed for the East Main project, if not an even lower rate. Mr. Pochop
17 projected a mid-July bond vote to approve this work. Mr. Hill agreed that this was a shovel ready
18 project and requested that a rate analysis be prepared for all of the capital projects for the next
19 meeting.

20 21 Water Line Break and Repair Agreement

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23 The Manager reported that the water line break on Bridge Street a few weeks ago had been repaired.
24 Staff had alerted him to the fact that there was an agreement with the homeowner there, Gary
25 Bressor, about repairs to the line if his underground conduits interfered with the town's infrastructure
26 or damaged them. Mr. Lincoln Bressor recused himself from this discussion. Mr. Hill noted that this
27 was just a discussion and no official actions would be taken by the board.

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29 There was some discussion on this. The Manager noted that Mr. Gary Bressor had not conceded
30 that it was his underground facility that caused the break. Mr. Chamberlin said he believed that he
31 had photos that showed this was the case, however, he wanted to relocate this service line and
32 decommission this section of four-inch pipe that broke and get Mr. Bressor's service onto the newer
33 eight-inch water line and he was hopeful something could be worked out. Mr. Hill requested this be
34 on the next agenda.

35 36 FY2016 Budget

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38 Due to time constraints, the Manager suggested the board focus on the water and wastewater capital
39 sections since they were the most changed. Operationally there was very little change in the budget.

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41 Mr. Chamberlin explained his changes to the capital project funding proposed in the budget. He
42 wanted to first realize a more realistic revenue figure than we had been, meaning that we were
43 receiving more than we were billing, likely due to higher flows. He suggested also a 2% rate increase
44 so that the users wouldn't be asked for a 10% or 20% increase all at once after a period of steady
45 rates. There was also an additional \$14,000 in water revenue from fire protection coming into the
46 budget from the general fund and Mr. Chamberlin wanted to use these revenues to pay for the East
47 Main project as well as fund short-term equipment replacement, distribution system repair and other
48 capital reserves. Similarly, Mr. Chamberlin wanted to fund better capital replacements and a
49 collection system reserve on the Wastewater section of the budget. Septage revenues were
50 increased in the proposed budget.

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52 Mr. Hill asked how septage revenues were in this budget and Mr. Chamberlin said it was likely they
53 would exceed \$200,000 this year – primarily because of the freezing weather necessitating wintertime
54 septage pumping. He wanted to use this revenue to fund reserves and not immediately lower rates.
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1 There was some additional discussion. Mr. Hill noted we would talk about this again at the next
2 meeting, and the Manager said that the budget would be approved at the annual customers meeting.
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4 Superintendent's Report

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6 Mr. Chamberlin said things were progressing well at the plant. The schools had a water line repair in
7 their older iron line. The Cochran Road sewer line was still frozen but hopefully would thaw out soon.
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9 Mary Houle asked how many breaks had the town repaired this year? Mr. Chamberlin said three. He
10 noted the town would soon clean up after two of the breaks as warmer weather came about.
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12 Approval of Minutes

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14 It was noted that there was not a quorum to approve the March 17th minutes so they would be
15 deferred until the next meeting.
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17 Mr. Sander offered a motion to approve the minutes of April 6, 2015 and was seconded by Mr.
18 Bressor and the motion carried 3-0.
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20 Warrants

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22 The warrants were approved and signed.
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24 Mr. Hill noted that for the next agenda, we should have discussions of the water storage tank, East
25 Main Street cost analysis; FY2016 Budget; discussion of the May 11th customers meeting; possible
26 discussion of the Bressor agreement and a draft reserve allocation policy which Mr. Chamberlin was
27 working on.
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30 Adjourn

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32 Mr. Sander offered a motion to adjourn at 6:55 pm and was seconded by Mr. Bressor. So voted.