

**RICHMOND WATER AND SEWER
COMMISSION MEETING
January 29, 2018 MINUTES**

Members Present: Fran Huntoon; Bard Hill; Jon Kart; Bob Reap; David Sander

Members Absent: None

Others Present: Geoffrey Urbanik, Town Manager; Kendall Chamberlin, Water Resources; Kevin Camara, Green Mountain Engineering; Harold Irish; Gary Bressor; Jess Bishop (representing Peter Brown of Falcon Management); Tammy Schey; Tim Kason; Christy Witters; GC Morris; Peter Mumford; Rod West; Mike Stromme; Patty Brushett; and the meeting was not televised.

Ms. Huntoon called the meeting to order at 7:00 PM.

Welcome and Public Comment

Ms. Huntoon asked for any public comment, but there was none.

West Main Utility Extension & Design Build Bid Results

The Manager provided an overview of the project history and the recent design/build process.

In 2014 there was a request to extend water and wastewater service to the Reap property in the Gateway. The Water Commission considered this request and in light of the opportunity hired Green Mountain Engineering to develop a Preliminary Engineering Report on extending this through the Gateway, then all the way to the Riverview Commons mobile home park. This project entails extending the existing water and sewer from the Richmond Elementary School cross country to West Main Street (Route 2) to service the zoned "Gateway" growth area along West Main Street and then West to the River View Commons Mobile Home Park. The project will include 9,000 l.f. of new 8" HDPE waterline by directional drilling and 8,000 l.f. of new 3" HDPE grinder pump low pressure sewer with services to ROW and other appurtenances. The initial cost estimate in 2016 to construct all three phases was \$1,631,300 for water (2017) and \$1,133,000 for wastewater (2017). For the design/build scope, the budget was anticipated to be \$1,000,000 due to an anticipated cost savings on the project.

On January 5th the Manager received two bids for the design-build project: GW Tatro/Adrich & Elliott; and ECI (with some assistance from Dubois & King). The results indicate that the cost of Phases 1 and 2 exceed the \$1 million budget established. In the case of ECI, they declined to provide a cost for both phases but offered a budget for what they felt would move the project forward. GW Tatro offered a cost estimate for both phases (and Phase 1 only as an alternate) but not a firm, fixed price (\$1,515,000).

Ms. Huntoon and Mr. Hill met to review the bids. Their conclusion was that the bids are either too high under current financial planning, or incomplete. Eric Law of USDA reports that while our loan did not require Davis Bacon regulations, a design-build would not have been acceptable to them. Even without utilizing federal funding for phases 1 and 2, it may have disqualified phase 3 from the USDA loan.

1 There is also talk of a federal infrastructure bill that will come out next month. Our current discussion
2 tends to lean towards requiring some sort of external funding source that will lower the debt service
3 for the Gateway area. Bear in mind that we still do not have any indication that the mobile home park
4 would be able to come to an agreement with us, but we're focused on phases 1 & 2 now.
5

6 Mr. Hill added in more history, noting that in 2013 the Water Commission dramatically increased rates
7 and there was a concern about system growth to be able to pay for additional projects. This expansion
8 was seen as an opportunity to grow the system, and an opportunity to add to the grand list value as
9 well. With the unused capacity of the entire system, finding a way to earn money from its utilization
10 was a key motivator. The Water Commission also stated they wished the expansion area users to pay
11 for the costs of the expansion as well as ongoing rates. This had been a source of difficulty in the
12 financial plan.
13

14 The Manager asked if anyone from the Gateway area was willing to move forward. Tammy Schey
15 said that this expansion was key to the success of this area, and an opportunity to do more business in
16 Richmond.
17

18 Jeff Bishop, representing Falcon Management, said that the senior living proposal at the mobile home
19 park would need this to make more affordable housing.
20

21 Rod West said that if every property had to pay \$5,500 per year, and even without phase 1 it was
22 beyond workable.
23

24 Mr. Hill said that some towns to contribute to systems for economic development, but in our town
25 only the customers pay for the system. Some people bristle at the expansion idea so not everyone
26 agrees that it is a good idea.
27

28 Ms. Huntoon asked if the \$5,500 figure was too high for everyone, and the property owners in the
29 room agreed that it was. Discussion continued and it seemed like the project was not going to be
30 supported as offered.
31

32 There was talk of federal funding. Mr. Hill noted that in the beginning, the town felt that there was an
33 opportunity to get up to 45% federal funding. At that time, it made the project much more affordable
34 on paper. This has turned out to be unavailable at this level and the town was only able to secure a
35 subsidized loan.
36

37 Gary Bressor said the bond vote only passed by maybe ten votes. He felt that the reason it passed was
38 because people believed it would help the mobile home park but it wouldn't pass if it was shown there
39 was no real need there. He said if the project wasn't going to include Phase 3 then it should be re-
40 authorized by the voters. He asked if any Commissioners would commit to this, however, none did.
41

42 Mr. Hill noted that the Selectboard would have to consider additional votes.
43

44 Peter Mumford asked what happens if it never got built? There would be nonexistent opportunity for
45 growth. He felt that with soils as they were, the locations for new septic and replacement areas would
46 be restricted here.
47

48 Patty Brushett said that we should focus on the infrastructure we have now. It was costly to get things
49 fixed. She suggested looking to the east end of the village for new projects.
50

1 There was additional discussion about costs, and possible actions at the next meeting. No further
2 action was taken at this meeting.

3 **Adjourn**

4
5 Mr. Hill offered a motion to adjourn at 7:55 pm and was seconded by Mr. Kart. So voted.

DRAFT