

Water and Sewer Commissioner Annual Customer Meeting Minutes
5/18/2021

Called to Order: 6:00 PM

Present by Zoom: Fran Huntoon, David Sander, Bard Hill, Don Morin Absent:
Cody Quattrocci

Others Present by Zoom: Josh Arneson, Town Manager; Kendall Chamberlin, Water & Sewer; Kathy Daub-Stearns, Admin. Assist.; the meeting was recorded for MMCTV Channel 15, also present Kathleen Gent, Martha Nye, Mr. Gifford

1. Welcome by Bard.

Public Comment- None

David thanked the water department staff for the doing a phenomenal job in this past year. Bard agreed that staff had worked under difficult circumstances this past year.

2. Discussion of Accomplishments of Past Year Josh reported:

- that this was the second year we participated in the Vermont Rural Water Association Apprenticeship Program
- that construction was completed on the Bridge St. waterline replacement project
- that work continued on the electronic mapping of the water and wastewater system
- that the waterline replacement on West Main St. was completed
- that the map of the Water and Sewer District was finalized
- that operations were adjusted to address restrictions and challenges presented by the COVID-19 pandemic
- that there has been planning work done on the Gateway Sewer Expansion project

Discussion included:

- that Cathleen Gent asked how much work had been done on the electronic mapping of the water system, Kendall said it constantly changes but what currently the system has been mapped, Bard thought that an overview could be done at a future meeting, Kendall thought Aaron would be the one to do that.
- that Mr. Gifford asked how many projects are left for the water system. He asked about money available from the state and wondered what has been done to get some of it and keep rates down. Kendall responded that the Route 2 corridor is complete, that there are a few sections that still need to be done. Kendall said that money appears to be coming and he is trying to have projects shovel ready. Bard said there is money that goes through the state legislature and the latest version shows \$100,000,000. for infrastructure but no one knows what the details will be on how that money can be distributed and what rules and priorities will be set. Kendall added that

it is a constantly changing landscape. Josh said that there is a general idea that each municipality will receive a set amount of money for infrastructure. Bard said that was a different stream of money than the ARFA \$100,000,000.

- David asked if any of the money could be used to pay down existing debt adding that just because we were proactive doing upgrades our users should not be penalized. Bard suggested that he contact our legislator with the concern before a plan is finalized.

3. Discussion of FY22 Budget & Rates Josh reported:

- that operational spending increased by \$20,527 for Water; and \$183,150 in Wastewater which was more than offset by an increase in septage revenue.
- that notable increases in Wastewater include an increase in legal fees related to planning work on the Gateway Sewer Expansion project adding that legal fees had not been budgeted for in prior years.
- that allocation for a single audit was necessary due to funds received from the federal government
- that septage revenue has been increasing for the past several years
- that increased use of septage revenue, increased operational expenses related to receiving septage, and an increased allocation to reserve funds results in using a net of \$262,287 in septage revenue to go toward reducing revenue that would have been raised by users.
- that the FY22 Water and Wastewater rates have been set based on usage between April 1, 2019 and March 31, 2020
- that Water rates were reviewed and are going up a bit, Wastewater rates were reviewed and are going down, in general combined percentages for residential will be down 3.91%, commercial will be down 8.4%, and school will be down 4% due to the use of septage revenue.

Discussion included:

- that Mr. Gifford asked why the commercial fixed rate was higher than the residential rate. Bard responded that this is determined by how much each class uses. Mr. Gifford was concerned that the commercial is 6x the amount of residential. Josh said that we look at the total amount of revenue that needs to be raised, then we look at the types of accounts and the percentage that each user type has used in the past, from that we determine the total amount of money we are looking to raise from each class of user.
- that Mr. Gifford asked about septage receiving and asked if we are still at .05 per gallon saying that rate has not been raised in years. Kendall said, we could raise the septage but then you lose the haulers. He said the rate was set in 2004 or 2005 then it was raised to .09 and septage fell off dramatically, gradually the rate was decreased back down to .05 and that seems to keep haulers coming. Bard asked about how much other facilities are charging, Kendall said between .05 - .20, Bard said that if we are the lowest maybe we could charge more. Kendall said the profit margin has actually improved over the years for septage. Bard thought that looking at our competitors and what they are doing would be helpful.
- that Kendall said that this is the second year in a row that the Commission has reduced rates and that Richmond's rates are such that those who do not use much

water have lower bills than those in the surrounding areas. Bard said a few years ago it was looked at from the view of people who may be on a fixed income that do not use much water.

- that the delinquent accounts are very low and as of March 2021 there was one account owing a total of \$1,163.34 which is attributable to the new delinquent policy that was put in place. Bard said that we are very fortunate because in some areas of the country there is a 30% delinquency

4. Discussion of Upcoming Projects and Capital Projects

Josh reported:

- that there would be waterline replacement done on Bridge St. from the railroad to Volunteers Green
- that the Phosphorous Optimization Plan implementation is underway and fully funded by a state grant
- that the department is working on meeting additional requirements included in the wastewater discharge permit
- that new infrastructure installations are planned for Peaceable Kingdom, Whistle Stop Ln., and Buttermilk
- that impacts to the Water/ Sewer Budget from capital projects was reviewed

5. Discussion of Gateway Sewer Expansion Project

Josh reported:

- that the Water /Sewer Commission has been working on the Gateway Sewer Expansion Project for the past year
- that the work has included updating the preliminary engineering report, finalizing the planned phases, determining the procedure for a bond vote and to expand the district, mapping the current district and more
- that the work will be ongoing for the next several months

Discussion:

- that Cathleen Gent asked how the mapping of the district relates to the sewer expansion. Bard replied that to expand the district the residents of the existing district and the residents of the proposed district will vote so it was necessary to know who those voters would be. Bard added that there was very clear legal advice that business owners are not residents and do not get a vote.

6. Discussion of appointments for the Water and Sewer

Commission Josh reported:

- that there are two (2), one (1) year, terms on the Water Sewer Commission that are reserved for the customers of the system
- that these seats are appointed by the Selectboard
- that letters of interest are due to the Town Manager by June 2, 2021.

Discussion included:

- Cathleen Gent asked if the distinction was in the state statute, Josh said it is in our charter. Cathleen Gent said that it could be changed because it could be beneficial to have renters be able to serve on the commission. Bard said it is an interesting question.
- that Bard said he is always amazed at the number of residents that volunteer in Richmond
- that if anyone is interested in serving on the commission, he would be willing to discuss it
- that the commitment is not long term, it is a one-year seat

Discussion:

- Josh noted that we do have some of the best drinking water and noted the department received the Green Mountain Water Environment Association Facility Excellence - Wastewater Award that is given to one facility in the state out of about 150 facilities. He then thanked the staff for their commitment and reminded people that the Water Sewer Commission generally meets twice a month on the first and third Monday's at 6PM. Cathleen Gent thanked the staff and commission for making sure we have the best drinking water in the state.

David moved to approve the budget and rates, Fran seconded. Roll call vote: David, Fran, Bard voted affirmatively. Motion passed.

Josh will send the rate sheet out by DocuSign.

Future meetings:

rate reduction possibilities, federal funding review
of other facilities

7. Adjourn:

David moved to adjourn; Fran seconded. Roll Call Vote: David, Fran, and Bard voted affirmatively.

The meeting adjourned at 7:02 PM