

**RICHMOND WATER AND SEWER
COMMISSION MEETING
JANUARY 21, 2014 MINUTES**

Members Present: Ashley Lucht, Chair; Amy Lord (arrived 6:20); Chris Granda; Bard Hill; Bruce Bailey

Members Absent: None

Others Present: Geoffrey Urbanik, Town Manager, Kendall Chamberlin, Water Resources; Sheila Bailey; Chuck Farr; Cheryl Owens; Charles Owens; Linda Parent, Town Clerk and Ruth Miller was present from MMCTV to tape the meeting.

Ms. Lucht called the meeting to order at 6:00 pm.

Ms. Lucht asked if there were any comments from the public but there were none.

Delinquent Accounts

The Manager presented an update on the increase in delinquencies since the recent billing. The number of delinquencies was up more than usual, totaling \$31,142 which was approximately 10% of the anticipated user revenue.

Mr. Hill suggested that this represents delays in payment since the October billing and there could be a period of time where delinquencies increase since the new 90 day payment period.

Mr. Chamberlin suggested that the accounts with the largest amounts are accounts with chronic payment issues.

Mr. Hill wanted additional information, showing delinquencies in 30 day increments and payments on which amounts, by quarter.

Ms. Lucht also wanted to know the dates of the agreements and when payments were last made.

The Manager noted that shutoff procedures were to begin shortly, since the last billing has been done and a review of the delinquent accounts will be done by Lori Brisbin, who has been assigned the delinquent account manager.

There was more discussion on the shutoff procedure. Mr. Chamberlin noted that if there was no agreement, delinquent accounts were to be shut off, per the newest policy. With no interest for 90 days, we were giving a 0% loan for that period of time. There was a question as to whether people who were delinquent on water were also delinquent on taxes. This item was to appear on the next agenda.

Superintendents Report

Mr. Chamberlin reported no significant events in the past two weeks.

Chittenden Solid Waste District sludge disposal

Mr. Chamberlin explained that the town's only receiver for sewer sludge was Chittenden Solid Waste Department and the landfill they owned. There was a proposal being developed by CSWD that would affect all sewer plants in the area. The proposal was to use a "land application" company recently established in New York. If we used that, the fee would be \$88.00 per ton versus the \$94.00 per ton for the CSWD landfill. We might have to do additional quarterly testing of our sludge, but we may

1 save \$7,000 overall. There was a caveat in the proposed contracts that said if the new vendor made
2 more than a certain profit, then some money would be returned to the member communities.

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4 Mr. Bailey offered a motion to approve the new CSWD sludge disposal agreements and authorize the
5 Town Manager to sign and was seconded by Mr. Granda.

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7 Mr. Hill asked if Mr. Chamberlin was comfortable with this. Mr. Chamberlin said he was in favor of it
8 and he was not aware that any other communities had opposition to this.

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10 The motion carried 4-0-1 with Ms. Lord abstaining since she arrived late to the conversation.

11 Public Comment

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14 Chuck Farr arrived late and was allowed to comment on his request for reconsideration of the ERU
15 assignment to his mother's house on Huntington Road. Mr. Farr said that they had a leak in their line,
16 which was almost 1,200 feet long, and that had raised the bill to \$700 per quarter. He said that the
17 leak was now fixed, and the usage should be around 5,600 gallons a quarter, instead of 279,000 per
18 year.

19
20 Ms. Lucht explained that the new policy was if a demonstrated leak behind the meter was proven,
21 and it raised the ERU then the account should be lowered. This would result in a significant reduction
22 in the ERU count.

23
24 Mr. Farr asked when this would take effect, with the current bill or future bills. Mr. Hill asked at what
25 point would relief be given?

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27 Mr. Granda suggested the letter to the commission was the petition date, and we should revise future
28 billing but not past billing.

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30 Mr. Bailey asked Mr. Farr if he has moved the meter, and Mr. Farr said no, it was fine where it was.

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32 There was some additional discussion. A policy had been prepared, but was not part of this current
33 discussion. There was some discussion about reducing the budget to effect some savings to the
34 customers.

35
36 Mr. Chamberlin said that he had a \$700,000 budget and his budget proposal was only up by \$2,000
37 this year and the commission should think about a 2% to 3% annual rate increase for savings, not
38 operations.

39 Financial Reports

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42 The Manager reviewed the financial reports including a budget status report and septage report. Ms.
43 Lucht noted that septage was almost at its anticipated number. She suggested the Commission
44 needed a policy on excess septage revenues and how they would be treated. She suggested this be
45 talked about at the annual meeting.

46
47 Mr. Hill said he would like to see better revenue figures. Ms. Lucht noted that the biosolids line was
48 overspent and there must be an error. Mr. Chamberlin said he would go over this with the Finance
49 Assistant.

50 Rate Suggestions

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53 Mr. Granda said we would have new members in March. We needed committees to review rates,
54 ordinances and outreach to the community.

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1 Ms. Lord said we needed to focus on rates.

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3 Mr. Hill said we needed to have a meeting to discuss the water tank, since that vote was coming up at
4 town meeting. Mr. Lucht said we should do a Frequently Asked Questions paper. Ms. Lord
5 volunteered to draft some information for this meeting, as did Mr. Hill.

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7 Water Tank Article

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9 Ms. Lucht reminded everyone that the information meeting for the tank bond would be on March 3rd
10 at 6pm with the Selectboard. There would be no regular Water Commission meeting that evening.

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12 The Manager noted that the wording of the article should be changed from 30 to 40 years to take
13 advantage of possible 40 year funding. Also, the wording needed to say water revenue. Mr. Granda
14 said it should be changed to Water Resources Department revenue. The Manager said that the
15 Water Commission should recommend this change to the Selectboard, since they officially place the
16 articles on the ballot.

17
18 Mr. Granda offered a motion to recommend to the Selectboard that the wording be changed to "**Shall**
19 **the voters of the Town of Richmond authorize the construction of a replacement Water Storage**
20 **Tank and chlorination improvements with the amount financed through indebtedness not to**
21 **exceed \$1,500,000 to be financed over a period not to exceed forty years (40 years), to be paid**
22 **from Water Resources Department revenue? (To be voted by Australian Ballot)"**

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24 and was seconded by Mr. Hill, and the motion carried 5-0.

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26 The warrants were approved.

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28 Ms. Lucht said that the February 3rd agenda should address the ERU policy, the Water Storage Tank
29 and rates.

30
31 **Adjourn**

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33 Mr. Granda offered a motion to adjourn at 7:05 pm and was seconded by Ms. Lord. So voted.