

**RICHMOND WATER AND SEWER  
 COMMISSION MEETING  
 PUBLIC INFORMATION SESSION  
 EAST MAIN WATER BOND  
 July 7, 2015 MINUTES**

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Members Present: Bard Hill, Chair; Lincoln Bressor; Bruce Bailey; Robert Fischer

Members Absent: David Sander

Others Present: Geoffrey Urbanik, Town Manager; Peter Pochop, Green Mountain Engineering; Alan Huizinga, Green Mountain Engineering; Frank Stewart; Harriet Rigs; Sheila Bailey.

Mr. Hill called the meeting to order at 7:05 pm.

**Welcome and Public Comment**

Mr. Hill opened the meeting and said that due to the small audience we'd take questions as they were asked during the presentation.

**East Main Water Line Replacement Bond presentation**

The Manager provided a computer slide show presentation on the bond question, election, and explanation of the project. The election date was July 14<sup>th</sup> and early voting or absentee voting was open now.

Question: East Main Water Lines

Shall the voters of the Town of Richmond authorize the construction of water line improvements for East Main Street with the amount financed through indebtedness not to exceed \$1,200,000 to be financed over a period not to exceed thirty years (30 years), to be paid from Water Resources Department revenue? (To be voted by Australian Ballot)

**East Main Street**

The Manager presented East Main Street. The highlights were:

- Agency of Transportation will begin reconstruction of Route 2 this year and enter the village area next year
- It would be prudent to replace the water lines on East Main before or in conjunction with this road work
- Our design for this project is complete, and permitted by the State
- State of Vermont has placed Richmond's East Main project at the top of the priority list for FY2016
- To begin this project and continue to qualify for negative interest rates, we need to have a bond vote
- Despite the other recent projects and debt issuance, this is the best time to complete East Main because of the availability of negative interest and the timing of the Route 2 project
- Projected Bond Vote: July 15, 2015

**Why now?**

- The East Main water lines are the most expensive and disruptive lines in the system

- 1 • Over 60% of all water leaks from past 10 years were on East Main
- 2 • These lines serve our largest water customer, Harrington's, who have difficulty with service
- 3 disruption
- 4 • Currently only one fire hydrant, which is not used due to line condition

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6 **Costs**

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8 Projected total cost of \$1,073,380
- 9 • Construction = \$1,073,380
  - 10 • Engineering (including prior outstanding planning loan payments) = \$133,700
  - 11 • Other Costs = \$16,780
  - 12 • Payments on a 30 year loan for \$1,073,380 at negative 0.7% would be \$32,029 per year
  - 13 • Not only saves any interest, but forgives \$112,510 of principal
  - 14 • Repayment expected to begin in 2019
  - 15 • Added account revenue and slight rate increases (2%) expected to cover this repayment
- 16 Payment estimated to be \$67.57 per unit annually, if no changes

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18 Also discussed during the presentation were a variety of past, current and future projects for the  
19 water and sewer system.

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21 Following the presentation, there was a question and answer period. Peter Pochop provided some  
22 additional information with a poster of the project design and by answering questions.

23 **Adjourn**

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25 Mr. Bailey offered a motion to adjourn at 7:38 pm and was seconded by Mr. Bressor. So voted.