

**RICHMOND WATER AND SEWER
COMMISSION MEETING
ANNUAL CUSTOMERS MEETING
May 19, 2016 MINUTES**

Members Present: Bard Hill, Chair; David Sander; Fran Huntoon; Bob Reap

Members Absent: Lincoln Bressor

Others Present: Geoffrey Urbanik, Town Manager; Kendall Chamberlin, Water Resources; Connie Bona, Finance Assistant; Bruce Bailey; Sheila Bailey; Robert Fisher; Christine Fischer; and the meeting was not recorded or broadcast.

Mr. Hill called the meeting to order at 7:00 pm. Mr. Hill welcomed new board members Fran Huntoon and Bob Reap.

This was the 2016 annual Customers Meeting. The Manager presented the approved FY2017 budget, an adjustment to the rates, a discussion of the water storage tank, a discussion of East Main Street, a discussion of West Main Street and some future projects. The public was allowed to speak and ask questions for all items on the agenda.

FY2017 Budget

The manager presented the budget with a computerized slide show. Highlights included:

- Operational Spending to increase by \$4,937
- Water Capital increasing by \$12,447 to fund additional reserves
- Wastewater Capital increasing by \$23,365 to fund additional reserves
- Water revenue increasing by \$13,928
- Wastewater revenue increasing by \$26,821
- Proposed 5% overall rate increase

The requested rate increase was reviewed also:

- Current Rates last amended in 2014
- Most significant change was in the "Base Unit" structure which treats all separate occupied space as separate billable units
- This eliminated the tiered structure based on annual usage
- This increased the number of separate units, shifting a larger burden to multi-unit buildings (apartments and offices)
- Propose an increase of 5% to revenue, but rate structure is altered to achieve this

There was considerable discussion on the proposed rate change. Kendall Chamberlin provided his suggestion on how to achieve the additional 5% revenue requirement, which was based on revised water data and how that affected the three rate classes. There was also discussion about fire service fees and how to accurately bill for them through either the general fund budget or other ways.

No changes to the rates were made, but the Water Commission agreed that a subcommittee would meet with David Sander and Fran Huntoon leading. The issue would be discussed again on June 6th, along with reserve funding.

1 East Main Street Update

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3 The Manager reported that the town's engineer, Green Mountain Engineering, had developed a
4 recommendation to award the contract for the East Main Water Line Replacement to Desrochers
5 Construction for \$656,437 base bid, with the \$60,075 alternate work on East Main, to replace an older
6 section of PVC.

7
8 The Manager had initial concerns that the state loan for this project (named RF3-335) was not going
9 to cover the additional work, or the paving. If not, the town would have to do a normal bond for that
10 amount, approximately \$95,000 total. Now, it appeared that the State would likely allow the additional
11 work under the loan, and the Manager felt comfortable in awarding this bid. Since the project was
12 well below budget, there existed about \$183,000 remaining under the state loan. This would likely be
13 enough to replace the Pleasant Street water line also, under the advantageous funding. The loan
14 would also need an additional modification from the State, which is pending.

15
16 There was additional discussion about this project, timing, and other details. The Water Commission
17 felt comfortable awarding this contract. Mr. Sander offered a motion to award this contract for
18 replacement of East Main Street water lines to Desrochers Construction in the amount of \$656,437
19 base bid, with the \$60,075 alternate work. Mr. Reap seconded the motion, and the motion carried 4-
20 0.

21
22 An overview of the Water Storage Tank and West Main projects was given by a slide show, with little
23 new to report on either project since the last meeting.

24
25 Mr. Chamberlin also reported he was awarded an asset management grant to purchase software and
26 enter data to track assets, of \$19,500.

27
28 The Water Commission discussed system accomplishments and priorities for the new year, and
29 spoke with the former members in the audience.

30
31 Adjourn

32
33 Mr. Sander offered a motion to adjourn at 8:45 pm and was seconded by Ms. Huntoon. So voted.