

**RICHMOND WATER AND SEWER  
COMMISSION MEETING  
ANNUAL CUSTOMERS MEETING  
May 22, 2018 MINUTES**

Members Present: Fran Huntoon; David Sander; Bard Hill; Christy Witters

Members Absent: Bob Reap

Others Present: Geoffrey Urbanik, Town Manager; Kendall Chamberlin, Water Resources; Cathleen Gent; Bruce & Sheila Bailey; George Gifford; and Erin Wagg was present from MMCTV to video the meeting.

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

This was the 2018 annual Customers Meeting. The Manager presented the FY2019 budget, rate structure was discussed, a discussion of past and future projects was heard. The public was allowed to speak and ask questions for all items on the agenda.

FY2019 Budget

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

- Operational Spending increasing by \$9,557 for Water; and \$22,263 in Wastewater largely due to new division of funds
- Water Capital increasing by \$8,476 with some debt coming off the books, and adding the loans for the storage tank
- Wastewater Capital decreasing by \$13,533 due to reductions in capital needs
- Water revenue increasing by \$15,673 largely due to higher charges to fire protection fees
- Wastewater revenue increasing by \$11,000 from anticipated higher user receipts

The Water budget called for an additional \$2,922 in user fees; and the Wastewater budget called for an additional \$11,000 in user fees.

On the Water side, the rates should not need adjustment to cover this, as the dollar amount is likely to be realized due to higher billing from increased consumption.

On the Wastewater side, the \$11,000 will be a little more difficult to realize, but the more important fact to review is that last year and this year we'll miss our septage revenue target, leading to a shortfall. This shortfall is typically covered by slashing the reserve at the end of the year. This generated significant discussion between the board and staff.

It was agreed that septage expectations should be reduced to \$170,000. It had been changed in 2018 to \$180,000 but was being shown in the budget proposal as \$190,000. The \$20,000 in expenditures would be removed from the Wastewater reserve.

The total water budget was now \$345,137 and the total wastewater budget was now \$562,000. Mr. Hill offered a motion to approve the water and wastewater budgets as amended, and was seconded by Ms. Witters. The motion carried 4-0.

1 The rate discussion focused on:

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- 3 • Current Rates last amended in 2017
  - 4 • Most significant change was in 2014, moving to the “Base Unit” structure which treats all
  - 5 separate occupied space as separate billable units
  - 6 • This eliminated the tiered structure based on annual usage
  - 7 • This increased the number of separate units, shifting a larger burden to multi-unit buildings
  - 8 (apartments and offices)
  - 9 • Should re-evaluate the most recent usage history of all three classes: Residential,
  - 10 Government & Commercial, Schools
  - 11 • Discuss reset of proportion of budget charged to each class to determine revenue requirement
  - 12 and appropriate rate adjustment
- 13
- 14

15 No changes to the rates were made, but the Water Commission agreed that the issue would be

16 discussed again on June 4<sup>th</sup>. Updated account figures and flow calculations were requested.

17

18 **Adjourn**

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20 Mr. Hill offered a motion to adjourn at 6:50 pm and was seconded by Ms. Witters. So voted.