

Richmond Water Resources

Annual Customers Meeting

May 17, 2021

6:00 PM

Agenda

- Accomplishments of Past Year
- FY2023 Budget and Rates
- Upcoming Projects and Capital Projects
- Discussion of appointments to the Water and Sewer Commission
- Adjourn

Accomplishments & Highlights

- Participated in the Vermont Rural Water Association Apprenticeship Program
- Completed construction on the Bridge St. waterline replacement project between Church St. and Volunteers' Green
- Continued work on electronic mapping of the water and wastewater system
- Planning work on Gateway Sewer Expansion project

FY2023 Budget

- Operational spending increasing by \$22,497 for Water; and \$90,744 in Wastewater
- Revenue
 - The Fund Balance is used in both Water and Wastewater to pay for some loans and reduce revenue that needs to be raised through rates.
 - \$27,339 in Water Fund Balance usage covers the FY23 payment for Water Reservoir GAP loan principal and interest
 - \$48,394 in Wastewater Fund Balance usage covers the payment for the RF1-100 planning, Phosphorous, and Project 7A Sanitary Sewer loans
 - Increase use of Septage revenue from \$430,000 in FY22 to \$460,000 in FY23

FY2023 Budget

- Notable increases in Water and Wastewater included
 - Increases in wages provided in December 2021. This affects the Salaries line and budget items that are a percentage of Salaries
 - Increase in health insurance due to a new employee opting into health insurance
 - Contingency for increases in wages based on compensation study
 - Increase in Computer Support to hire an IT managed services company

FY2023 Budget

- Notable increases in Water include
 - \$2,500 for the repayment of the Bridge St. Waterline Loan for the project from Chruch St. to Volunteers' Green
- Notable increases in Wastewater include
 - Increase in Biosolids Disposal and Biosolids Chemicals due to cost increases and increased volume of septage
- Notable decreases in Water and Wastewater include
 - Lower audit costs as a result of hiring a new firm at lower cost and not budgeting for a single audit as had been budgeted for in FY22
 - Lower General Insurance costs due to a bidding process that brought rates down.

FY2022 Budget

- Septage revenue has been increasing for the past several years

Septage	FY17	FY18	FY19	FY20	FY21	FY22 Budget	FY22 Total as of 03/31/22
Revenue:	138,078	163,862	238,580	426,534	512,179	430,000	362,425
	138,078	163,862	238,580	426,534	512,179	430,000	362,425
Expenses:							
WWTF Water Bill	11,096	13,611	32,880	29,530	29,590	32,000	18,131
Biosolids Disposal	51,200	51,991	65,667	116,769	128,003	120,000	105,730
Biosolids Chemicals	34,587	28,216	35,492	67,563	82,640	70,000	56,020
Sub Total	96,883	93,819	134,039	213,862	240,232	222,000	179,881
Total Revenue less Expenses	41,195	70,043	104,542	212,672	271,947	208,000	182,544

Water Rates

		Water			
		FY23	FY22	Change FY22 to FY23	
		Fixed per unit. Metered per 1000 gal.	Fixed per unit. Metered per 1000 gal.	Dollar Difference	Percentage Difference
Residential					
	Fixed Rate	\$123.33	\$120.45	\$2.88	2.4%
	Metered	\$12.46	\$13.39	-\$0.93	-6.9%
	Total Rev.				
Commercial & Government					
	Fixed Rate	\$602.23	\$636.62	-\$34.39	-5.4%
	Metered	\$10.68	\$11.48	-\$0.79	-6.9%
	Total Rev.				
School					
	Fixed Rate	\$5,287.09	\$5,549.13	-\$262.04	-4.7%
	Metered	\$18.93	\$19.74	-\$0.80	-4.1%
	Total Rev.				

Wastewater Rates

		Sewer			
		FY23	FY22	Change FY22 to FY23	
		Fixed per unit. Metered per 1000 gal.	Fixed per unit. Metered per 1000 gal.	Dollar Difference	Percentage Difference
Residential					
	Fixed Rate	\$181.50	\$169.72	\$11.78	6.9%
	Metered	\$18.46	\$18.87	-\$0.41	-2.2%
	Total Rev.				
Commercial & Government					
	Fixed Rate	\$467.08	\$475.05	-\$7.97	-1.7%
	Metered	\$15.82	\$16.17	-\$0.36	-2.2%
	Total Rev.				
School					
	Fixed Rate	\$3,681.04	\$3,789.27	-\$108.24	-2.9%
	Metered	\$13.18	\$13.48	-\$0.30	-2.2%
	Total Rev.				

Near-Term Projects

- Phosphorous Optimization Plan implementation is underway fully funded by a State grant
- Working on meeting additional requirements included in the wastewater discharge permit

Near-Term Projects

- New infrastructure installations are planned for Peaceable Kingdom, Whistle Stop Ln., and Buttermilk
- Preparing for potential increase in federal funding from COVID infrastructure bills

Projects Under Discussion

- The Gateway Sewer and Water Expansion projects continues to be discussed by the Water and Sewer Commission.

Financial Impacts – Capital Projects

Impacts to the Water & Sewer Budget from capital projects

- 2006 Treatment Plant Upgrades totaling \$3,740,000
 - Repayment of \$348,378 after subsidy.
 - \$22,220 per year. Final payment in 2026
- 2010 Sewer Lining & Manholes totaling \$445,999
 - Repayment of \$222,999 after loan subsidy at 2% interest.
 - \$14,092 per year. Final payment in 2032
- 2011 Jericho Road totaling \$941,200
 - Repayment at variable rate, decreasing over time
 - \$65,637 budgeted for FY22 between water and wastewater. Final payment in 2032

Financial Impacts – Capital Projects

- 2018, RFL – 101 planning totaling \$120,810 at 0% interest.
 - \$12,081 per year. Final payment in 2027
- 2016 East Main Street totaling \$1,275,000
 - Repayment at approximately \$25,140 per year, after subsidy. Final payment in 2047

Financial Impacts – Capital Projects

- Bridge St. waterline replacement project totalling \$789,228
 - 50% subsidy on the bond
 - Payments are \$9,865 per year. Final payment in 2060
- The second phase of the Bridge St. waterline replacement was completed in 2022. Total cost will be less than the original \$400,000 estimate with 50% subsidy from DWSRF. Payments are estimated at \$2,500 per year. Final payment in 2061

Financial Impacts – Capital Projects

- 2014/15 Water Storage Tank & Chlorine Project
 - \$1,575,000 bond at -0.7% interest in the Drinking Water State Revolving Fund (DWSRF); \$37,705 per year. This was a negative interest loan but has been restructured to reduce the principal and subsequent payments to achieve the same reduced payback. Final Payment in 2048.
 - \$181,000 GAP loan to cover the portion not eligible for the DWSRF program. \$27,832 per year. Final payment in 2025.

Open Seats on the Water and Sewer Commission

- Two one year terms on the Water and Sewer Commission are reserved for customers of the Water and Sewer System
- These seats are appointed by the Selectboard
- Letters of interest are due to the Town Manager by June 1, 2022

Water Quality & Etc.

We have some of the best drinking water in the state. We were well within limits for our permit and had no violations for the year for either water or wastewater operations. The Richmond Water Resources Department is proud to serve our town and they do a fine job keeping the system running efficiently and communicating with the public. Thank you Kendall, Allen, Aaron and Steve!

Remember, Water Commission meetings are held every 1st and 3rd Monday at 5:30 pm.