

## **Water and Sewer Commission Meeting Minutes December 20, 2021**

**Members Present:** Jay Furr, Bard Hill, David Sander, Fran Huntoon, Greg Tucker

**Members Absent:** None

**Staff Present:** Josh Arneson, Town Manager; Kendall Chamberlin, Water and Wastewater Superintendent; Aaron Krymkowski, Water and Wastewater; Brad Snow, Water and Wastewater; Linda Parent, Town Clerk;

**Others Present:** The meeting was recorded for MMCTV, Peter, Rod West, Shelia Chamberlin, Bob Reap, Rebecca Mueller.

**Call to Order :** 5:30pm:

**Welcome by:** Sander

**Public comment:** none

**Additions or deletions to the agenda:** Move item d to directly after item a.

### **Consideration of accepting the Grant Agreement for the Northern Border Regional Commission grant**

Arneson: The Town was awarded a grant through the Northern Border Regional Commission to assist with construction costs of the Sewer Expansion costs for Phase 1 of the Gateway Expansion Project. The total award is for \$147,947 toward Phase 1 of the project. In order to receive the grant the Commission needs to officially approve the grant agreement

*Hill Moved to approve the Grant Agreement between the Northern Border Regional Commission and the Town of Richmond and to appoint Town Manager Josh Arneson as the duly authorized representative. Furr seconded. Roll Call Vote: Huntoon, Furr, Tucker, Hill and Sander in favor. Motion passed.*

### **Consideration of approval of agreement with the State of Vermont regarding utility relocation due to the Rt. 2 repaving project**

Arneson: This is to pay for raising structures when the Rt. 2 paving project comes through.

Chamberlin: The State will put in an estimate for the cost of this work and the Town could opt out if the contractor bids more than 20% over this estimate and the Town could elect to raise the valves another way.

Hill: This seems like a clause that offers good protection.

Chamberlin: This is becoming more and more common for work like this and the contractor doing the paving typically makes these adjustments correctly. I want our engineer to stay involved in this project and there will be additional cost to pay him to ensure that the project is completed to Town specifications.

*Hill moved to approve entering into a Utility Relocation Agreement with the State of Vermont Agency of Transportation for utility relocation due to the Rt. 2 repaving project and to appoint Town Manager Josh Arneson as the duly authorized representative. Seconded by Tucker. Roll Call Vote: Hill, Huntoon, Tucker, Furr, and Sander all in favor. Motion passed.*

### **Consideration of compensation adjustments and bonuses for Water and Wastewater employees**

Arneson: The Town has begun a compensation study with a third party company to analyze how wages in Richmond compare to similar jobs in other comparable municipalities. This study is expected to be completed in later winter or early spring of 2022. Once this study is completed data from the study will be used to consider pay adjustments where necessary. Due in part to the tight labor market and in an effort to recognize staff at the end of another challenging year, the Selectboard recently moved to provide two compensation related adjustments in advance of this study. The adjustments included bonuses for all Town Staff and a \$2 per hour increase to the wages of hourly Highway employees. The bonuses were paid to both hourly and salaried employees at 2% of annual salary to employees on grades 1-10 of the pay grid and 1% of annual salary to employees on grades 11 – 20 of the pay grid. The Highway salary increases were based on data obtained from comparable municipalities which showed that similar jobs were compensated at a higher rate than in Richmond. Also, many municipalities and States have are short-staffed in their Highway departments due to a labor shortage. We are bringing similar options for consideration by the Water and Sewer Commission.

Hill: Here we can look at what do we want to do in advance of the wage study for retention and moral.

Sander: We are in a situation where the cost of living and salaries are going up but the news is changing by the hour and we may be hard pressed to find tax dollars six months or a year from now, but I could be wrong. But we need to recognize the work the staff is putting in and look at some adjustments now. I want to offer a fair and competitive compensation package but want to be sure we do it correctly.

Hill: I think there is a document that was provided that does look at some neighboring Towns. Some are different based on scale, but in some towns the job is narrower and more specific, where in Richmond some of our staff do more tasks.

Huntoon: I see the comparisons and see that there is a lot missing from Hinesburg. It is hard for me to compare salaries, but I would like to know more about the systems in each comparable Town. I wonder if we are taking too much septage and putting too much work on our staff.

Hill: The livable wage in Chittenden Co. is about \$18.56, and has probably gone up since this number was published. Some of your questions get into answers we will get in the compensation study. Perhaps we need to focus on the lowest paid employees at this time.

Huntoon: Is this different from the work that Kathy did a few years ago on wages?

Arneson: We found it difficult to complete this type of a study in house so we opted to hire a consultant for the work.

Furr: Our employees do a lot more duties than comparable towns and they are toward the lower end of compensation of comparable Towns. We know we have a study coming but we cannot afford to lose anyone. We gave a raise to Highway and did a bonus. This was to be in lieu of results from the Compensation study and we will revisit wages when we have the study. Could we do a \$2 per hour raise and then a 1% or 2% bonus depending on where employees are on the scale?

Tucker: What if the study comes back and says they are then overpaid?

Rebecca Mueller: You could freeze wages if it turns out they are overpaid. That is what Highway said.

Hill: Total compensation is different than wages and this will be part of the compensation study.

Furr: Good point, because if you look at the spreadsheet we look low, but total compensation may change that picture a bit.

Mueller: Does everyone in Water and Sewer take their insurance from the Town?

Hill: This gets into deep details quickly. But, the question is, is there something we should do based on what we know now?

Huntoon: Did the Selectboard just take this on or did Highway come with a request?

Sander: Highway came with a request.

Hill: Highway noted difficulty in retaining staff. It is a similar concern with Water and Sewer staff.

Mueller: Where are changes funded?

Sander: Changes are from system users.

Mueller: How much money comes from septage?

Sander: I don't have those figures but septage does make a lot of money.

Hill: We are going down a rabbit hole. There are costs to septage.

Sander: Cost of septage is borne by the users of septage.

Mueller: How much profit is there from septage?

Hill: We have never determined the true profit of septage. We will not get to a full analysis of this, it may not be necessary. But, the question is, should we do something now similar to what was done for Highway.

Huntoon: I notice the chat box is being used. Can we refrain from using the chat box for sharing information?

Hill: Can we keep the conversation to members of the Water and Sewer Commission on Jay's proposal. When we looked at Highway I wanted to look at the base pay for the lowest paid position and also look at other staff to see if we wanted to make adjustments there too. The question is about what do we need to do for staff stability.

Tucker: With such a small staff what is the end impact on each user? Do we need to analyze this or do we just need to do what we need to do for staff to show support and appreciation?

Sander: I feel like we should do something now that will help us get through until we have the compensation study complete.

Discussion on what was done with Town Staff and Highway staff.

Sander: I am prepared to do something similar for Water and Sewer staff.

Hill: We could match what was done for the Highway.

Aaron Krymkowski: One of our staff members is currently entertaining an offer for a \$5 per hour raise. He makes \$15/hour in Richmond. He is a great value to the Town and our department. The odds of replacing him at the current wage is very low, it may cost us \$10/hr more to find a replacement.

Hill: This may have us looking at a minimum wage for the department. It is plausible that we may contemplate a larger increase for the lowest paid staff member.

Furr: We need to factor in health insurance, but someone with a low wage may not focus that much on the health insurance as much as they focus on the wage. I agree it would be difficult to replace that position at the current wage.

Krymkowski: Our Superintendent is the lowest paid of Superintendents in the area. He is deserving of an increase in compensation due to his value to the Town. When you talk to comparable people in Chittenden Co. they are making tens of thousands more than he is. We could not replace him for what we pay him.

Sander: We also need to value Kendall's expertise. We now have some options. I'm inclined to do something to get us through this fiscal year.

Furr: I agree we need to do something. We would like to pay more, I just don't know how much we can really pay, but we need to do something tonight.

Hill: Give the same bonus as we gave to the Town, increase base wage of lowest paid staff member to \$19.09 per hour and increase all other staff by \$2/hour.

Sander: Would that have a sunset or pending the outcome of the compensation study.

Hill: I do not want to include language that we go back to previous wages at the end of the fiscal year.

Arneson: Do you want to include something for the Superintendent?

*Hill moved to give the same bonus as we gave to the Town employees: 2% for employees on grades 1-10 and 1% for employees on grades 11-20; and to increase the base wage of lowest paid staff member to \$19.09 per hour and increase all other staff by \$2/hour. Seconded by Furr. (discussion continues. Vote is below after discussion)*

Hill: Yes, this includes \$2 per hour increase for Kendall too.

Sander: When does the hourly increase become effective?

Hill: Retroactive to December 2. Match how bonuses were calculated for Highway.

Huntoon: Will this have effects on the rates?

Sander: I don't know if we can change the rates or how that cost would be paid for.

Arneson: There will be no impact on FY22 rates. It would have affects on the FY23 rates when we look at that budget and rates.

Tucker: Does the \$2/hour raise go toward the salaried staff too?

Sander: Yes.

*Roll Call Vote: Hill, Tucker, Furr, Huntoon, and Sander all in favor. Motion passed.*

### **Follow up on Water and Sewer District Expansion vote and discussion of next steps**

Arneson: The Water and Wastewater customers voted to extend the Water and Sewer district to the Mobil Gas Station on Rt. 2. We now need to discuss next steps following this vote. In my opinion the first order of business is to decided if we want to hold a Bond Vote at the 2022 town meeting to include the cost of a sewer expansion to the Mobil Station. If so, we would need to come back at the January 3 Water and Sewer Meeting with the appropriate paperwork to recommend that the Selectboard warn a bond vote, also at their January 3 meeting, in time to get this on the Warning for Town Meeting. The cost estimate in the Preliminary Engineering Report for the sewer expansion to the Mobile Station is \$780,903. We should also discuss some permitting issues that Town Planner Ravi Venkataraman has been researching.

Sander: This would allow us to borrow the money, but not make it so we have to borrow the money. It would make sense to do this.

Hill: I think we should phrase this as up to a certain amount and set a maximum within which we could live.

Arneson: We may have until the 18<sup>th</sup> of January for the warning.

*Furr moved to look into a bond vote of up to \$800,000. Tucker seconded.*

Huntoon: Do we subtract the grant amount?

Arneson: I would ask for the whole amount and reduce what we actually borrow based on grants that we can get.

Discussion on the engineering report analyzing existing and potential users in the proposed expanded area.

Rod West: Going to a town wide vote right away is not a sure thing that it will pass. It would potentially make more controversy. I am concerned about going ahead before we find grant money. What do we do if the bond vote fails on Town meeting?

Hill: I agree with Rod, but if we don't vote on it at Town Meeting Day, when would we vote on it? We don't know how much money will come when and what we will be eligible for. The Reaps have been waiting and we may not have another two years to wait on this. We also still have to work on permitting and Town Plan issues. There is more than just the bond vote, there are several nuances. We need to do our best to educate people on this.

Sander: Rod brings up a good point that this may not pass based on the meeting a couple of weeks ago. But, my inclination is to proceed with the bond vote.

Arneson: You can have a formal vote on this on January 3.

*Furr withdraws the motion.*

Ravi Venkataraman: The major hurdle this project will face is Act 250 specifically criteria 9L dealing with anti-sprawl. To be in compliance a number of changes would need to be made to our Zoning Regulations to control for sprawl on future developments. We would need these changes prior to going to ACT 250. The Planning Commission may be able to make the changes within 9 months.

Hill: Put those key milestones into our timeline. This can help address affordable housing too in this section of Richmond.

Venkataraman: The Planning Commission would like to address affordable housing in this area of Richmond.

West: Does 9L apply because this is an amendment to an existing ACT 250 permit?

Venkataraman: It could be linked to an existing permit for the Town or to future development.

Joy Reap: There is no existing ACT 250 permit on our property.

West: If this was just between the Reaps and the Town would they still need ACT 250?

Venkataraman: Yes.

### **Tabled Superintendent report.**

Furr moved to approve minutes of the Dec. 6 meeting. Huntton Seconded. Roll Call Vote: Hill, Huntoon, Furr, Tucker and Sandar in favor. Motion passed.

Furr move to approve Purchase Order number 4296 to VLCT PACIF for insurance in the amount of \$17,123.00. Seconded by Huntoon. Roll Call Vote: Hill, Huntoon, Furr, Tucker and Sandar in favor. Motion passed.

Furr moved to approve the warrants. Huntoon seconded. Roll Call Vote: Hill, Huntoon, Furr, Tucker and Sandar in favor. Motion passed.

### **Review of important annual dates for Water and Sewer Commission**

Calendar dates were reviewed focusing mostly on quarterly budget updates and annual meeting.

### **Items for next agenda**

- Review timeline for Gateway and add items to it regarding permitting.
- Revisit the Bond question.

Furr moved to Adjourn. Second by Huntoon. Roll Call Vote: Hill, Huntoon, Furr, Tucker and Sandar in favor. Motion passed.

Meeting adjourned at 6:57.

### **Chat from Zoom**

00:18:02 Aaron: Water & Sewer provided comparable town numbers to the Town Manager last week

00:26:28 Connie: The Water Department currently has all single person plans that are less than 10K a year. If you lose an employee you could end up getting a new one that does need a 26K family plan.

00:27:02 Connie: no

00:27:39 Aaron: Jay, to answer your question regarding Hinesburg. Richmond has more complex duties than Hinesburg staff.

00:28:06 Jay Furr: Right. I believe I mentioned that.

00:28:06 Kendall: Hinesburg Supt is \$80k ++ and staff is union

00:28:20 Jay Furr: Sorry, no. I didn't.

00:28:35 Jay Furr: You're referencing my comment about lacking Hinesburg data. My apologies, and thanks.

00:29:42 Rod West: I imagine there is very little budget impact for 6 months of \$2/hr. increases?

00:30:02 Connie: Septage is at 68% as of the month of November

00:30:32 Rebecca Mueller: Connie - 68% of W&S income November.

00:31:03 Aaron: We are currently paying a Certified Wastewater Operator \$15 an hour. We will not replace his expertise and work value for the same. Septage is ~50% profit margin and scales.

00:31:45 Rebecca Mueller: Connie - 68% of W&S income November. - meant ??

00:38:03 Aaron: Am I muted on the other end? I have a comment on behalf of one of our Water & Sewer staff

00:38:14 Jay Furr: we sort of heard you but you broke up

00:39:27 Jay Furr: yep

00:39:31 Jay Furr: we can hear you loud and clear

00:49:12 Connie: Sorry Audio not working...what about Kendall?

Retroactive