

Water Commission Minutes
4/19/2021

Called to Order: 5:30 PM

Present by Zoom: Fran Huntoon, Don Morin, David Sander, Bard Hill, Cody Quattrocci
Absent: none

Others Present by Zoom: Josh Arneson, Town Manager; Kendall Chamberlin, Water & Sewer; Kathy Daub-Stearns, Admin. Assist.; the meeting was recorded for MMCTV Channel 15; Bob Reap, Heidi Bormann and Cara LaBounty

1. Welcome by Bard. No comments.

2. Additions or Deletions to the Agenda. None

3. Approval of Minutes, Warrants and Purchase Orders

David moved to approve the Minutes of 4/5/2021; Fran seconded. Roll Call Vote: David, Fran, Cody, Don, and Bard voted affirmatively; Motion passed.

Purchase Orders

Fran moved to approve PO 4100 to People's United Bank for a payment on the Phosphorus Study loan RF1074 in an amount not to exceed \$19,730.88.; David seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

Fran moved to approve PO 4101 to People's United Bank for a payment on the East Main Street loan RF335 in an amount not to exceed \$25,139.95.; David seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

Fran moved to approve PO 4102 to People's United Bank for a payment on the Sewer Planning loan in an amount not to exceed \$12,021.12.; David seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

Fran moved to approve PO 4103 to People's United Bank for the Millet Street Project AB1-508 in an amount not to exceed \$11,111.89 of \$16,667.80.; David seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

Fran moved to approve PO 4105 to People's United Bank for the Water Tank RF3-302 in an amount not to exceed \$37,706.86.; David seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

David moved to approve PO 4106 to US Bank for the Water Sewer portion of the Jericho Road project loan in an amount not to exceed \$10,671.50 of the total PO; Fran seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

Fran moved to approve PO 4133 to Green Mountain Engineering for Step III engineering services in an amount not to exceed \$45,900.; David seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

Warrants:

Fran moved to approve the warrants and invoices as presented; David seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

4. Items for Presentation or Discussion with those present

a. Update on West Main St. waterline replacement project

Josh reported:

- that the project started today
- that it will take about 4 weeks to complete
- that residents were notified, and the information posted on Front Porch Forum and town website

Discussion included:

- that Kendall said the project was going smoothly with 40' of piping installed today

b. Review of FY21 Budget to actuals

Josh reported:

- what the bank accounts and fund balances look like
- where excess revenue goes
- that Water & Sewer delinquent accounts are in great shape with about \$10,000 being delinquent

Discussion:

- that Kendall said the budget is on target and that are increased are due to increased usage
- that residential usage is up and commercial is down
- that Don asked why salaries are reconciled at the end of the year, Josh said accounting wise Connie thought it was cleaner to do it at year end adding that he took the salaries and divided them out on his presentation, Bard said that this was the type of thing that the Commission wants to see, Don would like Connie to change her practices, Josh said he hoped that what he presented was sufficient, Don wants Connie to revise the number and not have the pressure on Josh, Josh responded that it was significantly less time for him to do it than have Connie do it, Bard thought perhaps Connie could take over the spreadsheet as part of her financial accounting.
- that Josh said overtime vs actual could have been because of the waterline replacement, Kendall said it was due to COVID and septage, Kendall said last year the plant cleaning and maintenance due to wipes being flushed took a lot of time, Bard said when we look at revenue that is not budgeted it covers things like overtime.
- that excess septage revenue goes into unassigned funds after paying additional expenses

- that Bard thought things were in good shape and that septic revenue could go up and down with time
- that Kendall said having a good policy for collecting delinquent fees has been important

c. Review of Draft FY22 Water and Wastewater Budget and Rates

Josh reported:

- that salary increases were driven by our policy for raises with certifications
- on how the rates are set for residential, commercial and government, and school
- that last year's usage was different from the previous year with residential being higher, commercial and government, and school going down
- that usage swayed the rates dramatically

Discussion included:

- Don asked about septic receipts, Josh showed the septic chart that has septic revenue
- that Don said he will vote no on the budget and he did not feel comfortable with how the budget was presented, he said Josh and Connie are doing a good job, but the budget needs to be presented differently so it can be voted on, Bard said there was no action being taken on this tonight, Josh suggested he and Don meet offline to get suggestions on what he is looking for, Don agreed
- that Bard said if we think last year was an anomaly calculating the FY22 rates could be based on other years or a combination of years
- that looking at the school projected use should be based on fiscal year 2020 assuming students would be back in class full time.
- that Commercial and Government usage dropped 14% and with everything returning to normal usage should be based on FY2020
- that Residential should also be based on FY 2020 since the forecast seems to be a return to normalcy
- that Don was concerned with the fixed vs the metered rate, bard said it was a policy decision made several years ago, Don said metered water is down for residential and possibly fixed should go up, Bard said that someone using 10 gallons a day vs someone using 300 gallons would pay the same rate, Don was concerned about fire protection saying those rates should go up since having sprinkler protection decreased insurance premiums and thought shifting some of the expenses to the school should happen, Bard said only part of the school is sprinklered, Josh said that the school fixed rate was increased to account for their fire protection, Don asked about Harrington's, Josh did not know if they had a sprinkler system, Bard said not making big changes during a crisis and looking at it again afterwards is a good way of doing things and that possibly using reserve funds for a one time decrease for users to help mediate rate increases could be done, Don liked that idea, Kendall suggested using the money to pay down some of the debt, Bard said he was looking for something that would mediate the rates as was done by the Selectboard. Bard asked if we use \$50,000 toward the budget, he would like to see how that affected rates. Kendall said then rates would go back up, Bard said yes, it would be for just one year, Fran wanted to talk about it at the next meeting, Bard thought rate payers would want us to control the rates, Kendall said that is why he wanted to pay off some debt so there would not be a

big increase the following year, Kendall said there are two notes that come due in 2025. Josh will be ready with information for the next meeting.

d. Consideration of recommending to the Selectboard the approval of DWSRF Loan Application for the Bridge St. Waterline Replacement Project, Church St. to Volunteer's Green

Josh reported:

- that this is a funding application for the Bridge Street waterline replacement since the bond vote was successful
- that this is the application that has 75% forgiveness
- that the loan amount is \$400,000 with users repaying \$100,000

David moved to recommend that the Selectboard approve the loan application for Drinking Water State Revolving Funds for the Bridge St. Water Main Replacement Project – Church St. to Volunteers' Green; Fran seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

Discussion included:

- that the loan term is 30 or 40 years and there is no interest because of the loan forgiveness
- that would be \$100,000 over 30-40 years.

e. Discussion of eligibility to be on Water and Sewer Commission

Josh reported:

- that it is property owners and not tenants that are served by the system that are eligible to be on the Commission adding that a resident that is served by the system, but does not own property, cannot serve on the Commission

Discussion included:

- that this requirement is the opposite of the requirements for voting for the proposed extension
- that Fran wondered what the process would be to change the requirement, Josh said it would mean a charter change that is a lengthy process

f. Superintendent's Report

Kendall reported:

- that the West Main Street project started today
- that there has been a waiver for the phosphorus report until after the survey has been completed
- that they have been working on the mapping system for the proposed extension
- that the heating system at the facility is down but can probably be repaired

*Prioritizing the rest of the agenda was done by consent of the Commission due to time constraints.

g. Discussion of expansion of sewer system into the Gateway District

1) Review of project planning timeline

This item was not discussed.

2) Consideration of waiving attorney-client privilege for emails with attorney and VLCT related to district expansion

Bard reported:

- that he is generally opposed to waiving attorney-client privilege but thought this was a narrow opening that should be allowed. David agreed it was important.

David moved to waive attorney-client privilege with regards to the emails with the Town Attorney and VLCT related to defining eligible voters for district expansion; Fran seconded. Roll Call Vote: Fran, Cody, David, Don, and Bard voted affirmatively; Motion passed.

3) Discussion of bond vote and a vote to expand the Water and Sewer District

Bard reported:

- that there has been direct legal advice to vote Bond again
- that it would be the users of the system and proposed system that would approve the expansion

Discussion included:

- that the residents of Richmond would vote for spending the money for all Phases, Don asked about the bond amount, Bard said that it would be for an amount up to a certain amount that would include Phase III, with the possibility that construction may stop short of Phase III

4) Follow up on definition of failing septic systems

This item was not discussed.

5) Follow up on including the section between the chiropractor and the Mobil Station in Phase II

Bard reported:

- that the Mobil station has been permitted for a different septic system
- that including the Chiropractor in phase II made sense

6) Continued discussion on funding options

This item was not discussed.

7) Update on status of applying for the NBRC grant

Kathy reported:

- that she has been in contact with Joy Reap regarding getting help with grant writing and that there are no known free grant writers
- that additional information is needed for the application than was needed when it was previously applied for

8) Other topics related to the expansion of the sewer system

This item was not discussed.

5. Discuss Items for Next Agenda and Adjourn

Items not discussed will be moved to the next agenda

Adjourn

David moved to adjourn; Fran seconded. Roll call vote: Fran, Don, David, Cody, and Bard voted affirmatively. The meeting adjourned at 7:01PM.