

Water Infrastructure

FINANCING PROGRAMS



VERMONT WATER & WASTEWATER REVOLVING LOAN FUNDS

State Revolving Loan Programs

FUNDING APPLICATION

IMPORTANT: Please select the Type of Entity and Loan Type(s) before completing the application. This information is used to set up the rest of the form. This form **MUST** be completed electronically, handwritten applications will not be accepted.

Select the Type of Entity this application is for:

- Municipality, Fire District, or other similar entity
 Homeowners Association, LLC, Proprietorship, 501(c)3 Non-Profit, or other similar entity

LOAN TYPE

This section may be completed by engineer or applicant

Please submit a draft Engineering Services Agreement with this application if applicable

This loan will be used for (select all that apply):

- | | |
|---|---|
| <input type="checkbox"/> Step I Drinking Water Loan (Feasibility & Planning) | <input type="checkbox"/> Step I Clean Water Loan (Feasibility & Planning) |
| <input type="checkbox"/> Step II Drinking Water Loan (Final Design) | <input type="checkbox"/> Step II Clean Water Loan (Final Design) |
| <input checked="" type="checkbox"/> Step III Drinking Water Loan (Construction) | <input type="checkbox"/> Step III Clean Water Loan (Construction) |
| <input type="checkbox"/> Drinking Water Loan Amendment | <input type="checkbox"/> Clean Water Loan Amendment |
| <input type="checkbox"/> Municipal Source Water Protection Loan | <input type="checkbox"/> Pollution Control or ARPA Grant |
| <input type="checkbox"/> CWSRF Interim Financing | |

APPLICANT INFORMATION

This section may be completed by engineer or applicant

LOAN APPLICANT		DATE OF APPLICATION	
Town of Richmond		March 20, 2023	
SYSTEM NAME	WSID NUMBER	WASTEWATER PERMIT NUMBER	
Town of Richmond	5084		
MAILING ADDRESS	TOWN	STATE	ZIP
PO Box 285	Richmond	VT	05477
PHONE	CELL PHONE	TAX ID	SAM UNIQUE ENTITY ID
802-434-5170		03-6000646	L D Z A D 8 E M D U K 3

CONTACT PERSON - AUTHORIZED REPRESENTATIVE

This section may be completed by engineer or applicant

CONTACT NAME	TITLE		
Josh Arneson	Town Manager		
MAILING ADDRESS	TOWN	STATE	ZIP
PO Box 285	Richmond	VT	05477

PHONE

802-434-5170

CELL PHONE

EMAIL ADDRESS

jarneson@richmondvt.gov

ALTERNATE AUTHORIZED REPRESENTATIVE(S)

This section may be completed by engineer or applicant

AUTHORIZED REPRESENTATIVE NAME

Connie Bona

TITLE

Finance Director

MAILING ADDRESS

PO Box 285

TOWN

Richmond

STATE

VT

ZIP

05477

PHONE

802-336-2094

CELL PHONE

EMAIL ADDRESS

cbona@richmondvt.gov

Add Alternate Representative

ENGINEERING FIRM & REPRESENTATIVE (or Legal Firm and Attorney's Name if this is a Source Protection Loan)

This section may be completed by engineer or applicant

FIRM NAME

East Engineering, PLC

CONTACT NAME

Tyler Billingsley

MAILING ADDRESS

PO Box 1047

TOWN

Richmond

STATE

VT

ZIP

05477

PHONE

802-989-6686

CELL PHONE

EMAIL ADDRESS

tyler@eastengineeringplc.com

LOAN REQUEST

This section may be completed by engineer or applicant

Project Title: Richmond Water Distribution System Replacement - South Bridge St., Cochran Rd, Tilden Ave.

Total amount requested for this loan: \$ 1,808,000

Total projected project cost: \$ 1,900,000

Please describe the source(s) of the additional funding needed to cover the difference between the amount requested for this loan and the total projected project cost:

Step II Loan Application For Final Design (\$92,000) has been previously submitted to ANR.

Please describe the history of the project:

Green Mountain Engineering (GME), who is no longer in business, completed a comprehensive Preliminary Engineering Report for the water system in 2009/2010. The PER included recommendations to replace aging/undersized water mains on Bridge Street, Cochran Road, and Tilden Ave.

Please describe who will benefit from the proposed project:

Water system users/residents of Richmond, Vermont.

Do current and potential customers have alternative sources of water and is the proposed project the best and most cost-effective alternative?

The proposed project is the best and most cost effective alternative.

Please provide a description of the project as it relates to this loan. Include specifications and materials used, water sources, and treatment facilities (attach sheets if necessary):

All design specifications/materials will adhere to the 2016 Town of Richmond Public Improvement Standards & Specifications. Water main designs will be C-900 PVC and 12-inch for Bridge Street with 8-inch for Cochran Road and Tilden Ave. Water sources and treatment facilities will remain as-is. East Engineering estimated total construction phase costs (Step III) of approximately \$1,808,000 (\$1,492,150 construction subtotal, \$180,000 construction engineering per ANR curve, and approximately \$135,850 for construction contingency ~10%).

Please include estimated or actual project cost summary/estimate of probable project costs.

LOCAL FUNDING AUTHORIZATION (not applicable to planning-only loans)

This section may be completed by engineer or applicant

Has a legal vote on the authorization to borrow for an SRF loan occurred?

Yes No Number of Registered Voters:

Attach a copy of the legal warning and recorded vote or resolution authorizing such debt and attach bond counsel opinion letter. The clerk must certify these as true copies.

SITE INFORMATION

This section may be completed by engineer or applicant

An attorney's legal opinion may be required regarding the site or sites where the project will be located. The Facilities Engineering Division's Construction Section will make this determination for the project.

Do you own all land or possess all the easements or rights-of-ways for project sites?

Yes No

ESTIMATED PROJECT SCHEDULE

This section should be completed by the engineer

Estimated Project Initiation Date:

Estimated Project Completion Date:

ESTIMATED SPENDING SCHEDULE OF LOAN PROCEEDS

This section may be completed by engineer or applicant

Quarter	Year	Amount
January - March	2024	\$10,000
April - June	2024	\$600,000
July - September	2024	\$600,000
October - December	2024	\$598,000
<input type="button" value="Add Another Quarter"/>		
TOTAL -->		\$1,808,000

REVENUES

This section should be completed by the applicant

What is the Applicant's fiscal year?

User Rate Revenue Table

	Current FY - 2	Current FY - 1	Current FY (estimated)	Current FY + 1 (estimated)	Current FY + 2 (estimated)
Amount Billed	\$175,845	\$179,009	\$174,776	\$183,515	\$192,691
Amount Collected	\$316,929	\$179,009	\$174,776	\$183,515	\$192,691
Amount Uncollected/Outstanding	\$0	\$0	\$0	\$0	\$0
Estimated Amount of Commercial Revenue	\$140,129	\$154,096	\$144,407	\$151,627	\$159,209

Does the system use tax revenue to support any utility related activities, including capital projects?

Yes No

What is the source of the revenue (special assessment, general fund, 1%, impact fees, etc.)?

Fire protection which is 48% of the water tank revolving loan, 48% of the water tank bank loan, and 5% of the overall water budget.

Will taxes or fees need to be adjusted based on the proposed project?

Yes No

Please describe how taxes or fees need to be adjusted based on the proposed project.

The water tank BANK loan will be completed in 2023, which should be when we will start paying on this Revolving Loan, so the amount should stay approximately the same.

Taxes Supporting System Revenue

	Current FY - 2	Current FY - 1	Current FY	Current FY + 1	Current FY + 2
Amount Billed	\$49,641	\$50,432	\$51,148	\$53,705	\$56,391
Amount Collected	\$49,641	\$50,432	\$51,148	\$53,705	\$56,391
Amount Uncollected/Outstanding	\$0	\$0	\$0	\$0	\$0

WATER FEE BASIS & RATES (only applicable to public community water systems)

This section may be completed by engineer or applicant

What is your current method to assess water fees (check the description that most closely matches your methods)?

- Metered/Variable Rate - Rates are based on a metered rate (flow rate) in addition to a fixed rate (base rate).
- Unmetered Flat Rate - Customers are charged a flat rate that does not vary based on flow.
- Both Metered & Unmetered - There is a combination of metered and unmetered customers.
- Property Tax Based - Rates are based on property taxes.

Total Number of Residential Connections:

(multi-unit connections count as more than 1, for example, a duplex counts as 2 and a 10 unit apartment Building counts as 10)

421

Total amount of water used last year by commercial, industrial, and institutional connections (gal or cuft):

7,330,100

Calculate Equivalent Residential Units (ERUs) by dividing the number above by 76,650 gal or 10,240 cuft.:

76650

Total Equivalent Residential Connections (ERUs) -->

517

EXPENDITURES / SYSTEM OPERATION & MAINTENANCE EXPENSES

This section should be completed by the applicant

Current Fiscal Year O&M Costs (exclusive of debt and reserve fund payments):

\$188,228

Post Project Fiscal Year O&M Costs (exclusive of debt and reserve fund payments):

\$188,228

Please attach a copy of your actual YTD revenue and expenses, and projected budget.

EXPENDITURES / SYSTEM DEBT

This section should be completed by the applicant

What is the applicant's total long-term outstanding debt?

\$2,730,605

What is the applicant's total annual long-term debt payment?

\$168,186

Direct Debt

	Current FY	Current FY + 1	Current FY + 2	Current FY + 3	Current FY + 4	Current FY + 5
Total Payment	\$168,186	\$165,932	\$163,601	\$135,349	\$133,388	\$131,383

Long-Term Debt Schedule

Purpose of Long-Term Debt	Direct or Self-Supporting	Year of Maturity	\$ Amount Outstanding
Jericho Road Water Line		2032	\$566,362
RF3-335 East Main		2047	\$628,499
RF3-302 Water Reservoir		2048	\$980,326
RF3-365 Bridge Street		2060	\$374,884
RF3-444 Bridge Street		2063	\$102,500
Water Tank gap loan		2025	\$80,535
<input type="button" value="Add Another Long-Term Debt"/>			
		Total As of --> Mar 13, 2023	\$2,733,106

Does the Applicant have any future borrowing plans over the next 5 years?

Yes No

Please describe the system's future borrowing plans.

This project will plan to borrow funds to complete the project. The bond vote passed for \$1,900,000 in March of 2023.

Are there other capital projects in the near term (5 years)?

Yes No

Does the Applicant have an annual or cumulative deficit?

Yes No

Please describe your plan to increase user's fees/charges to pay for this debt service:

Bond vote in 2023, then increased quarterly fees.

Does the Applicant anticipate an increase in revenues as a result of these improvements?

Yes No

Does the Applicant anticipate a reduction in operating expenses as a result of these improvements?

Yes No

What are the economic trends in your service area - jobs, population increases/decreases, housing starts, property values, etc.? For Mobile Home Parks, please provide an occupancy history for the past five (5) years.

Population and property values have been increasing.

List any current or potential connections using greater than 5% of demand or provide a general description of service area.

SYSTEM RESERVE FUNDS

This section should be completed by the applicant

Does the Applicant have any reserve funds?

Yes No

Please describe the reserve fund and what it is used for:

Short Term Capital Reserves: Repairs
Capital Reserves: Long Term Capital Projects
Distribution System Capital: Long Term Capital Projects

Is the Applicant actively contributing to reserve funds in accordance with a short-term Asset Replacement Table (START)?

Yes No

What does the Applicant do with surpluses, if any?

Used to offset the budget the next year.

Reserve Funds

	Current FY	Current FY + 1	Current FY + 2	Current FY + 3	Current FY + 4
Amount Available	\$220,365	\$350,365	\$480,365	\$610,365	\$740,000

This section should be completed by the applicant

Has anything occurred since the date of your last annual financial report or financial statement that would have a significantly negative effect on your revenues, expenditures, or ability to pay future debt service?

Yes No

Did the Applicant have more than one budget defeat in the last two years?

Yes No

Does the Applicant have any pending litigation in excess of \$10,000 on the system and/or the municipality?

Yes No

Does the Applicant offer a retirement plan to its employees (including VMERS)?

Yes No

Please describe your plan, your estimated proportionate share of unfunded pension liability:

VMERS B

If the Applicant has its own retirement plan separate from VMERS, does it have any unfunded pension liabilities?

Yes No

Describe the Applicant's budget control system. Does the Applicant use multi-year forecasting or interim (quarterly or monthly) financial reports to monitor your status?

We review the financial status quarterly.

Are all account records currently maintained for:

Checkbook Yes No Don't Know By Whom: Connie Bona Finance Director

Comments:

Receipts Yes No Don't Know By Whom: Connie Bona Finance Director

Comments:

Disbursements Yes No Don't Know By Whom: Connie Bona Finance Director

Comments:

Deposit Slips Yes No Don't Know By Whom: Connie Bona Finance Director

Comments:

Clerks office receives payments, Finance Director posts the payments, Town Clerk deposits with the bank.

Are bank statements reconciled on a regular basis?

Yes No Don't Know By Whom:

Comments:

Are bank accounts and ledger balances reconciled on a monthly basis?

Yes No Don't Know By Whom:

Comments:

Are financial records maintained in a computerized system?

Yes No Don't Know By Whom:

Comments:

Are any financial records maintained in manual form?

Yes No Don't Know By Whom:

Comments:

Does the applicant maintain separate reporting for this utility?

Yes No Don't Know By Whom:

Comments:

Does someone other than the treasurer receive unopened bank statements and review bank reconciliations?

Yes No Don't Know By Whom:

Comments:

Does the same individual open the mail and deposit checks?

Yes No Don't Know By Whom:

Comments:

Does the organization receive payments in cash?

Yes No Don't Know By Whom:

Comments:

Does the Applicant have pre-numbered receipt books for cash payments?

Yes No Don't Know By Whom:

Comments:

Are checks always written to specified payees and not to cash?

Yes No Don't Know By Whom:

Comments:

Are pre-numbered checks used for all bank accounts?

Yes No Don't Know By Whom:

Comments:

Are checks written by the same individual who approves payments?

Yes No Don't Know By Whom:

Comments:

The Water Superintendent approves invoices, the Finance Director prepares the warrant, the Water Commission approves the warrant, the Finance Director cuts the checks, the Town Treasurer signs the checks.

Have there been any changes in authorized signatures during the fiscal year?

Yes No Don't Know By Whom:

Comments:

There was a new elected Treasurer in March of 2022 so the signature card was amended with the blank.

Has a signature stamp ever been used for any account?

Yes No Don't Know By Whom:

Comments:

Is the organization professionally audited by a CPA?

Yes No Don't Know By Whom: RHR

Comments:

Does the Authorized Representative assist in the audit planning process?

Yes No Don't Know By Whom: Connie Bona Finance Director

Comments:

Is a specific individual responsible for correcting audit findings?

Yes No Don't Know By Whom:

Comments:

It depends on the finding and what it is related to

Are regular financial reports prepared for the board?

Yes No Don't Know By Whom: Connie Bona Finance Director

Comments:

Quarterly reports are presented

Are budget to actual reports prepared for each department?

Yes No Don't Know By Whom: Connie Bona Finance Director

Comments:

Has the Authorized Representative borrowed money from the utility?

Yes No Don't Know By Whom:

Comments:

Has the organization had a theft, embezzlement or wire fraud in the last 5 years?

Yes No Don't Know By Whom:

Comments:

Has the Treasurer or CFO participated in any business which does business with the system/utility?

Yes No Don't Know By Whom:

Comments:

Does the Applicant loan money to employees?

Yes No Don't Know By Whom:

Comments:

Have board members attended financial trainings?

Yes No Don't Know By Whom:

Comments:

In the past year we have had a brief training from Sullivan & Powers (past auditor) and a lengthy training from NEMRC.

Has the Treasurer/CFO attended trainings on recordkeeping?

Yes No Don't Know By Whom:

Comments:

Does the Applicant have written financial policies and procedures?

Yes No Don't Know By Whom:

Comments:

Does each employee have copies of these policies and procedures?

Yes No Don't Know By Whom:

Comments:

They are available for employees and the public to view

KEY PERSONNEL

Please list the names and qualifications of the following key personnel including areas of expertise, years of experience in similar programmatic work, years at current position, and/or any relevant qualifications.

Please include all personnel related to the loan. Authorized Rep, Alternative Authorized Rep(s), Clerk, Board Members, Financial Manager, etc. Failure to include all key personnel will result in the application considered incomplete.

NAME

POSITION (select from the list or enter another value)

Josh Arneson

Town Manager/Administrator

QUALIFICATIONS:

Has served four years as Town Manager.

NAME

POSITION (select from the list or enter another value)

Dave Sander

Governing Body Chair

QUALIFICATIONS:

NAME

POSITION (select from the list or enter another value)

Connie Bona

Finance Director

QUALIFICATIONS:

Accounting degree & 40 years of experience

NAME

POSITION (select from the list or enter another value)

Linda Parent

Clerk

QUALIFICATIONS:

Add Another Key Person

ADDITIONAL COMMENTS

Provide any additional comments for your application here:

Certification

Authorization Date:

REPRESENTATIVE SIGNATURE

PRINT NAME

REPRESENTATIVE SIGNATURE

PRINT NAME

REPRESENTATIVE SIGNATURE

PRINT NAME

REPRESENTATIVE SIGNATURE

PRINT NAME

REPRESENTATIVE SIGNATURE

PRINT NAME

Authorized Representative Certification

Authorized Representative Signature Date:

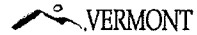
SIGNATURE OF AUTHORIZED REPRESENTATIVE

PRINT NAME

Submit completed application and all attachments via email to:



Amy Galford, DWSRF Project Lead



[phone] 802-585-4904 [email] amy.galford@vermont.gov

Department of Environmental Conservation
Water Investment Division