

# **Town of Richmond Water and Sewer Commission Meeting Minutes of May 16, 2022**

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

**Members Absent:** Greg Tucker

**Staff Present:** Josh Arneson, Town Manager; Duncan Wardwell, Assistant to the Town Manager; Linda Parent, Town Clerk; Kendall Chamberlin, Water Superintendent

**Others Present:** The meeting was recorded for MMCTV, Cara LaBounty, Gary Bressor, Ian Bender, Meg Freebern

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

**Welcome by:** Sander

**Public Comment:** None

**Additions or Deletions to the Agenda:** None

**Items for Presentation or Discussion with those present**

## **Superintendent's Report**

Chamberlin: We did a lot of service work this week on Esplanade and Hutchins work. Thank to Steve for his mechanical abilities. Aaron has resigned effective Memorial Day as he accepted a position in Shelburne.

Furr: I cannot fault Aaron for accepting the Water Superintendent position for all it includes with salary and other benefits. It is a step up in his career path.

Sander: We wish him the best even though it is sad to see him go.

Chamberlin: The divers should be here before the end of the fiscal year. I need to adjust a few Purchase Orders.

Hill: I think losing this employee is an example as an upgrade in position. We certainly cannot compete with Shelburne on some of the benefit as they have the highest per capita income.

## **Consideration of amending purchase orders for Chittenden Solid Waste dewatering and Chemical Suppliers**

Sander: Cost of materials and services has increased so we are adjusting the amounts in the motion.

Chamberlin: These are purchases associated with the water chemicals and delivery to CSWD as they are going up.

Hill: We might need to consider adjusting our rates in the future if these costs continue to go up.

Chamberlin: Around July 1<sup>st</sup> we should consider a small increase.

Hill: We will put that on a future agenda

*Furr moved to approve the increase of PO# 4039 to Various Chemical Suppliers in the amount of \$30,000 for a total of \$110,000. Hill seconded.*

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

*Furr moved to approve the increase of PO# 4040 to Chittenden Solid Waste District in the amount of \$30,000 for a total of \$150,000. Hill seconded*

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

### **Consideration of accepting the Compensation Study**

Arneson: At our last meeting the Commission looked at different options from Govt HR. We are looking at different percentiles (50<sup>th</sup>, 60<sup>th</sup>, 65<sup>th</sup>, 70<sup>th</sup>, 75<sup>th</sup>) for 75+ comparable Towns. There is a column to illustrate the Cost to Implement (wages only) and the Benefits which shows the total on the bottom row. The Benefits are based on a percentage of wages that go to Vermont Municipal Retirement, Social Security and Disability. For 2023, we looked at the current salary of each employee and then increased by a 3.5% increase. We looked at the steps about 2.25% per step with a 5.75% for CPI. We can adjust to make changes if we decide differently.

Furr: When we hire a replacement, the step will depend on the certifications.

Hill: The insurance and health benefits also greatly influence some of our anticipated costs.

Chamberlin: We will probably be hiring a new apprentice as there too many openings for a certified operator.

Hill: I contemplate the turnover of our staff, especially the middle to lower pay ranges. I was looking at a 75<sup>th</sup> percentile as it pertains to retaining and recruiting our employees.

Sander: The turnover in employees does cost a lot of money and we could reduce those costs if we provided better compensation.

Furr: I wish we had more of a chance to keep Aaron. That goes for Highway as well. We need to spend more money upfront instead of always re-hiring and training people.

*Furr moved to adopt Compensation Option #5 for the Water & Sewer Commission. Hill seconded. Roll Call vote follows discussion.*

Hill: The alignment with Selectboard would be ideal but it is awkward due to our timing.

LaBounty: If your turnover is higher then why are we not looking at an equitable increase where there is turnover. I question a \$17,000 increase for our upper management when we are losing our lower paid employees. I feel it is extreme. Can you review the specifics of the benefits listed?

Arneson: The benefits are limited to Vermont Municipal Retirement, Social Security and Disability and does not include health insurance benefits.

Huntoon: Is it correct that we might have a different pay scale than the Selectboard?

Arneson: Water & Sewer looked at a different data set than the Selectboard. They would be on a different pay grid.

Chamberlin: If you look at my position without 37 years of service, you would be hard pressed to hire a replacement at \$72,000.

Furr: If we were to lose Kendall then we would have to contract the Department out to another contractor. That is why I think Kendall is deserving of that increase.

Arneson: These numbers are based at comparable Towns and positions and then they slot people based on service. This shows his 37 years of service.

Hill: The salary for comparable Towns shows that Kendall might have been underpaid over the years.

LaBounty: There are employees out there willing to step into other positions. We talk about affordability in our community. We are the highest Water and Sewer costs in the State. Everybody is replaceable. Yes, we have to be competitive but there are people willing to take a Water Superintendent position. Aging users in our Water & Sewer system are struggling.

Hill: I think the Commission has been sensitive to this balance between costs and quality. Over 8 years ago, we inherited a drastically depleted of deferred maintenance schedule. The State mandated us to replace the water tank. This is done as a business. The salaries are a small amount compared to other increases in expenses.

Sander: We were presented the salary ranges for what it looks like outside of Richmond for market rates. The business model has changed. Any other discussion before calling a vote?

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

Arneson: Do we want to implement this immediately for this pay period?

Sander: Do you want the board to take action on that tonight? Or should you and finance work that out.

*Furr moved to implement the Compensation Option #5 to begin this pay cycle on Wednesday May 18<sup>th</sup>. Huntoon seconded.*

Arneson: Are we looking at using the FY2022 or FY2023 numbers.

Hill: I think we should align with the Selectboard on July 1. It would be more work, but it would start at 2022 and then another increase for July 1, 2022, in conjunction with the Selectboard.

Arneson: We usually cap CPI increase at 1.5%. But this gives us more time to discuss before July 1 for FY2023.

*Hill amended motion to approve the Compensation Option #5 FY2022 to begin this pay cycle on Wednesday, May 18<sup>th</sup>. Furr seconded. Roll Call Vote follows discussion.*

LaBounty: The original study on April 4<sup>th</sup> showed original Chittenden County Towns. I want people to understand that Kendall will be third highest paid Superintendent in Chittenden County.

Hill: We should post the actual comparables listed.

Sander: We pulled comparables from similar plants based on the size and complexity.

Furr: I would encourage you to take a tour of our plant. It is an impressive plant.

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

### **Review of Draft FY23 budget and rates**

Arneson: I wanted to review this before tomorrow's Annual meeting. The Compensation Study Contingency is split between Water and Wastewater. We based it on FY2023 options. Do we want to try to update salaries and have an actual FY2023? Do we do that based on 5.75% which has not been determined? We might not have enough time to finalize before Annual Meeting. We can get public feedback and then finalize budget next meeting.

Chamberlin: There will be a reduction in numbers with Aaron leaving.

Arneson: We need to talk about what the vacancy going to start at for wages and health insurance. Tomorrow night we might present the current budget with plans to update for June 6 meeting. I will try to get the numbers as close to projected as possible. We should also take a look at rates. The metered rates are still projected to go down on the whole by using unassigned funds to offset loans and other costs.

### **Update on Gateway Expansion Project**

Arneson: The numbers are quite unaffordable for Phase #1. Until we find more funding, it is financially challenging to make this work. Planning Commission is looking at changing some zoning so we might have an option for a designated neighborhood or district. This might help us become eligible for wastewater expansion loans.

Bressor: What percent of confidence do you have that we will have a signed contract in two years?

Hill: It is currently not economically viable unless we get other resources.

Huntoon: I concur with Bard.

Furr: I defer to Bard as well.

Sander: Absent funding there is no way it can go forward.

Hill: We explored the issue of private expansion and there are several scenarios. How is it viable? The easement for utilities over the conserved land would require additional work. Or the Reap could build under their current easements.

Arneson: Planning & Zoning is working on some funding options. There is a path to become eligible. As Jay notes, there is a long process to use the ARPA money. I am more than zero percent.

LaBounty: What has been the accumulative expense total during the last seven years of this project, so we are aware of the money already spent.

Sander: We do have that number.

Hill: That could be a future agenda meeting item.

Sander: We do not have that number tonight. The original engineering and projections were a large cost.

### **Consideration of painting water tank**

Sander: MMU will like to paint the water tank as part of a Day of Service Project. Kendall is in favor of this project. They will paint to cover up the graffiti. He proposes a dark forest green. It is the new concrete tank.

*Furr moved to approve the MMU Day of Service project to paint the water tank.*

*Seconded by Huntoon.*

*Roll Call Vote follows discussion*

Hill: Let's make sure we are using the appropriate paint for the surface.

Huntoon: I think we can leave it to Kendall to match with the current places where we covered up graffiti.

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

### **Approval of Minutes, Warrants and Purchase Orders**

#### **Purchase Orders**

*Huntoon moved to approve PO# 4344 to Union Bank for water tank gap loan in the amount of \$27,806.05. Furr seconded.*

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

#### **Minutes**

*Furr moved to approve the Water & Sewer minutes of 5/2/22 as written. Huntoon seconded. Roll Call Vote follows discussion.*

Sander: There is on small correction to May 2, 2022, minutes. The discussion of mixer service life or shelf life? It should say service life and not shelf life.

Wardwell: I will double check and update it.

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

Warrants

*Furr moved to approve the warrants as presented. Huntoon seconded.*

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

### **Discuss Items for Next Agenda and Adjourn**

\*Septage Rates

\*Review Annual Meeting

\*Status of Water Tank Painting

\*FY23 Pay Grid

### **Adjournment**

*Huntoon moved to adjourn. Furr seconded.*

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

**Meeting adjourned at 6:51 pm**

### **Chat:**

00:26:03 Jay Furr: we have comment from Cara LaBounty, here in the room

00:49:49 Kendall Chamberlin: Quite the storm!

00:55:09 Jay Furr: Yep! Do you have an ark handy?

00:56:23 Linda Parent: I am really surprised the internet has not gone out yet

00:57:42 David Sander, board member: Mine has! Both Starlink (first time)  
and my dsl

01:22:02 Linda Parent: can we have a betting contest to determine how long before  
the new paint gets tagged?

01:22:17 Jay Furr: I have "3.5 minutes"

01:25:21 Linda Parent: it will be before MMU GRADUATION