

Date

Dear Property Owner,

As you may already know, the Richmond Water and Sewer Commission has been exploring the option of bringing wastewater service to the Gateway section of Richmond. This would include expanding the wastewater main line from the Village west along Rt. 2 up to and including the Mobil Station.

The purpose of this mailing is to ask for feedback from future users to determine the level of support for this expansion. More details on the process and cost are provided in the documents contained with this letter.

We are requesting that you answer the question on the enclosed Feedback Document and return it using one of the following methods:

- Mail:
 - Richmond Town Center, Attn: Josh Arneson, PO Box 285, Richmond, VT 05477
- Drop it off in the drop box of the Town Center at 203 Bridge St.
- Email to jarneson@richmondvt.gov.

We are requesting a response by Wednesday, Oct. 12, 2022. Responses will be discussed at the Monday, October 17, 2022 Water and Sewer Commission Meeting.

If you have any questions about the project, please contact Town Manager Josh Arneson at 802-434-5170 or jarneson@richmondvt.gov

Please see the enclosed pages for the response sheet and more information about the proposed expansion.

Thank you,

Josh Arneson
Richmond Town Manager
802-434-5170

Feedback on Proposed Gateway Wastewater Expansion

Property Owner Name: _____

Property Address: _____

Property Owner Email Address _____

Property Owner Phone Number _____

Please select one of the following:

I am in favor of the proposed expansion of the wastewater system

I am opposed to the proposed expansion of the wastewater system

This is a straw poll and is non-binding. The purpose of this feedback is to provide information to the Water and Sewer Commission regarding the level of support for the proposed wastewater expansion project.

Procedure for Funding and Information on Costs to New Customers Associated with the Gateway Wastewater Expansion Project

Procedure for Funding

The next step in the expansion of the wastewater system is to fund the project.

Currently the Commission is considering funding the expansion of the system from the current terminus up to and including 434 West Main St. with cash from the wastewater fund balance and/or wastewater reserves. The area from the current terminus up to and including 434 West Main St. was in the original water and sewer district and there is precedent that properties within the original water and sewer district can be connected to the system at a cost to be shared by the existing users. This phase is referred to as Phase 1A.

The estimated cost for Phase 1A is \$166,000.

- The fund balance in Wastewater was \$471,015 at the close of FY21 (FY22 balance will be available once FY22 audit is complete)
- The Wastewater Capital Reserve had a balance of \$458,056 at the close of FY22

Phase 1B starts at 600 West Main St. and runs up to and including 840 West Main St.

- The estimated cost for Phase 1B is \$333,000
- The Town received a Northern Border Regional Commission (NBRC) grant of \$147,947 for this phase of the project
- This leaves \$185,053 to be raised by a bond

Phase 2 starts at 360 Governor Peck Rd. (this property has road frontage on West Main St. and is at the beginning of Phase 2) and runs up to and including 1436 West Main St. (A.K.A the Mobil Station).

- The estimated cost for Phase 1B is \$500,000

The combined cost of Phase 1B and Phase 2 is \$685,053.

The combined cost of Phase 1B and Phase 2, less the NBRC Grant, would most likely be funded by a bond, pending voter approval.

- The bond would be paid back over 30 years by the owners of the properties that would connect to the system in Phases 1B and 2
- The amount that is assessed to each property for the bond payback would be based on the grand list value of each property
- A sample payback sheet is included. Please note that there would be bond payments each year for 30 years, with the amounts decreasing each year. The enclosed document shows sample bond paybacks at five-year intervals, but payments would be due even in years not shown on the sheet. Actual bond payback amounts per property will be determined by the final amount of the bond, the interest rate, and will vary over time per property as grand list values fluctuate.

A special assessment district must be established to assess a bond payback to only a portion of the properties in Richmond. Per 24 V.S.A. § 3254 a special assessment district may be established one of two ways:

- Unanimous consent by all the property owners that would be included in the special assessment district

Or

- A majority vote of all voters in the Town of Richmond at an annual or special meeting

If the project moves ahead the Water and Sewer Commission will decide which method to employ to establish the special assessment district.

Costs Associated with Wastewater Expansion

By ordinance the Town can mandate that a property connects to the system 90 days after the system is constructed in front of the property. In the last wastewater expansion on Cochran Rd. the Town allowed property owners up to 7 years to connect. No matter how long a period the Commission set for connection to the system, fixed fees and bond payment fees would be owed as soon as the line is completed regardless of if the property is connected to the system.

At the point construction of the expanded wastewater system is complete, the following fees would apply to properties that the newly constructed sewer pipes would serve:

1. Payback of bond for construction
 - a. This was discussed above in more detail along with the included sample payback sheet.
2. Fixed fees related to sewer service
 - a. All wastewater customers are charged two fees:
 - i. A metered fee for gallons actually used
 - ii. A fixed fee per account
 - b. Following are the metered and fixed fees for FY22. Fixed fees would be due by each property at the time of project completion. Metered fees will be due once a property connects to the system, more on this follows below the chart. Actual fees will vary based on current conditions and the budget when the gateway expansion is complete:

		FY23
		Fixed per unit. Metered per 1000 gal.
Residential		
	Fixed Rate	\$177.46
	Metered	\$18.05
	Total Rev.	
Commercial & Government		
	Fixed Rate	\$456.70
	Metered	\$15.47
	Total Rev.	
School		
	Fixed Rate	\$3,599.22
	Metered	\$12.89
	Total Rev.	

The following fees would not be due until a property connects to the system.

1. Metered fees
 - a. FY23 metered fees can be found in the above chart
2. Water and/or sewer allocation fees, also known as Hook-On Fees
 - a. Estimates of these fees can be found on the enclosed sheet titled Estimated Study Area Wastewater Hook-On Fees
3. Cost to connect to the system
 - a. An estimate of the cost to connect to the system can be found included with this letter
4. Cost of a meter and meter installation
 - a. Each customer would be required to have a water or sewer meter. Estimated purchase and installation costs of each type of meter can be found included with this letter.

Phase 1A, 1B, and 2 constructed simultaneously paid for with reserves, grant, and bond paid by all future customers

Grand List Value

Phase 1A paid for with reserves or fund balance

Phase 1B paid for with grant and bond for remaining total

Phase 2 paid for with grant

This is a sample bond payback schedule. Actual bond payback will vary due to actual amount borrowed and interest rate.

Location	Phase#	User Type	Parcel ID#	Grand List Value	Bond Payment at Five Year Intervals						Total Cost over 30 years		
					Year: 2025	2030	2035	2040	2045	2050		2054	
					Total Annual Payment								
					Phase 1B:	\$ 49,780	\$ 45,213	\$ 40,646	\$ 36,079	\$ 31,512	\$ 26,945	\$ 23,292	\$ 1,129,955
Riverview Cemetery	1B		WM0600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Richmond Land Trust Hill	1B		WM0650	\$ 26.00	\$ 32	\$ 29	\$ 26	\$ 23	\$ 20	\$ 17	\$ 15	\$ 15	\$ 721
840 W. Main	1B	Offices	WM0840, b + c +d and WM0830, WI0035	\$ 3,274.00	\$ 4,000	\$ 3,633	\$ 3,266	\$ 2,899	\$ 2,532	\$ 2,165	\$ 1,872	\$ 1,872	\$ 90,807
GP0360, b	2		GP0360, b	\$ 900.00	\$ 1,100	\$ 999	\$ 898	\$ 797	\$ 696	\$ 595	\$ 515	\$ 515	\$ 24,962
NX0048	2		NX0048		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
VB0365, b + e	2		VB0365, b	\$ 5,449.00	\$ 6,658	\$ 6,047	\$ 5,436	\$ 4,826	\$ 4,215	\$ 3,604	\$ 3,115	\$ 3,115	\$ 151,132
878 W. Main	2	Single Family Home	WM0878	\$ 1,718.00	\$ 2,099	\$ 1,907	\$ 1,714	\$ 1,521	\$ 1,329	\$ 1,136	\$ 982	\$ 982	\$ 47,650
920 W. Main	2	Single Family Home / Home Business	WM0920	\$ 3,603.00	\$ 4,402	\$ 3,999	\$ 3,595	\$ 3,191	\$ 2,787	\$ 2,383	\$ 2,060	\$ 2,060	\$ 99,932
932 W. Main	2	Single Family Home / Home Business	WM0932	\$ 3,407.00	\$ 4,163	\$ 3,781	\$ 3,399	\$ 3,017	\$ 2,635	\$ 2,253	\$ 1,948	\$ 1,948	\$ 94,496
978 W. Main	2	Single Family Home	WM0978, a + b	\$ 2,334.00	\$ 2,852	\$ 2,590	\$ 2,329	\$ 2,067	\$ 1,805	\$ 1,544	\$ 1,334	\$ 1,334	\$ 64,735
1010-1014 W. Main	2	Duplex	WM1010	\$ 2,091.00	\$ 2,555	\$ 2,321	\$ 2,086	\$ 1,852	\$ 1,617	\$ 1,383	\$ 1,195	\$ 1,195	\$ 57,995
1008 - 1012 W. Main	2	Duplex	WM1012	\$ 2,117.00	\$ 2,587	\$ 2,349	\$ 2,112	\$ 1,875	\$ 1,637	\$ 1,400	\$ 1,210	\$ 1,210	\$ 58,717
1070 W. Main	2	Office Building	WM1070	\$ 3,403.00	\$ 4,158	\$ 3,777	\$ 3,395	\$ 3,014	\$ 2,632	\$ 2,251	\$ 1,946	\$ 1,946	\$ 94,385
1108 W. Main	2	Dog Day Care	WM1108	\$ 2,929.00	\$ 3,579	\$ 3,251	\$ 2,922	\$ 2,594	\$ 2,266	\$ 1,937	\$ 1,675	\$ 1,675	\$ 81,238
1151 W. Main	2	Residence and Chiropractor	WM1151	\$ 2,184.00	\$ 2,669	\$ 2,424	\$ 2,179	\$ 1,934	\$ 1,689	\$ 1,444	\$ 1,249	\$ 1,249	\$ 60,575
WM1324	2		WM1324	\$ 530.00	\$ 648	\$ 588	\$ 529	\$ 469	\$ 410	\$ 351	\$ 303	\$ 303	\$ 14,700
1436 W. Main	2	Gas Station	WM1436	\$ 6,775.00	\$ 8,278	\$ 7,519	\$ 6,759	\$ 6,000	\$ 5,240	\$ 4,481	\$ 3,873	\$ 3,873	\$ 187,910
Total Grand List Value				\$ 40,740.00									
Double Check should equal Zero					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Rate					\$ 1.2219	\$ 1.1098	\$ 0.9977	\$ 0.8856	\$ 0.7735	\$ 0.6614	\$ 0.5717	\$ 0.5717	\$ 27.7358

Table 14
Estimated Study Area Wastewater Hook-On Fees

Phase/ Address	Use Description	User Type	Quantity	Flow For Fee Basis*	Average Daily Flow (gpd)	Est. Hook-On Fee*
Phase 1						
282 W Main	Residential	Duplex	2	210 gpd/Unit	420	\$2,002
434 W Main	Residential	Single Family Home	1	210 gpd/Unit	210	\$1,076
840 W Main	Commercial	Reap Office Building/ Employees	42	15 gpd/staff	630	\$2,928
Subtotal Phase 1					1,260	\$6,006
Phase 2						
878 W Main	Residential	Single Family Home	1	210 gpd/Unit	210	\$1,076
920 W Main	Res./Commercial	Single Family Home/Town/Business	1	210 gpd/Unit	210	\$1,076
932 W Main	Residential	Single Family Home/Home Business	1	210 gpd/Unit	210	\$1,076
978 W Main	Residential	Single Family Home	1	210 gpd/Unit	210	\$1,076
1010-1014 W Main	Residential	Duplex	2	210 gpd/Unit	420	\$2,002
1008-1012 W Main	Residential	Duplex	2	210 gpd/Unit	420	\$2,002
1070 W Main	Commercial	Office Bldg./Employees	20	15 gpd/staff	300	\$1,473
1108 W Main	Commercial	Dog Day Care Employees Kennels Grooming Station	8 40 1	15 gpd/staff 25 gpd/kennel 400gpd/station	120 1,000 400	\$6,853
1151 W Main	Res./Commercial	Residence Chiropractor Office	1 3 16	210 gpd/Unit 35 gpd/staff 10 gpd/patient	210 105 160	\$2,245
-	Vacant	Hay barn	-	-	-	
-	Vacant	Field South Side	-	-	-	
-	Vacant	Empty Lot	-	-	-	
Subtotal Phase 2					3,975	\$18,879
Subtotal Phase 1 and 2					5,235	\$24,885
Phase 3						
1436 W Main	Commercial Gas Station	1 st Pump Set Add'l Pump Sets Employees	1 3 6	500 gpd/Pump 300 gpd/Pump 15 gpd/staff	500 900 90	\$6,721
9 Gov. Peck	Commercial-Fuel	Employees	8	15 gpd/staff	120	\$679
116River Rd	Commercial -Fuel	Employees	10	15 gpd/staff	150	\$812
Rte. 117	Mobile Home Park	Mobile Homes	146	210 gpd/MH	30,660	\$135,360
Subtotal Phase 3					32,420	\$143,572
Subtotal Phase 1, 2 and 3					37,655	\$168,457

*Based on estimates, State "book flows" or existing State Permits **gpd x \$4.41/Gal/Day + \$150 Inspection Fee

Estimated Costs to Connect to Public Wastewater System

Note: This is an estimate only. Actual individual costs will vary.

Estimate Based on Following Assumptions

- Residential Building
- 210 Gallons Per Day
- 100' from building to Public Line

Item	Estimated Cost
Materials Package to include: Pump, Storage Tank, Control Panel, Alarm (package)	\$2,000
Electrical Materials	\$500
Plumbing Materials	\$1,500
Installation	\$4,000
Total	\$8,000

Estimated Costs to Install Water and Wastewater Meters

This estimate was created to compare the cost to install water meters vs the cost to install wastewater meters for buildings in the proposed Gateway Expansion area. This is designed to provide guidance to the Water and Sewer Commission on which type of meter to require for the proposed expansion area.

Costs are estimates only and assume that wastewater meter installation occurs simultaneously with private connection to the public system.

Maintenance costs on wastewater meters tend to be higher than maintenance costs on water meters.

Meter installation and maintenance costs are the responsibility of the property owner.

The Water and Sewer Commission may dictate which type of meter needs to be installed, or the Commission may offer a choice to customers

- An agreement will be put in place between the Town and properties with water meters to allow the Town to meter the private water supply.
- All customers currently on the system have their public water metered. The amount of water used is also the amount that is billed for wastewater. It is known that a certain amount of water that is used does not end up in the wastewater stream as it is used for things like gardening and washing cars. To equalize for this, a multiplier will be added to any building that has a wastewater meter, since a water meter would have recorded a higher flow amount than a wastewater meter.

Considerations For Metering Water Supply (Typ. Residential Customer)

1. Water Meter & Remote Reader (Equipment Cost \$250)
2. Valves, connections, misc. materials (incl.)
3. Installation (\$750)

Total Estimated Cost = \$1,000

Considerations for Metering Wastewater (Residential Customer, assume 30')

1. Poly Meter Pit/ ¼ hp Sump Pump/ballast (\$1000)
2. Wiring/Conduit/Telemetry (\$500)
3. Wastewater Meter (\$1,500)
4. Installation of all items (\$2,000)

Total Estimated Cost = \$5,000