

Town of Richmond Water and Sewer Commission Meeting Minutes of November 21, 2022

Members Present: Bard Hill, David Sander, Greg Tucker, Morgan Wolaver

Members Absent: Jay Furr

Staff Present: Josh Arneson, Town Manager; Duncan Wardwell, Assistant to the Town Manager; Allen Carpenter, Interim Water Resources Superintendent

Others Present: The meeting was recorded for MMCTV, Bob Reap, Cara LaBounty, Matt Torrville, Meg Freebern, Melissa Hamilton

Call to Order: 6:00 pm

Welcome by: Sander

Public Comment:

LaBounty: I am following up on previous discussion. Do you have a date for the information in regard to the Gateway Expansion costs? Has your attorney given you a timeline?

Arneson: Last time, I shared all the Gateway costs for Green Mountain Engineering going back to the original scoping study and the most recent legal fees. I have not found legal fees from the 2014-2016 timeframe. I have not located those invoices.

LaBounty: We do not know how much we have spent on the Gateway expansion. We also talked about a user audit to confirm the number of units per structure. We wanted to confirm if units were being charged properly for business and residential. I suggest you put it on your next agenda as it impacts your budget. I think it is relevant to this next budget year.

Hill: In theory it is possible to find those legal expenses.

Arneson: The older ones we do not have details like we have with the warrants now. Prior to that we wouldn't have the scanned copies.

Sander: Originally, we kept a running total and should be able to find that figure.

Wolaver: Is the challenge that these figures are embedded into on expense in the books?

Arneson: We have the Green Mountain Engineering expenses for 2014-2015. The legal fees we do not have the physical invoices for those years. You would need to look at individual invoices. The invoices and warrants now track the Gateway.

LaBounty: I would like a request to do it. It is doable and it takes time. You might have to go back to meeting minutes and POs. You tend to spend more money than originally scoped out. There are always add-ons. It needs to be done.

Hill: We could invite Connie to the next meeting to develop a methodology. As far as units, how are we going to count them and know how many are at each location.

Sander: We are missing a couple years of legal fees and we think we have everything else.

Arneson: There are probably a few advertising expenses for warned hearings.

Additions or Deletions to the Agenda: None

Items for Presentation or Discussion with those present

Discussion of Gateway Wastewater Expansion Project including discussion of private expansion to Willis Farm Rd. and Community Recovery and Revitalization Program

Arneson: It is cost prohibitive for the future users to pay for the cost of the expansion. We could again consider a private expansion with the Reaps that comes down the hill from the school to service their property. The Reaps have an easement with the Land Trust to service their property. There is a Community Recovery and Revitalization Program could help us qualify for Phase 1 funding. It would cover up to 20% of the cost. It is still fairly expensive. It could be public or private expansion for the grant. We could apply for Phase 1 or the Reaps could apply for private expansion.

Hill: The reason to look at the total cost of the project is to entertain who pays for the cost of the project as built. If we spent engineering fees on this project, the new users pay for the entire costs. It only gets worse with the costs or money spent that we don't know. What are the costs and possible revenues. Even in the best-case scenario, I have trouble seeing the project as viable for the total costs.

Wolaver: Each user will also have to spend to hook up to the system.

Hill: There would be past expenses, current expenses, and on-going rates. It does not seem like an economy of scale that makes it work.

Tucker: Was this originally about the trailer park wanting to join on?

Sander: Partially

Hill: Not really. We had conversations with the mobile home park owner.

LaBounty: You already did plans for Phase 1 and 2 before the mobile home park got involved with Phase 3.

Tucker: Is the project feasible if the mobile home park joined on?

Sander: It would have possibly unlocked more favorable funding. We never got any confirmation. The extra usage would reduce the unit cost.

Hill: During the public meeting on December 7th, there was not a groundswell of support from the mobile home park tenants. It wasn't viable from the mobile home park owner's perspective.

LaBounty: The mobile home park was being asked to pay a much larger percentage. The water and sewer bill was going to be larger than the lot rent. There were not going to be meters for each mobile home.

Hill: There are other perspectives with the age, condition, and circumstances with the water and sewer infrastructure within the park. We were not taking over the stuff that is 40-50 years old and is known to be leaking. I have gone there personally and seen septic effluent on the surface of the soil inside the mobile home park.

Sander: The expansion would go to the property line and billed as one account. The mobile home park would be responsible for bringing that infrastructure to the property line.

Wolaver: The owner would then have to bill each individual.

Hill: We still couldn't get the numbers to work. We would need a significant State or Federal subsidy in order to reach the mobile home park. We have a smaller scale issue today. It still does not work as it is too expensive or not enough people contribute or a combination.

Wolaver: I love creative financing. This last possible grant program, I wonder if multiple users could apply for it.

Arneson: I think it would be one project.

Hill: It does not seem viable for a public system.

Wolaver: The Reaps would like to connect to the system but cannot connect to the school.

Arneson: It is our understanding that they could not connect to another private line. I asked our attorney and our engineer for confirmation on this. We know where the water lines are at the school. The school is still having an issue locating the wastewater lines.

Hill: We should be prepared to state the statute or regulation prohibiting consecutive private lines. We could entertain a connection within the legal parameters that meets the engineering requirements of a private system.

LaBounty: Does the Creamery parcel have one meter for all their units? This goes back to the user audit as they should be paying per unit on the invoice even if there is one or multiple meters.

Hill: The system perspective is about reading one meter. Or are we reading meters for every apartment? Where does the public line start and end?

Wolaver: Do you know the water usage for Masonic Lodge building?

Arneson: I will double check, but I think there is one meter because there are various uses. We charge additional fixed rates. But we are not metering each individual. I think at Buttermilk there 14 units, but I am not sure if we have 14 different meters. I will double check that.

Tucker: Properties might have in-law apartments. Do they have two meters?

Sander: It should be one meter but two base charges.

Hill: The meters do not reflect the number of units.

Carpenter: I know that the Creamery has one meter for all those buildings. The school has one pump station for the Middle School out back. It goes to the manhole up by the end of the street.

Sander: The trailer park would have one meter, but each trailer would be a unit with individual unit charge. The Town would bill for the number of units.

Tucker: So, each trailer would pay a base fee. The amount of usage would come out of one meter. The usage fee would be divided by the landlord for each tenant.

Wolaver: I would assume that the leases for the Creamery, the usage is built into the rent.

Hill: If you live in an apartment in Burlington, it is unlikely there is a meter for 40 different apartments. Some apartments use more and some use less. Similar for when heat is included in those shared settings.

Sander: What are our next steps?

Hill: We can turn to the Reaps and engage with them about the boundaries. They will have questions if they want to pursue a line up and down the hill.

Update on Jonesville sewer pipe

Arneson: This came up when VTrans found a water line and they didn't know where it went or if it was active. As we dove into that, Linda Parent discovered a sewer line in that area. She contacted the owner of the apartments who knows where the clean-out is but does not know where it goes. We contacted the State and talked to the person who will do the inspection. It is not part of our system, but it is our concern.

LaBounty: Did he pull the State Direct Discharge permit? It goes to the septic tank across Rt. 2 from it by the motorcycle shop by the culvert. There is a holding tank that gets pumped and has a direct discharge permit. The State should work with this property owner to get rid of the grey water into the river. The septic tank has been pumped within the last few years.

Sander: The ambiguity and silence is concerning.

LaBounty: In 2008, the State started doing permitting. This system goes back to when the apartments were built 30-40 years ago. It is time to upgrade the system. The tank is adjacent to the railroad. I am not sure if the direct discharge goes into the stream or underneath the railroad. It was originally Quinn's Store/Meat Market. I was the one that told you about the lines. The State should be pulling any direct discharge permits and working with property owners for new solutions. I appreciate you following through with this.

FY23 Q1 financial review

Arneson: The documents are in the packet. There are some comments for increased costs, septage revenue, and associated expenses.

Water:

https://www.richmondvt.gov/fileadmin/files/Water_Sewer_Commission/Meetings/3c1_FY23_QTR_1_Budget_Status_Water.pdf

Sewer:

https://www.richmondvt.gov/fileadmin/files/Water_Sewer_Commission/Meetings/3c2_FY23_QTR_1_Budget_Status_Sewer.pdf

LaBounty: How much do you have cash and reserve?

Arneson: If you look at the financials

(https://www.richmondvt.gov/fileadmin/files/Water_Sewer_Commission/Meetings/3c3_FY23_QTR_1_Water_Sewer_Septage_Financials.pdf). If you look at FY22, for Water we were at -\$118,000 but this caught up because we were waiting for payment for Bridge St. project. We are currently at \$228,000. For Wastewater FY22, it was \$461,787. For Wastewater, the Collection Reserve is about \$92,000, the Short Term Cap Reserve is \$115,000 and the Wastewater Capital Reserve is \$458,000. For Water, the Distribution System Reserve is \$15,000, the Short Term Cap Reserve is \$114,000, and the Water Capital Reserve is \$90,000.

LaBounty: You should be able to report out a total of cash and reserves that you have. There is almost \$500,000 in cash and reserves for Water. There is over \$1.1 million in Sewer.

Hill: It has gone up since 2017. As of 9/30/22 the total reserves are \$1.2 million.

LaBounty: You are sitting on \$1.6 million is Water & Sewer reserves and cash.

Arneson: The last 2-3 budget cycles, we increased the amount of revenue for septage to off-set the rates.

LaBounty: It is backwards if you are charging the highest rate for users and the lowest rate for people bringing in septage.

Sander: We are not the lowest rate anymore as we have upped it twice.

Hill: We should look at this a couple of times a year.

Staffing update

Arneson: Water and Sewer Superintendent Kendall Chamberlin resigned on Oct. 3. Allen Carpenter is acting as the Certified Operator in Chamberlin's absence. The Superintendent job has been posted and I am accepting applications through November 30, 2022 and have received a few already. Brad Snow has recently passed his exam for a Class 3 Water license. Congratulations to Brad.

Sander: Thanks for the staff stepping up and filling in the void.

Approval of Minutes, Warrants and Purchase Orders

Warrants

*Wolaver moved to approve the warrants of 11/21/22 as presented. Hill seconded.
Roll Call Vote: Hill, Sander, Tucker, Wolaver in favor. Motion passed.*

Minutes

*Wolaver moved to approve the Minutes of 11/7/22 as presented. Hill seconded.
Roll Call Vote follows discussion*

Wolaver: I wonder about the "The daily groundwater system tables are shown."

Arneson: We can research that. We can wait to approve the minutes.

Wolaver: I don't think it is critical.

Roll Call Vote: Hill, Sander, Tucker, Wolaver in favor. Motion passed.

Discuss Items for Next Agenda

- *Update on Lawyer Expense Request
- *Follow-up on Direct Discharge Permit for Jonesville Pipe
- *Review Septage Rates
- *Negotiations on Gateway Users
- *User Audit

Adjournment

*Wolaver moved to adjourn. Hill seconded
Roll Call Vote: Hill, Sander, Tucker, Wolaver in favor. Motion passed.*

Meeting adjourned at 6:56 pm

Chat file from Zoom:

00:32:20 Allen Carpenter: The creamery is on meter.

00:33:28 Allen Carpenter: the school has 2 pump stations for they sewer.
00:40:45 Allen Carpenter: Is it old so there are no records at the state records.
00:43:50 Allen Carpenter: so it could be older then the clean water act.
00:54:08 Allen Carpenter: There will be a plant upgrade in a couple years. So
you might want some money.
00:55:47 Allen Carpenter: septage can vary so you it won't always be the
same.