

Town of Richmond Water and Sewer Commission Meeting Minutes of December 5, 2022

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

Members Absent: None

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, Allen Knowles, Bob Reap, Cara LaBounty, Erin Farr, Matt Torrville, Meg Freebern, Tyler Billingsley

Call to Order: 6:00 pm

Welcome by: Sander

Public Comment:

LaBounty: After last meeting, there was going to be a discussion on user audit equitability. Is that on the agenda?

Arneson: That is with the discussion to set FY24 rates.

Freebern: I have been attending over the last year and I have been impressed with this Board and Department. They are doing the best things possible for this Town. I cannot be on the Board as I am not a Water and Sewer user, but I would encourage anyone interested to join. It is a fantastic group doing good work.

Additions or Deletions to the Agenda: None

Items for Presentation or Discussion with those present

Discussion of hiring process for Water and Wastewater Superintendent

Arneson: I have 5-6 applications. I am asking for two Commissioners to help with the hiring process.

Furr: I will volunteer for anything.

Wolaver: I will volunteer.

Hill: I am on the fence.

Arneson: I will reach out to Jay and Morgan.

Sander: Thank you Jay and Morgan. We have two willing and able volunteers to jump on board.

Consideration of recommending an appointment to the Water and Sewer Commission to the Selectboard

Sander: Greg Tucker is stepping down this month. Thank you to Greg for his service. In our packet we have a letter from Erin Farr who is interested in joining us.

Arneson: She is a Water customer and is here tonight. The Water and Sewer Commission can ask questions and make a recommendation. The Selectboard could then make the decision as it is on tonight's agenda.

Farr: My husband and I live in Town, and we have the farm on the road heading towards Huntington. We both have discussed giving back as we plan to be here. I have previous experiences with the Water Commission meetings, and I am interested in continuing. It seemed like a logical one to start with.

Furr: It is the glamour board.

Farr: I think it is a good place to start with Town government.

Furr: You are a known quantity, and you would be a good addition to the Commission.

*Furr moved to recommend that the Selectboard appoint Erin Farr to replace Greg Tucker on the Water and Sewer Commission on December 6th, 2022, to fill a customer seat with a term running through June of 2023. Wolaver seconded.
Roll call vote follows discussion*

Hill: We should offer to Erin an on-boarding meeting to review materials.

Furr: I highly recommend touring the plant as well.

Sander: I thank Greg for his service, and I thank Erin for stepping up to volunteer.

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

Update on Drinking Water State Revolving Fund projects

Arneson: These are the projects that will be funded by the DWSRF fund. The waterline replacements are on Tilden Ave., Bridge St. south of the bridge, and Cochran Rd. Engineer Tyler Billingsley will review the plans with the Commission and answer any questions.

Billingsley: It is a fast-track schedule. The first tight deadline was the EID (Environmental Impact Document). We got word that it was deemed administratively complete. I met the Josh and Allen Carpenter to review a 30% design plan. It has a first level survey and existing utilities to create the new offsets for the waterline. Tilden Ave. is the tightest by far as 2 rods is narrow when you have water, sewer, storm, gas, and poles. There is basically one path. There is some ledge on Cochran Rd that will need to be chipped through. It will be an added expense but there is no other way. The cost estimate did not include the total quantity of the road distances. Where Bridge St. was

assumed to be 600 feet, it is more like 750 feet. Tilden Ave. was assumed to be 1400 feet it is more like 1500 feet. The next deadline is January 1st for a permit level set of plans and specifications. The bond vote is after that, and we are getting in some of the technical details.

Arneson: The bond will be at the next meeting to get it on the Town Meeting ballot.

Hill: Do we suggest that residents contemplate their service lines in coordination with this project?

Billingsley: If people are able and willing, it does make sense to do it at that time when a contractor has it dug up. It can get tricky to determine the hook up for the next 100 years. I would expect the old service lines to be a lot of galvanized steel, but the new stuff is copper. Richmond has hot soils for corrosion, so it is not a fantastic mix for galvanized steel. For Tilden Avenue, we would trench across the street. It is not worth boring. All of these streets would have services crossed and not drilled or bored. Some services will be shorter or longer depending on which side of the road. The contractors have pumps if they hit any wet spots. The work would probably be in 2024. After you pass the bond, you apply back to the State for the funding portion of the grant. You won't get notice until July 1st which is a tough time to go out for bid. I called Pete to tell him these were in the mix so that it does not conflict with upcoming paving projects. West Cochran is from the four-way intersection to 220 Cochran Rd but not as far as the cemetery. The section you replaced in the late 1990s was from 220 Cochran Rd to 340 Cochran Rd. The east Cochran Rd. section is to the other side of the culvert about 50 feet short of the cemetery.

Discussion of information used to set FY24 rates

Arneson: At the last meeting, it was suggested that an audit be performed to ensure that we are billing for the correct number of residential and commercial units at each property. We also considered changing commercial billing from being per unit to being based on square footage of commercial space. This was to account for the difficulty of counting actual commercial units due to home offices and shared office space. I am looking for direction on this topic from the Commission. Either one will take a significant amount of time to complete. Both have challenges. It would be an audit of 300 structures or so to figure out exactly how many units are in each one. It would require a lot of door-to-door and mailings. We could run reports from what we have on file to figure out the square footage.

Wolaver: Once you know all the square footage of real estate, it is pretty easy. It doesn't matter if there are 1 or 500 units, it is the same square footage. There is probably a debate of what is fair. The Masonic Lodge is the biggest building but generates the least amount of revenue. We should go through the calculations to see if it is affordable. It has to be affordable as we live in a small town.

Hill: The point of residential units or commercial units is important. If there is a combination, then they would have two different formulas for that property.

Wolaver: Commercial to me means rentals. If you lived in your house, leave it alone. If it is office space or apartments, then it is commercial.

Arneson: Right now, we consider apartments residential. The Buttermilk building has 14 residential fixed rates because there are 14 units. There are also commercial fixed rates for the businesses in that building.

Hill: You can have a large house with small use and a small house with large use. Why would we care about the size of the unit when we focus on the use for residential purposes?

Wolaver: We depend on the owner of the property to tell us what is changing. Square footage is simple.

Arneson: You will still need some data from the owner. You need to figure out how many businesses and how much is split for residential.

Wolaver: Do we have commercial users fill out annually how much is residential?

LaBounty: I think before you determine if you go square footage or units, then you need to know numbers. The square footage calculations are easily done by a data dump from the Assessor's office for both commercial and residential properties. You have not been billing for all the existing units. If you are not billing everybody, that is not fair. I think your first step is to confirm the number of units you have in existence compared to what you are billing. Your system defines a unit. If there are four different commercial uses for one building, then there should be four units being billed. One meter does not mean there are not four units. Some businesses are being charged 4 units while other businesses are only being charged 1. It is inconsistent.

Hill: We tried an update for residential units about 6-8 years ago. There might be one meter for four apartments in one building. You would want a rate structure that is equitable for four meters for four business units or one meter for four business units. We shouldn't require people to hire plumbers to install multiple meters.

LaBounty: When you see an apartment structure that is zoned and permitted for multiple units, and you see multiple electrical meters and you are charging for one unit in the whole building then it is not equitable. Get a true inventory of your residential and commercial units. You do not have all the data yet.

Furr: If we are doing physical visits then we could be looking at material that will shut down the plant like stormwater discharge. What is our responsibility? It is a potential problem.

LaBounty: I think your first process is documentation. How many units and multiple meters are beside the Ski Shop? You have Zoning Permits. You also have voter information data to confirm physical locations in Town.

Furr: We can also look at property tax data but there isn't one place to get all of the information.

Wolaver: The Zoning Permits will tell you what the use is and the number of units. Maybe we hire someone to go around and count electrical meters.

Arneson: Some of these buildings have been here for over 20 years. Will there be a file that determines how much is commercial and residential?

Furr: We cannot be the only ones with this problem. We should look at how other Towns do it.

Hill: If you have the data then you can run different formulas.

Arneson: I will check in with Planning & Zoning and the Assessor to find out what we can get in a spreadsheet. I can report back.

LaBounty: You might consider a Google Doc where you can compile all this data and provide different historical perspectives.

Hill: I think the stormwater issues is a different task, but it is parallel.

Farr: I am sure there are a lot of people who do not know the specifics of their stormwater.

Consideration of adjusting the septage rate

Sander: The Commission last adjusted the septage rate in the spring of 2022 going from \$0.06 per gallon to \$0.065 as of July 1, 2022. Included in the packet is an updated spreadsheet which includes rates for other Vermont facilities. We do not want to be the lowest and we do not want to price us out of the market.

Furr: Does Montpelier treat something that nobody else can?

Carpenter: The big ones in the State are Shelburne, Montpelier, and Richmond. We handle mostly just the septage where Shelburne and Montpelier handle the beer waste and other stuff.

Arneson: Some of the facilities have high BOD (Biochemical Oxygen Demand) waste. That is at a separate higher rate.

Furr: If we go up a certain amount do we lose business to Montpelier?

Hill: People will probably go to Montpelier, which is at \$0.070, Milton which is at \$0.075, South Burlington which is at \$0.070. We can be on par with our competitors.

Furr moved to approve a septage rate from \$0.065 to \$0.070 effective January 1, 2023. Wolaver seconded.

Roll call vote follows discussion.

LaBounty: Your non-users are one of the lowest rates while your users are some of the highest rates. Do you have any haulers that come from New Hampshire?

Carpenter: Casella is permitted for New Hampshire and New York. Wind River is a regional corporation that takes trucks from out of State. They do not come from New Hampshire.

Sander: Wind River bought Casella.

LaBounty: Montpelier and South Burlington charge their users less than we charge our users. You will save money by increasing your rates to your non-users. Why are we only moving up to the \$0.070?

Hill: This is a classic business experiment on price point behavior. Are we disadvantaged if we increase to much over Montpelier and South Burlington?

Carpenter: We bill P&P Septic as much as anyone and they come because it is cheap. They will go somewhere if we increase it too much and that is most of our billing.

Sander: We are going up half-a-cent but that is a 7.5% increase. We can go up higher later if we do not see a drop of business.

Hill: How many gallons is a typical truck?

Carpenter: It will vary from 1,000-5,000 gallons. It depends on if it is full.

Hill: Morgan is calculating the difference is about \$12.50. It is not just the fuel but also driving the truck there. I do not think \$12.50 is that many miles worth of hauling. I recommend we vote on it and then come back in a few months to see if it has impacted usage in real time.

Arneson: Septage is typically slower in January through March. Maybe we look at this again in Spring.

Carpenter: Summer is the busiest time of year. Everyone slows down in winter until after March.

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

Update on Gateway planning costs

Sander: Due to time, I think we move the “Update on Gateway planning costs” and “Review of November water data” to next time.

Review of November water data

Furr: We have dipped below 0.7g/ml on a few occasions but there are valid reasons like adding material to the system which takes time.

Wolaver: The average hit the minimum.

Update on Jonesville sewer pipe

Arneson: The State looked for the permit and it is not a direct discharge permit. There has been no known ground surface effluent. We will investigate further if there is a report of surfacing septage. We have paperwork and email trails.

Approval of Minutes, Warrants and Purchase Orders

Minutes

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

Warrants

*Furr moved to approve the warrants of 12/5/22 as presented. Wolaver seconded.
Roll Call Vote: Furr, Hill, Sander, Tucker, Wolaver in favor. Motion passed.*

Purchase Orders

*Hill moved to approve PO#4542 to VLCT Property & Casualty for Workers Comp insurance not to exceed \$19,176.18. Furr seconded
Roll Call Vote: Furr, Hill, Sander, Tucker, Wolaver in favor. Motion passed.*

Discuss Items for Next Agenda

- *Update on Gateway planning costs
- *Review Stormwater discharge
- *Water tank inspection and seepage

Sander: Thanks again for Greg's service to the board and welcome Erin assuming the Selectboard will approve.

Tucker: Thanks for the opportunity to serve. It was an interesting year. I appreciate Erin stepping in.

Adjournment

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

Meeting adjourned at 7:00 pm

Chat file from Zoom:

00:40:51 Allen Carpenter: Sounds like a zoning and permitting question.
00:45:40 Allen Carpenter: sounds like a good idea for volunteers
01:04:14 Allen Knowles: The Guide to Monthly Water Report document has a decimal error. I have emailed Josh about it