

Town of Richmond Water and Sewer Commission Meeting Minutes of September 6, 2022

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

Members Absent: None

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, Bob Reap, Cory Mason, Matt Torrville, Meg Freebern, Rod West

Call to Order: 5:30 pm

Welcome by: Sander

Public Comment: None

Additions or Deletions to the Agenda: None

Superintendent's Report

Chamberlin: We oversaw the Thompson Rd relocation of the water and sewer lines. Kudos to Cortland Construction. We also sewer service replacement on Esplanade. Kudos to John Scott Excavation. The hydrant by the Town Garage needs to be replaced soon as it has a failed valve. It should not be used unless in a fire. We did a wet test with the minnows. We are ironing out details for phosphorus optimization plan to sample influent and effluent. We worked on the Rt 2 curbs and located them all. A couple need excavation repairs. We want to make sure they are 100% before paving gets to Village. We switched to stainless steel rods that previously failed due to the weld being corroded by the soil. I have been getting after 3 different Town Managers, Water Commissioners, and Selectboard members about storm water connections. We are one major storm away from blowing out our treatment plant. We are finding that a large number of places have sump pumps directly connected to the sewer or modifications to drain storm water into the sewer. Our ordinance states that it is not allowed. I think we should put a clause in the sewer ordinance so I can enforce it and eliminate those connections.

Sander: Is the stormwater issue associated with just private residents or are there any municipal systems hooked up to sewer system.

Chamberlin: I would guess both. The Rt. 2 drainage was not corrected. We also have been told by citizens about it. We have observed sump pumps, but the Commission only recommends the removal but provides no teeth. More and more people are putting sump pumps into the sewer. There are examples like the library where there is no backflow, so it is basically an open sewer line. Our certified letters only state that the Town is not liable for any backup on those lines.

Sander: Can you provide an update on the hydrant failure and state of other hydrants?

Chamberlin: There are two hydrants on Thompson Rd from 1983. We might be able to repair it. It opens up fine but when you close it creates a water hammer that rattles the ground. We replace a hydrant every year as they are failing. We cataloged all the hydrants and that is the only one we identified with major problems.

Hill: Would hydrants be part of our resource tracking asset management to help determine replacement.

Chamberlin: A hydrant is something you use until it fails. It is a \$5,000-\$10,000 item to replace and we exercise them twice a year and the fire department trains every Monday. Some have lasted since the 1970s. We upgrade whenever we have a problem. We order a new hydrant and hire an excavator to install the new one. The life of a hydrant varies based on how much it is used, location, and water pressure. Sometimes we can repair a hydrant. We did an ISO test not too long ago.

Wolaver: We should start warning people about the stormwater and sump pump issues.

Furr: I think Kendall said we already send certified letters, but we do not have an ability to enforce. What do we need to do?

Chamberlin: If the Selectboard and the Commission does not enforce it then the Water & Sewer Department is the front line. Some towns provide an ordinance clause where water resource staff have the ability to shut off somebody if there is a risk to public health.

Furr: Do you have a list of which properties are violating the ordinance?

Chamberlin: That is our first step, and we will make a list of who will not correct the situation. The ordinance is very clear that they are not to collect building, roof, or stormwater basin drains into the sanitary sewer. More and more people are doing it.

Hill: If we move forward then we should entertain consequences. At a future meeting, we should work on the language of the ordinance that allows for a shut-off clause.

Furr: Or is there a payment percentage so that they cannot ignore the ordinance. I would like to avoid shutting it off.

Sander: Do you see dramatic increase in the flow through the plant during storms?

Chamberlin: I have noticed it for about a year or so. The flow into the plant is significant and immediate during a storm providing evidence for the existence of the pumps and drains being connected.

Sander: The Chat mentions that this is unmetered flow into the system.

Freebern: Where is the water supposed to go? Into your yard?

Chamberlin: Into the ground or into the storm drain. Just like you shouldn't connect a basement sump pump into a septic system as it will fail.

Sander: Stormwater from a basement or roof runoff is being collected and treated through the plant without payment.

Follow up on Gateway Expansion Project

Arneson: The Commission wanted to follow up on the financing for three different Phases. Phase 1A is from current terminus to 434 West Main St. Phase 1B is from 434 West Main St. to 840 West Main St. Phase 2 is from 840 West Main St to 1436 West Main St. The following is included in the packet (https://www.richmondvt.gov/fileadmin/files/Water_Sewer_Commission/Meetings/3b1_Cost_and_Funding_Scenarios_for_Gateway_Wastewater_Expansion__2_.pdf)

Phase 1A could be paid for by using either (1) the fund balance in Wastewater or (2) Wastewater Capital Reserve.

Phase 1B could be paid for in part by using the \$147,947 grant and fund the \$185,053 balance through different bond payback scenarios:

- *The bond would be paid back over 30 years by the users in Phase 1B. Payments would be assessed based on Grand List Value

- *If Phase 2 connects in the future it is possible that Phase 2 users could be added to the payments for Phase 1B from the point Phase 2 connects

- *A sample payback schedule for Phase 1B by only the users in Phase 1B is included in the packet

- *A sample payback schedule for Phase 1B that assumes Phase 2 users hook up and begin sharing costs of Phase 1B by 2028 is also included

Phase 2 could be paid for by only the users in Phase 2 with a bond:

- *The bond would be paid back over 30 years by the users in Phase 2. Payments would be assessed based on Grand List Value

- *A sample payback schedule for Phase 2 by only the users in Phase 2 is included in the packet

- *If Phase 2 users were added to share in the cost of Phase 1B the Phase 2 users would have two to pay on both bonds.

- *There is a spreadsheet which details combined sample bond payback scenarios for users in Phase 2

If Phases 1A, 1B and 2 are constructed at the same time:

- *Phase 1A is paid for with the fund balance and/or wastewater capital reserve

- *Phase 1B is paid for with the \$147,947 grant and remainder is bonded for

- *Phase 2 is paid for with a bond

- *All users in Phases 1B and 2 share in the cost of the bond payback.

The bond payback options are included in the packet at

<https://www.richmondvt.gov/calendar/meeting/water-and-sewer-9-6-22>

Hill: The Richmond Land Trust easement is undevelopable. Is it plausible to charge them for a utility they will ever use? Is it permissible to have exemptions? Why is the Riverview Cemetery exempted but not the Richmond Land Trust?

Arneson: We should resolve that question.

Hill: If we treat Phase 1B and 2 in different fee structures is that two new districts?

Arneson: We talked about a full special assessment district for everyone involved. We considered the total Grand List Value portion after the application of the grant.

Furr: Why are the paybacks much less than the others in 3b4 (https://www.richmondvt.gov/fileadmin/files/Water_Sewer_Commission/Meetings/3b4_Phases_1B_wastewater_with_payback_including_phase_2_properties_joining_after_5_years.pdf).

Arneson: This scenario does not make sense. We could add them to the bond-payback across everyone in Stage 2. This looks very low. It is only payback for Phase 1B. In 3b5 (https://www.richmondvt.gov/fileadmin/files/Water_Sewer_Commission/Meetings/3b5_Phases_2_wastewater_with_payback_by_only_Phase_2_users.pdf) it looks at when we consider everyone together.

Furr: The numbers work out better to do it all at once.

Parent: I assume the people on West Main Street will change next year with re-appraisal. Will it rise?

Arneson: It is going to change depends on how different properties go up compared to other properties. Just like it happens with municipal taxes.

Hill: This would be an annual review and there may be some changes.

Arneson: It would be just like Town taxes.

Furr: If someone makes dramatic improvements to their property then that would take on more of the payment.

Hill: Or if someone's property burns down and is abandoned then the payment would go down.

Sander: The total amount collected is the same, but payments will go up and down according to the relative Grand List Value.

Arneson: Next steps would be to get the Act 250 permitting started. Concurrently we could get going on a bond vote. The bond vote would be all Richmond voters but only paid back by the users. We would have to setup the special assessment district.

Furr: If 878 West Main cannot afford the bond payback then what happens?

Arneson: If we go with unanimous consent and it fails then we would be forced to go with a district vote. They would be compelled to join if the vote passes.

Hill: We might be reluctant to spend more money from the customers until we get a green light of interest. We are straining our engineering project costs.

Parent: It would be better to have a bond vote with the Town Meeting ballots.

Arneson: We would need to have that finalized by early January. We bonded for this money 10 years ago. We could do a bond vote while figuring out the special assessment district. Maybe the next step is to look into the process to go through unanimous consent. Would the future users be in or out?

Hill: A current user would be interested in that information before a bond vote.

Arneson: I need to look into the legal specifics of getting a letter to prove unanimous consent. If one doesn't sign, then we would have to go to the vote. A failure to respond is not enough for unanimous consent.

Chamberlin: I do not think we would get unanimous consent.

Arneson: What next steps do we want to take? Do we put together an unanimous consent letter or take more of an informal straw poll?

Sander: That would be easiest and cheapest option. Do we have enough information for potential costs.

Hill: This is one of 3 costs associated with the project. There is the bond payback. There is a one-time hookup fee. There is an annual usage fee.

Sander: We know the usage fees.

Hill: People want to know how much money a month they will need. Most people will probably need to take out a loan. That will take work to define the three parts.

Wolaver: The property owner contracts with private company and have Kendal oversee the main connections for the hookup.

Hill: For next meeting, we should get the three numbers to collect interest. This is where we have gotten a few red lights before.

Parent: Are you asking tenants or property owners? A lot of the tenants are not registered voters. There are a few owners who are out of town and not registered voters either. I think it will be the property owner.

Reap: Is there a timeline to this scenario? How long would it take for the bond vote?

Sander: The straw poll will be very soon. The actual bond vote will depend on the information we receive from the property owners.

Hill: The straw poll could occur in October. The bond vote might be in March at Town Meeting.

Arneson: The bond vote could be for all 3 Phases or just Phase 1A and 1B.

Wolaver: The straw poll could be a certified receipt and provide information on who to call.

Sander: Do we have enough information to develop the straw poll tonight?

Hill: Let's come back to the next meeting to make sure it is accurate.

Sander: Ask attorney about who we should contact (tenant or owner) and guidelines for a straw poll.

Arneson: Last time, we put together some numbers to estimate the hook-up fee.

Follow up on fixed rates for commercial accounts

Arneson: The last meeting we talked about the Masonic Building. We asked how are commercial fixed fees allocated? Kendall, Morgan, and I investigated it further. Currently residential rates are not based on whether there are 3 bedrooms or less. There is one residential rate regardless of if studio apartment or 6-bedroom house. The Commercial rate matters depending on number of offices. The Masonic Lodge shows that there are some anomalies. We considered looking at square feet of commercial square feet. I am thinking we can get that information from the Listers. We could use this information for setting the FY24 rates.

Wolaver: It did not seem practical to chase down how many businesses are in a building. The square footage does point to a standard commercial 200 square feet per office. This seems more reasonable and something everybody can understand.

Hill: Is there a best practice for this in Vermont or elsewhere?

Chamberlin: The problem of square footage comes up with the schools or Harringtons compared to a small business. There does not appear to be a standard.

Wolaver: When I was in Middlebury there were increased fees for industry and commercial. They may have changed since then.

Chamberlin: I like the idea of a square footage model and it might make sense to see how the school might classify as a commercial business.

Hill: What are the next steps?

Sander: We should look at square footage and usage rates.

Arneson: I will get the square footage numbers and see how far we can review for commercial versus residential.

Hill: Our timeline would be spring at the latest.

Arneson: I would like to keep this going and will update next meeting.

Discussion of Water and Sewer Commission membership

Sander: Commissioner Tucker is serving on the Commission until December. Given the difficulty in filling Commission vacancies, outreach should begin now for this position. Outreach can include postings on Front Porch Forum as well as individual discussions with system customers to generate interest in serving on the Commission.

Arneson: The best approach is Front Porch Forum and face-to-face with friends and neighbors.

Tucker: Kendall's recruitment posting get a lot of attention.

Hill: Can you do something for us Kendall?

Chamberlin: I will come up with something.

Approval of Minutes, Warrants and Purchase Orders

Purchase Orders

Sander: No Purchase Orders this meeting.

Minutes

*Wolaver moved to approve the Minutes of 8/15/22 as presented. Hill seconded.
Roll Call Vote: Hill, Furr, Sander, Tucker, Wolaver in favor. Motion passed.*

Warrants

*Furr moved to approve the Warrants as presented. Wolaver seconded.
Roll call vote follows discussion.*

Furr: In FY22, is Amazon Capital Service an Amazon account?

Chamberlin: Yes. I try not to use it but for awhile that was the only place where we could get stuff.

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

Items for Next Agenda

*Ordinance enforcement for downspouts and sump pumps into municipal plant

- *Straw-poll on implementing gateway expansion
- *Attorney update on expansion vote for tenant or owner
- *Recruitment for board
- *Square footage estimates and research updates for commercial rates

Adjournment

Furr moved to adjourn. Hill seconded.

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

Meeting adjourned at 6:40 pm

Chat file from Zoom:

00:27:10 Rod West: Constitutes theft of services...