

West Windsor Utility Advisory Committee
Draft Minutes
October 15, 2018

Committee members present (in person): Bob Norris, Jim Bonney, Tom Kenyon

Committee members present (by phone): David Leavitt, Gina Halstead, Leslie Levesque

Others present (in person): Win Johnson (Selectboard Chair), Martha Harrison (Town Administrator)

Others present (by phone) Jason (Aldrich & Elliott)

- 1) Call to Order – Advisory Committee Chair Bob Norris opened the meeting at 4:00 PM.
- 2) Changes or Additions to the Agenda – Tom Kenyon added a request to review Water Allocations. David Leavitt requested a review of delinquent accounts. Delinquent Accounts will be discussed in Financial Statement agenda item.
- 3) Announcements/Public Comment – No Announcements or Public Comments
- 4) Approve minutes of last meeting – **Tom Kenyon moved to approve the minutes. Jim Bonney seconded the motion, which passed unanimously.** Minutes of last meeting approved.
- 5) Utility Advisory Committee Clerk – Open Position. No nominations for Clerk. Bob Norris will record minutes for this meeting. Proposed to do a rotating schedule for future meetings. Proposal will be forwarded prior to next meeting.
- 6) Review financial statements – Win noted that the financial statements are preliminary for the quarter and some items need to be clarified. If any committee member has additional questions, please bring them forward and a revised set will be forwarded by email. Bob Norris questioned that the operations and maintenance expenses are showing as a credit. Win responded that is one of the transaction accounts that need to be clarified for a revised statement. Tom Kenyon reported the bank balance information for the water and sewer funds. The balance in the water system checking account is \$18,889.41. The balance in the water system money market account is \$195,614.47. The balance in the sewer system checking account is \$39,312.97. The balance in the sewer system money market account is \$346,335.81. Tom also noted that the \$44,000.00 payment to Windsor has been made, and the next payment is due in 2019. David Leavitt requested the named list of delinquencies. Win replied that there has not been the clarification needed from the town attorney to be sure that is allowed. Bob Norris responded that the other option is that the owners association where the respective delinquencies are located could possibly have access to that information. Win reiterated that the Town Clerk is actively managing the accounts and where appropriate, property liens have been placed to recoup the fees at property transfer. David replied that if liens are in place, then the Utility is protected and that is sufficient. Win added that the current delinquencies over one year old for Sewer are \$6,938.47 consisting of 3 accounts, and for Water \$13,186.00 consisting of 8 accounts.
- 7) Water System Update – Final Hydraulic Study & Long Range Plan: Martha was not able to send the entire report, as the file size was too large to be sent as an email attachment. Bob Norris asked for a summary of the high points in the document, as it is preliminary. Jason from A+E presented the capital improvements are in three sections and total \$435,000.00. The three sections are 1) Distribution System Improvements, major item is relocation of the 8” and 4” distribution lines from under the ski bridge on Ski Tow Road 2) Main Well

Improvements, major item building to encompass well head and control systems 3) Emergency Generator to run well system in a power out situation. In addition to the capital improvements, there are additional engineering services of \$205,000.00 for a total Water system infrastructure improvement budget of \$640,000.00. In addition to these major capital improvements are the maintenance items of curb stop testing and replace as needed and the installation of meters. Tom Kenyon raised the question how much the under bridge line replacement, and what is the plan if there is a failure, especially in mid winter. A&E replied the estimated cost during a normal construction process is \$200,000.00. An emergency project could be considerably more. It was presented that with the new hydrants above and below the bridge could be used to jump the lines and allow the system to temporarily operate on a limited but functional level. The line replacement remains a priority. DWSRF Planning Loan Application & Engineering Services Agreement: A&E discussed that the Clean Water SRF loan application has been submitted along with the Engineering Services Agreement (ESA). Martha stated that she was unaware of the Loan Application submission and that she thought the ESA needed to be approved in advance. A&E stated that the two are submitted concurrently and that they are under review and A&E is waiting on feedback and questions. It is typically a three-month process and they expect to have all approvals in the late January early February 2019 timeframe. This would be in time to put together a potential bonding issue vote by the Town in March. Bob Norris raised the question on the bonding issue on the impact on the Ratepayers, as they will be the impacted parties on the repayment, not the non-user taxpayer. Bob Norris also asked if there is a preferred way to set the rate as base and assessment for improvements. A&E offered that it is up to the UAC and the Select board to determine rates. The Vermont State Clean Water SRF program currently uses a negative rate of interest on loans. That is being phased out in favor of a subsidy program. The SRF is a 30-year loan. Win referred to Appendix E section J for the estimated pro forma for potential rate impacts of the full bonding issue. This was not readily available to review at the meeting and will be sent to the committee. Bob Norris added as a 30 year pay back, an assessment would not make sense and that most likely this would be rolled into the budgeted rate going forward. Win agreed. The potential for the March Bond Vote on Water Bond issue is dependent on both the Engineering Services Agreement and the Loan Application approvals. There will be an update in time for the next quarterly UAC meeting in January. Access & Well Isolation Zone Easements Signed: Both the Windsor Building and Ascutney Outdoors easements have been approved and executed. No further action needed. Proposal for Minor Amendment to Water Ordinance: Proposed change to section 4.07 – Change of Use in the water ordinance to align the language to the approved Sewer Ordinance – Change of Use (section 5.05). The proposed change was emailed to UAC members in advance of the meeting. No initial comments, Motion to approve by Tom Kenyon, Seconded by Jim Bonney, no discussion, passed unanimously, forward to Select board for adoption

8) Sewer System Update – CWSRF Planning Loan: Jason (A&E) stated the Planning Loan application is approved and the Engineering Services Agreement is approved and has been signed by the Select Board. A&E is putting together final engineering report that will map out the rehabilitation of the entire sewer system, and encompass all of the CCTV inspections including the just completed third inspection of the balance of the system. Martha asked if the third inspection had been reviewed by A&E and what are the initial findings. A&E reported nothing urgent in the third inspection, only some of the expected maintenance issues such as sections of sagging lines as were found in the previous inspections. The final

engineering report will be a comprehensive plan. Asset Management plan: Win noted that the Sewer system planning loan application does not require an asset management plan for the sewer, while it is required for water. Win, Martha and A&E have discussed that for the town as the managing entity it would be beneficial to all parties on the system to have a comprehensive Asset Management plan in place to manage the utility for required services, capital expectations and budget pro forma for bonding and rate impacts. Bob Norris asked for the timing that A&E expected to have the Sewer Asset Management plan put together, and would it be available for a late January 2019 UAC meeting. A&E stated that Tom Brown from the State of VT Clean Water SRF program has requested a separate planning loan application for the sewer asset management plan and that they can actually amend the just submitted rehabilitation loan and resubmit and that. Clean water has a quick turnaround time. The revised loan application can be back to the town this week. The upside for the planning process and documentation is that there are significant subsidies available to the town. Win asked again for timing. A&E commented that in order for the town to prepare a Bond vote in March, the Select Board would have to address the bond issue at the first February Select Board meeting. With that expectation, the UAC should be able to have the initial report including financial pro forma for review at the January UAC Meeting, date to be determined. CCTV Report Received from Green Mountain Pipe: As stated above, A&E's preliminary review resulted in no major issues or immediate concern, only typical deferred maintenance issue as in sagging lines in some areas. Final report will be issued with the Sewer Asset Management Plan.

- 9) Other Business – Tom Kenyon brought up a question regarding discrepancies in the water and sewer allocation figures on the Brownsville Butcher and Pantry (BB&P) facility. He noted that they will be installing a meter to help resolve this discussion. There also seems to be a discrepancy in the volume of the allocation. BBP had a system design by Mill Brook that stated the state guideline to not exceed 810 Gallon Per Day (GPD). The new town allocation was 704 GPD. The previous approved allocation was 504 GPD. The discrepancy is not a major issue at this time as the town has forgave the water allocation for no meter. Martha stated that the 504 GPD was determined by A&E during the village sewer expansion project. Tom also stated that he thought the town should have forgiven the \$600.00 assessment to the BB&P. As a start up business, they need all the help they can get. Win replied that he acknowledged Tom's concern, and that he has received a large amount of feedback that it is dangerous for the town as the Utility manager to allow exceptions to the ordinance. The exceptions can quickly set a precedent and become the norm. All future additions to the system could request a waiver for various reasons, and if granted should be the exception, not the rule.
- 10) Next meeting – The committee tentatively scheduled their next meeting for Monday, January 21st at 4:00 PM.
- 11) Adjourn – **Tom Kenyon moved to adjourn at 4:52 PM. Jim Bonney seconded the motion, which passed unanimously.**

Respectfully submitted,

Bob Norris