



# *Town of Shelburne, Vermont*

## MINUTES

Special Water Commission Meeting

July 12, 2016

Shelburne Town Office, 5420 Shelburne Road, Meeting Room #2

1. **Call to Order** – John Schold called the meeting to order at 5:05 pm
2. **Consider Approval of the Agenda** – Motion by Mike Regan, Seconded by John Schold, Roll Call Vote: Passed 5-0.
3. **Citizen Participation and Public Comments** – Four representatives from Wake Robin were present.
4. **Consider Approving Expenditure for Installing Water Pressure Monitoring System for Spear Street Line** – Water Superintendent, Rick Lewis, said he spoke to Joe Duncan at CWD, who met with South Burlington's Water Superintendent about cost sharing for the SCADA equipment. South Burlington is not interested. Rick is also waiting to hear what the pressure ranges for alerts are to ensure that staff is not called out for false alarms. Mike Regan said the cost of paying overtime if someone gets called out at night wouldn't be worth it. Pete Gadue said it would be a mistake not to purchase the equipment; he thinks the \$7,000 or so would be worth it. Lewis said he doesn't think it will save us any money. Pete Gadue motioned to consider purchase of the SCADA equipment, John Schold seconded. Failed 4-1 Roll Call.
5. **Consider Amending Water Department Connection Fees** – Mike Regan asked Finance Director Peter Frankenburg to explain the formula for the capacity fee. Frankenburg explained that the capacity fee is meant to help offset capital costs that current users have been paying for all along. This includes depreciation costs, which auditors always suggest that towns fund. He said it also looks at the cost of future projects in the Capital Improvement Plan, such as the Route 7 line replacement and the capacity of tanks. Town Manager Joe Colangelo said it will be a similar process as wastewater and the calculation will need to be updated every year. Diane McCarthy, Attorney for Wake Robin, asked if the fee would be based on the requested allocation. Colangelo said it is based on the State of Vermont Water Supply Division guidelines. Lewis said the allocation request number is what the capacity fee is based on. McCarthy asked if there will be a process for considering special circumstances such as their operation of their own water system. Colangelo replied that the amended water connection fee policy was written to be non-negotiable so that it didn't ever become a subjective process. McCarthy asked if anyone else in town operates their own separate water system. Lewis said Shelburne Farms does. John Schold motioned to adopt the amended water department connection fee with the edit "and to those increasing" (initialed on document) as presented, seconded by Mike Regan. Passed 4-1 Roll Call.
6. **Consider Endorsing Letter to DRB on Wake Robin Phase 3 Water Connection Charges** – Joe Colangelo explained that this letter is consistent with what the Water Commission has discussed. Diane McCarthy said she has questions on the legal part of the letter. She said that Wake Robin has made their position clear about linking the water tank to the Phase 3 project. She said they also are opposed to the DRB ruling on the water ordinance instead of the zoning bylaws. She said that Eric Dalen, the Project Manager for the Phase 3 project would like to talk about that. Dalen said that Wake Robin would still like to explore alternate, more cost effective options. Rick Lewis said that so far, the town has not seen anything that it would approve. He said the Aquastore tank

is the type of tank that is needed. Water Commission Chair, John Schold, said that he wants to establish that other options have been discussed, however, they were simply not acceptable. Mike Regan motioned to approve the letter to the DRB on Wake Robin Phase 3 Dated July 12, 2016 as presented, seconded by John Schold. Passed 4-1 Roll Call.

7. **Consider Endorsing Letter to DRB on Proposed Kwiniaska Development Project** – Joe Colangelo said the letter regarding the Kwiniaska project is the same concept as the previous letter and was prepared in light of the new on the record review process. He said he thinks this will be the first of many conversations with the DRB regarding this project. He said the letter is just meant to alert the DRB to the issue with the Spear Street water line. Mike Regan motioned to approve the letter to the DRB on the proposed Kwiniaska development project dated July 12, 2016 as presented, seconded by Mike Abrams. Passed 4-1 Roll Call.
8. **Adjourn** – John Schold motioned to adjourn, seconded by Mike Regan. The meeting was adjourned at 5:55 pm.

\* Decision Item

- Times allotted to each agenda item are approximate and may vary depending on the discussion.

*Reasonable accommodations shall be provided upon request to ensure that this meeting is accessible to all individuals regardless of disability*



# Town of Shelburne, Vermont

CHARTERED 1763

P.O. BOX 88 5420 SHELburne ROAD SHELburne, VT 05482

Clerk/Treasurer (802) 985-5116	Town Manager (802) 985-5111	Zoning & Planning (802) 985-5118	Assessor (802) 985-5115	Recreation (802) 985-5110	FAX Number (802) 985-9550
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**Title:** Water Department Connection and Capacity Fee Policy

**Effective:** July 12, 2016

**Purpose(s):** Shelburne's public water system is a clear example of a community facility and the water provided through the system is a governmental service provided by the Town of Shelburne. To avoid the unreasonable burdening of the Town's water system through increased usage, the Water Commission adopts and from time-to-time amends fees to insure additional capacity and connection stresses can be satisfied into the future for the entire system.

**Authority:** This policy is adopted under the authority granted to Shelburne's Water Commission from §147-15.1 of Shelburne's Charter and 24 V.S.A Chapter 89 §3313.

**Applicability:** This policy applies to all customers connecting to Shelburne's Water System, <sup>expanding</sup> their gallons per day allotment <sup>and to those increasing</sup>

**Fees:** Fees will be charged pursuant to the following:

1. Connection Fee
  - a. Residential Use: \$1,000 Flat Fee<sup>1</sup> + Cost of Meter for Additional Meters
  - b. Commercial/Industrial Use: \$1,000 Flat Fee + Cost of Meter for Additional Meters
2. Capacity Fee
  - a. Residential Use: \$1.66<sup>2</sup> \* Allocated Gallons per Day<sup>3</sup>
  - b. Commercial/Industrial Use: \$1.66 \* Allocated Gallons per Day
  - c. Form Based Code Incentive: Residential and/or Commercial/Industrial Use approved via permit issued under Shelburne Road Form-Based Overlay District (Article 17A of Zoning Bylaws) will be charged ½ the Capacity Fee Rate.
  - d. Affordable Housing<sup>4</sup>: Affordable housing projects will be charged ½ the Capacity Fee Rate. Affordable housing projects using Form Based Code will be charged ½ the Capacity Fee Rate.

<sup>1</sup> Flat Fee includes one 5/8" x 3/4" meter. Meters larger than 5/8" will be charged an Incremental Costs = to the actual cost of the meter and associated fittings – cost of a 5/8" x 3/4" meter.

<sup>2</sup> Formula: Step #1: [(50% of Past Debt Allocation: \$594,927.88) + (Annual Depreciation: \$110,526) + (Capital Plan Projects: \$35,000) + South Tank Improvements: \$90,170] = \$830,624. Step #2: [(152,000,000 total annual gallons sold) / (365 Days per Year)] = 416,438 Gallons per Day Sold. Step #3: [(416,438 \* 1.20)] = 499,726 Total Gallons per Day Capacity. Step #4: [(830,624) / (499,726)] = \$1.66 Gallons per Day Capacity Fee

<sup>3</sup> Allocated Gallons per day will be based on the State of Vermont Water Supply Division utilizing average daily flows and the Vermont Department of Environmental Conservation Permit.

<sup>4</sup> Housing shall be considered affordable if it is restricted to households or individuals earning not more than 80 percent of the median household income for Chittenden County.