

TOWN OF SHELBURNE
WATER COMMISSION MEETING

06/03/19

Present: Chair John Schold, Craig Wooster, Pete Gadue, John Day, Steve Smith

Also Rick Lewis, Lee Krohn, Peter Frankenburg; and Steve Baietti, Jim Fay, Joe Duncan

The meeting was called to order at 5:00 P.M.

Motion by Schold to approve agenda, with one change, moving item #8 to #4; seconded by Gadue and approved unanimously.

Motion by Day to approve the minutes of May 6, 2019; seconded by Gadue and approved unanimously.

Public Comments: Steve Baietti raised again an issue raised in the past. His concern is the minimum usage fee @ 3000 gallons. He uses less than that each quarter, feels penalized accordingly, and asked that the minimum fee be reduced to/be based upon 2000 gallons. Discussion of terminology or mechanics; is it actually a minimum usage fee, or really more of an "infrastructure provision fee", as the entire water distribution system must be built and maintained in order to provide water, no matter how little or much any person may use at a point in time? The question was asked whether we can analyzed how many low volume users there are, and the financial ramifications of lowering the minimum usage fee as requested. CWD reports all municipal systems have some sort of minimum fee, call it what you will. Can data be prepared for the next meeting?

Retiring CWD Executive Director Jim Fay introduced Joe Duncan, the new CWD Exec Dir. Fay started with CWD in 1977, and is retiring as of June 28. Joe Duncan takes over effective 7/1 after a search process. He has been with CWD 3+ years, started as Chief Engineer, rose to Asst. Gen. Mgr. CWD has a long track record with Shelburne. Shelburne values them, and offered congratulations to both.

Finance Director Peter Frankenburg presented current budget status. No problems cited. Four billing quarters completed. Should be close to budget for the year. Contractors and equipment well under due to few water breaks this year. Meters over budget, doing more radio conversions, cost offset by above, and saves staff time down the road. Each section was reviewed; budget appears on track.

Water Superintendent Rick Lewis informed Wake Robin reserve tank underway, do we want main tank cleaned? MOU to come for turning the tank over to the Town. Spring hydrant flushing underway. Questions were asked regarding the Museum solar field proposal and existing water main/corridor. Need to maintain right of way. Plan review will be coordinated.

Town Manager Lee Krohn reported that the stormwater committee has been reactivated; the Healthy Living/ Fire-Rescue property site analysis and permitting processes have begun; and the new assistant in the Manager's office has started work today.

Review/approve budget for FY20: Frankenburg reviewed the draft budget in all respects. It maintains the same rate for next year, which has not commonly occurred. Per the Commission's request, he reviewed a table showing additional contributions to the capital reserve fund based on various prospective rate increases. It was noted that this budget seeks to save money toward smaller capital projects; larger projects would be bond funded. Budget includes the 3% increase in the wholesale rate from CWD, a typical annual increase. Specific line items noted include:

100% of cell revenue starts next year (last year of incremental increase in transfer from Town).

Meter purchase increases next year to improve efficiency, allow staff to do more productive work.

One small debt will close out next year; most debt is mid to longer term.

A challenge was noted with private water service lines – if leaking, then water is flowing (for which we pay CWD) but not through meters, so it's not being billed. It can be hard to get private owners to fix these lines, since there is no apparent financial penalty to them.

Further discussion ensued on water rates. The current rate the highest in the CWD service district, due to RT 7 rebuild and Shelburne Point line, both had to be done in prior years. There is great appeal of going one year with no rate increase; probably can't do again.

Motion by Schold to accept and adopt the budget as presented, with a 0% rate increase for the next fiscal year; seconded by Day and approved unanimously. Frankenburg was thanked for his work on the budget.

Accounts Payable were reviewed and signed.

With no further business, the meeting adjourned at 6:06 P.M.

Respectfully submitted by Lee Krohn