

Town of Proctor
Special Selectboard Meeting Minutes
Draft
July 26, 2018
3:00 P.M. – 4:50 P.M.

Board Members Present:

Bruce Baccei, Chair
Bob Protivansky
Tom Hogan

Employees Present:

Celia Lisananti, Town Clerk & Treasurer
John Corliss, Public Works Foreman
Stan Wilbur, Town Manager

Others Present:

Chris Hayes, Simon Operation Service
Ashley Luchi, DEC DWSRF Project Lead

I. Call to Order

The meeting was called to order at 3:00 p.m.
Self introductions were made.

II. Review and Approve Agenda

Bob Protivansky made the motion to approve the agenda. The motion was seconded by Tom Hogan and unanimously approved.

Bob Protivansky made the motion at 3:05 p.m. to recess the Selectboard meeting a convene the Board of Water Commissioners meeting. The motion was seconded by Tom Hogan and unanimously approved.

III. Board of Water Commissioners

- VT DEC Facilities Engineering Division Capacity Development Evaluation
Ashley Luchi explained that a capacity evaluation is required for first time loan applicants and every five (5) years for continuing loan precipitants. Proctor has not been evaluated in the past five years. The evaluation covers Technical Capacity, Managerial Capacity and Financial Capacity. She will be following a Capacity Development Evaluation form. Everyone present had been provided with the form and the form is attached and made a part of these minutes. A copy of Ms. Luchi evaluation report will also be attached when it is received.

Water audit; water usage and leak detection; and Permit to Operate were highlighted during the Technical Capacity discussion.

Topics noted under the Managerial Capacity section were water ordinance; water conservation/efficiency program; and system upgrades beyond the current projects.

Under the Financial Capacity element there was discussion regarding projecting system expenses out 2 to 5 years; updating equivalent residential units for commercial and school customers; dedicating a larger amount to reserve funds; and addressing delinquent accounts.

Once the loan conditions are addressed water use rate structure relative to median household income, SRF loan forgiveness and bond payment schedules will be open for discussion.

Bob Protivansky made the motion at 4:40 p.m. to adjourn the Board of Water Commissioners meeting and resume the Selectboard meeting. The motion was seconded by Tom Hogan and unanimously approved.

IV. Mortimer Proctor Trust Grant Application

The Parks and Recreation Committee has prepared a grant application to address rink improvements. These include replacing the hot water heater, upgrading electrical system and replacing windows and plexiglass covers. Estimated cost is \$5,627.

Tom Hogan made the motion approve the \$5,627 Mortimer Proctor Trust grant request for improvements at the rink. The motion was seconded by Bob Protivansky and unanimously approved.

V. Adjourn

Bob Protivansky made the motion at 4:50 p.m. to adjourn the July 23, 2018 special Selectboard meeting. The motion was seconded by Tom Hogan and unanimously approved.

Vermont Facilities Engineering Division Capacity Development Evaluation For Community Water Systems

Water System Name
WSID
Water System Representative
Date

Technical Capacity

Technical Capacity refers to the physical infrastructure of the water system, including but not limited to the source water adequacy, infrastructure adequacy, and the ability of system personnel to implement the requisite technical requirements.

1. Does this system source(s) have enough water to meet the current and possible future needs of your water system?
 Yes
 No
How do you plan to address this?
 Don't know
 Purchase water
2. Does the system have an approved and recently (within 3 years) updated Source Protection Plan?
 Yes
 No
Do you need help developing one?
 Don't know
 Purchase water
3. Does the system have a Phase II/V Waiver?
 Yes, when does it expire?
 No
 Don't know
 Purchase water
4. Is the system's infrastructure adequate to meet current and future needs?
 Yes
 No, what are you doing to address them?
5. Does this water system have accurate maps of its distribution?
 Yes, are they in map or digital form?

- No
- Don't know

6. Is the system's service area clearly defined, meaning does the system add connections in a planned way?

- Yes
- No

7. Is this system nearby another water supply distribution system with which it is not interconnected (opportunity for consolidation)?

- Yes, have you considered consolidation (physically, managerially or technically)?
- No

8. Does the system have a DWGWPD approved Operations and Maintenance manual and is it actively used?

- Yes
- No

9. Does this system have standard operating procedures for daily, weekly, monthly, annual tasks?

- Yes
 - Are they followed?
 - Are work orders produced for planned and/or unplanned work?
- No

10. Has this system ever done a water audit?

- Yes, what is the % non-revenue water?
- No, why?

11. Does the water system monitor water usage for possible leaks?

- Yes, how? (metering program, backflow prevention, leak detection, etc.)?
- No, why?

12. Does the system provide for and encourage operator training opportunities?

- Yes
- No
- Don't know
- Have a contract operator

13. Does the system have a back-up operator?

- Yes
- No, have you considered hiring one or contracting for emergency services?
- Have a contract operator

14. Does the system have a written contract with its operator?

- Yes, how often are job duties reviewed?
- No
- Don't know

15. Does the water system have any deficiencies that have not been resolved since the last sanitary survey?

- Yes, what is the plan to address them?
- No

16. Is this system operating under a Permit to Operate?

- Yes
- No, have you applied for a new one?

Managerial Capacity

Managerial capacity refers to the management structure of the water system, including but not limited to, ownership, accountability, involvement, staffing and organization, and effective linkages.

17. How are decisions about the water system made?

18. Is there an organizational structure with clearly defined roles?

- Yes
- No

19. If water is purchased from or treated by another system, is there an agreement that provides the system with enough water for current and future needs?

- Yes
- No, how do you plan to address this?
- Not applicable

20. Does this water system sell water to or buy water from another water system?

- Yes, are you interested in developing a consecutive exemption agreement?
- No
- Don't know

21. Does this system have a customer complaint policy and form?

- Yes, does it track complaints and resolution?
- No, how do you identify and address customer complaints?
- Don't know

22. How does the water system operator discuss system needs with the water board, governing board, etc.?

23. Does this system have by-laws?

- Yes, date of last review
- No
- N/A

24. Does this system have water ordinances?

- Yes, date of last review

- No
- N/A

25. Does this system have a public information program other than the CCR?

- Yes, what is it?
- No

26. Do this system encourage water conservation/efficiency?

- Yes, how?
- No, why?

27. When planning for system upgrades, does the system consider energy efficiency a priority when choosing equipment?

- Yes
- No

28. Does the water system's governing body hold duly warned meetings on a regular basis?

- Yes, are minutes available?
- No, are you familiar with VT's open meeting and record laws?

29. Is the system familiar with VT's open meeting and record laws?

- Yes [ask questions to be sure]
- No [send link to law and discuss some of the more important points]
- n/a

Financial Capacity

The challenge for most utility systems is to operate like a business. The following questions will assist in evaluating the financial capacity of the water system

30. Does the system develop and follow an annual budget that is approved by the governing body (please be prepared to present and discuss this during the visit)?

- Yes, does the system project expenses out 2-5 years?
- No
- Don't know

31. What is the system's financial record-keeping system?

32. Are monthly/quarterly/annual financial statements prepared?

- Yes, are they reviewed by the governing board/owner?
- No

33. Is the system on target with budgeted income and expenses?

- Yes
- No, why

34. Does the system have at least 180 days of cash on hand to account for emergencies?

- Yes
- No

35. Is the system aware of the different reserve accounts that exist and the rules that govern them?

- Yes [ask questions to make sure]
- No [discuss START requirement here]

36. Does the system contribute to a capital reserve or surcharge fund?

- Yes, how does the system calculate contributions to this fund?
- No [discuss loan requirements]

37. Does this system have a capital improvement plan that projects future needs for *at least* 5 years?

- Yes, does this plan include projected revenue and expenses associated with these identified future needs?
- No

38. Is the system actively engaged in Asset Management?

- Yes
- No

39. Does this water utility support or contribute to other enterprise funds or the general fund?

- Yes
- No

40. Does this water utility require revenues from other enterprise funds or the general fund for normal operations?

- Yes
- No

41. Does this system prepare an external audit or have annual financials reviewed by a CPA?

- Yes
- No, why?

42. How often does this system evaluate and review its rate structure? Are adjustments made based on that review?

43. What type of rate structure does this system have? [ask for copy of structure]

44. If metered, does the system have a meter maintenance and replacement program?

- Yes, how often are they replaced? Is there a line item in the budget for them?
- No

45. If not metered, has the system considered meters?

46. Does the system have formal policies for payments/collection? Does it utilize the Uniform Water and Sewer Disconnect Policy (VT State Statutes Title 24 Chapter 129)?

- Yes, is it enforced?
- No
- Don't know

47. Are the annual delinquent accounts below 5% of the annual operating budget?

- Yes
- No, how does the system plan to address it?
- Don't know

48. Does the system's current rate structure produce income to cover (check all that apply):

- Capital fund
- Operating reserve (emergencies)
- Current expenses
- Debt service
- Contractual obligations
- Other
- All of the above
- None of the above

49. Do the system anticipate future growth in the following areas (check all that apply)?

- No
- Residential
- Commercial
- Industrial
- Wholesale
- Other

50. If yes, is there a plan in place to address it?

- Yes
- No
- Don't know

Summary

What actions will the water system take to address capacity deficiencies based on the above survey?

By signing this evaluation, I agree that this applicant has adequate technical, managerial, and financial capacity.

Ashley J. Lucht
Facilities Engineering Division
DWSRF Project Development
(signature)

Date