

Regular Meeting held in the Champlain Water District Conference Room at Noon.

Present

Commissioners: Karen Richard, Colchester, chaired the meeting; Bob Shand, Jericho; Roger Hunt, Milton; John Stockbridge, Winooski; Aaron Martin, Essex; Liz Royer, Williston; Dennis Lutz, South Burlington; Employees: Jim Fay, Joe Duncan, & Tracy Bessette

Absent

Peter Gadue, Shelburne

Karen Richard called the meeting called to order at 12:00 p.m.

Citizens to Be Heard

There were no citizens present.

Minutes of Regular Meeting Minutes of December 12, 2017 & Special Meetings on December 5, 2017 & December 18, 2017

Karen Richard asked for a motion to approve the Special Meeting Minutes of December 5, 2017 & December 18, 2017, and the Regular Meeting of December 12, 2017. Dennis Lutz made a motion to approve the minutes, seconded by Liz Royer, with all Board members in favor.

Financial/Operations Report

Mr. Fay said December sales were 8.74 mgd, bringing fiscal year to date to 9.65 mgd, as compared to last year at this time of 9.85 mgd. Global Foundries in December averaged 3.21 mgd, bringing their fiscal year to date to 3.45 mgd, as compared to last year at this time of 3.37 mgd. Overall year to date total sales for the first six months of the fiscal year are down 0.20 mgd, with Global Foundries up 0.08 mgd from last year. The December cost per million gallons was \$1,841.59, bringing year to date to \$1,869.80/MG, versus last year at this time of \$1,829.69/MG. At the halfway point of the fiscal year, water sales are below last year's revenue by \$111,048 due to the wetter weather this past summer and fall. There were questions regarding the historical flat residential and commercial water sales in Chittenden County, and water loss in the different served systems. Mr. Fay said on the Retail side, the Retail Contract Management budget is tracking well and comparable to last fiscal year at this time, and the MBWC/CT expense side of the budget is running higher.

Capital Projects Update

Joe Duncan summarized the following projects:

Dorset Street Tank Site Communications Tower Project – The formal transfer of this communications tower from CWD to the City of South Burlington was recently executed. CWD and the City will continue to work under the lease agreement that was signed last year given this communications tower is on CWD's parcel for the South Burlington East Tank on Dorset Street.

South Burlington East Tank - As you are aware, we had to push back the recoating of this tank due to delays by the City on the joint communications tower project. We have scheduled repainting of the interior and exterior to start this April and to be completed by July 1st. Therefore, we hope to complete Phase I of the High Service MCC tie breaker project prior to April 1st and not allow any field connections to either HS1 or HS 2 transmissions mains, as part of the close in cross tie project until after July 1st.

High Service (HS) Electrical Emergency Tie Breaker – The Square D High Service pump plant shutdown on December 14th went well and all final measurements for the replacement tie breaker were completed within three hours. We have ordered this tie breaker and there is a 16 week lead time. This electrical redundancy improvements project will be going out to a select bidders list this month. We are applying the existing design for primary power redundancy to our secondary power with having our motor control centers (MCCs) wired in a manner to have our major pumping and process components on multiple circuits while building in a UPS for specific process control elements. Given that the South Burlington East Tank (SBET) will be off line for painting in April/May/June timeframe, we will get the first phase of the electrical project done by April 1st and comeback in the fall to change out the tie breaker.

Close-in Crosstie Using CWD's Repurposed Bond Approved Funds – This project has gone out to bid and bids will be opened on March 6th. South Burlington is also holding their bond vote for funding their wastewater scope on Town Meeting Day March 6th. There will be a 30 day bond appeal period and all bidders are required to hold the bid price for 90 days. The actual water tie-ins to either High Service (HS1) or HS2 24" diameter transmission lines will occur at the earliest in July per the design contract as the SBE Tank will be back on line by that time.

Meter Vaults - The Milton Meter vault design is done and construction will be delayed until next year. This project could go this year if there are delays to the HS close in cross-tie project. We are planning to move forward with Well 7 design with a delayed construction schedule for 2019. The required permits will be minimal given that this is located on a military base.

Williston North Tank – This project is basically complete with exception of the required final SCADA work that was delayed due the electrical service challenges by the State's Division of Fire Safety. We hope to place the tank into service next week. There is a punch list for the contractor for their required final site work in the spring. We are still planning to take down the Williston East Tank on Tower Lane this coming year. Board discussion followed on the process for potentially selling this Williston East tank parcel once the storage tank is removed.

Long Term Contract for Filter (DF) and Adsorption Clarifier (AC) Rebuilds – Suez has nearly completed the rebuild of Filter 5 (DF5) in spite of challenging weather conditions. Mike Barsotti and the operations team will follow a washing and flushing procedure prior to placing this filter back in service. Filter assessments will be performed later this spring as part of the DF/AC Contract.

Twin Filtered Water Tank/Wet Well Expansion – SD Ireland did an incredible job on December 19th completing the final two yard piping connections in seven hours which was well ahead of the predicted 8 to 10 hour plant shutdown duration. We slowly started bringing the water treatment facility back on line at 3:00 PM. SDI is currently placing/grading final fill and is now scheduled begin demolition of the vault on the east end of the treatment building in February. This demo allows them to start the wet well this winter with SDI covering all winter protection measures at no cost to CWD. DN Tanks will also be back in the spring to apply the final exterior coating on the new Filtered Water Tank.

Pipe Integrity Program (PIP) – A meeting was held with Pure Technologies on January 12th to review the "SmartBall" pipe wall condition assessment inspection on a 1.63 mile stretch of our High Service 1 water main performed back on October 4th. The results did not show any leaks or air pockets in this length of 24" transmission main installed in 1972. We are planning to perform follow up test pits at a few locations that showed potential pipe wall thickness anomalies to "calibrate" this SmartBall data. This initial PIP work is being partially funded through the use of a State asset management grant. We also continue to work with Wright-Pierce to develop a risk prioritization approach of our transmission piping network utilizing our GIS database. All of this work is going very well and Andy Legg just provided the State with a status report per the grant requirements. With this approach we are trying to focus additional study on the highest risk transmission mains within our system.

Manager's Report**Budget Hearing**

CWD's FY 2018-2019 Budget Public Informational Meeting will be held Wednesday, January 17 at 7:00 p.m. at Lincoln Hall in Essex Junction. We distributed this budget to all served system public officials for posting on January 4th, and we expect to attend governing Board meetings over the next month. Mr. Fay invited Board members to attend this budget hearing.

Resolution Authorization for Interfund Loan

Mr. Fay reviewed this topic from the past 12/12 Regular Meeting and the work on the attached loan Resolution from Paul Giuliani. To summarize, in lieu of a bond vote, staff is proposing that the Retail capital reserve fund loans the CWD owned Colchester Town (CT) water system \$230,000 at 3% over a 10 year period for the PCE remediation project. The payback would be a tiered water usage surcharge on the commercial users within the CT water system. The additional State's SRF zero interest planning advance would be paid off as well over five years. Dennis Lutz verified that the planning loan was approximately \$70,000, and questioned the next steps in the process. Mr. Fay and Mr. Duncan said a proposal for pipe videoing would be going out soon allowing verification of the linear feet of pipe that would be coated on the inside diameter. A remediation RFP would follow as John Tymecki has been working with three firms on this coating process. A motion was made by Dennis Lutz to approve and execute this Interfund loan resolution on a condition that follow up customer education would occur when the related costs are calculated. Bob Shand seconded the motion with all Board members in favor.

Civic Plus Proposal for CWD Website

Tracy Bessette summarized the history of the CWD website and the need to upgrade the site to Civic Plus following research on options. Civic Plus is active in Vermont and serves other municipalities around the State. They currently host the Towns of Colchester and Shelburne, and the Town of Milton just recently signed a contract with them. Colchester and Shelburne have been pleased with Civic Plus and the overall product. Tony Higgins and Tracy have met with Civic Plus on two occasions and have been supplied a quote. In discussing this with Paul Giuliani, this is a capital item with the exception of the annual fees. We would like to move forward with this investment this fiscal year, even though it is a capital reserve fund (CRF) investment planned for FY 2018-2019. Karen Richard verified we are just moving up this purchase by 6-12 months as it is in the financial model as a future CRF expense. Karen Richard then asked for a motion to approve the multi-year contract with Civic Plus. Dennis Lutz made a motion to approve the multi-year contract with Civic Plus with \$22,000 funded out of current capital fund and the recurring annual charges budgeted against the operating expenses in the years of the contract. Aaron Martin seconded the motion, with all Board members in favor.

Update to Shelburne Infrastructure Ownership MOU

Jim Fay and Joe Duncan updated the Board on the Shelburne Infrastructure Ownership MOU as they were invited to attend the January 8th Shelburne Water Commission meeting. The Town said they are having difficulties obtaining a State Master Railroad License Agreement to work on Town owned infrastructure within the VT Railway Right-Of-Way and they do not want to sign our Infrastructure Ownership MOU until they obtain their own railroad license. The Town is aware that they need licenses for the multiple Town owned utility infrastructure they own within the railroad ROW such as water, wastewater, and stormwater. On January 8th, they asked CWD to help set up a meeting with the appropriate State officials regarding this master license process. The Board noted that CWD has its own proper railroad licenses and the Town needs to obtain their own railroad licenses.

Board discussion followed reviewing that the Town of Shelburne is the last of the twelve municipal infrastructure ownership MOUs to be executed. Recently the State Office of Drinking Water and Groundwater Protection has mandated in both CWD's and Shelburne's latest Permit to Operate that this infrastructure ownership MOU must be signed by July 30, 2018. Given CWD does not want to be out of compliance with its operating permit, the Board said

CWD needs to take all measures necessary to get this MOU signed as the Board did not agree that the lack of a master railroad license on the Town's part had any bearing on the Town's ability to execute this infrastructure ownership MOU, as CWD has told the Town in the past.

Discussion continued on Agenda Item #6 from the Town's January 8th Water Commission meeting minutes. This continued confusion on the Town's part in stating they are now sending CWD a "proposal letter" on the South Burlington water storage serving Shelburne on Spear St. is very frustrating, as both staff and CWD's legal counsel have addressed this specific issue with the Town on numerous past occasions. The Board stated given CWD does not own the actual local water storage volume that serves this area of Shelburne, CWD cannot be involved in any agreement for water storage owned by the City of South Burlington. The Board noted that this topic also has been stressed to the Town on numerous occasions to no avail.

Dennis Lutz stated that if Shelburne does not execute this very straight forward infrastructure MOU then CWD needs to potentially notify Shelburne that CWD will not be responsible for continuing to be the Safe Drinking Water Act compliance officer for the Town. Board consensus was the working relationship between CWD and the Town has been on the decline over the last three to four years and is at a point that CWD needs to take action to maintain compliance with its operating permit as it is being held up by the Town indefinitely. Mr. Fay said he would wait to receive this latest Shelburne "proposal" letter and respond firmly to it noting all of the above concerns.

Sign Warrant

Karen Richard asked for a motion to approve the Warrants for \$1,972,337.77. Motion was made by Bob Shand, seconded by Aaron Martin with all Board members in favor.

Executive Session

This session was not used by the CWD Board.

Any Other Business

At 1:30 p.m., Karen Richard asked if there was any other business. Hearing none, Roger Hunt made a motion to adjourn. Motion was seconded by Dennis Lutz with all Board members in favor.



Clerk