

## WAITSFIELD WATER COMMISSION 2014 Annual Report

The Water Commission typically meets on the fourth Tuesday of the month at 5:30pm at the Waitsfield Town Office. Citizens are encouraged to contact Town Administrator Valerie Capels to confirm meeting dates or to have a matter placed on the agenda. Meetings are open to the public and citizens are encouraged to attend.

The five member Water Commission was formed late in the 2012 and is the official entity responsible for the operation of and policy-setting for the water system. It is comprised of the following members: Scott Kingsbury (Chair), Peter Reynells (Vice Chair), Bill Parker, Jack Himmelsbach, and Ted Tremper.

**ISO Application.** After many months of work to complete the extensive application process to the ISO for re-evaluation of the community's fire insurance rating, we received word in June 2014 that Waitsfield's new rating is 6/6X. The fire hydrants, water tank capacity, and purchase of the new tanker helped result in lowered insurance costs for property owners in and near the service area. Many property owners reported seeing their insurance rates decrease. The Town of Waitsfield saw a direct reduction of \$2,896 in its insurance premium for calendar year 2015.

**Water Main Break.** On Sept. 4, 2014 at about 1:00pm, a VTrans contractor working at Bridge 181 on Route 100 near Tremblay Road accidentally drilled through the water main, which was located *below* the bridge abutment. This resulted in a water outage for connected customers for more than 30 hours while the project engineer, water operator, and Kingsbury Construction worked to into the night to implement a temporary repair. A potable water truck was hired to provide free drinking water. After water service was restored, the system was on a boil water notice for three days. Town Administrator Valerie Capels kept the community informed through radio announcements, a direct e-mail list, Front Porch Forum, posts on the Waitsfield Web site, and by phone.

Because of the nature and location of the broken pipe, a permanent repair required laying a new pipe in a different location within the Route 100

right-of-way. This required permits from VTrans and easement from the adjoining property owner, which were obtained. The final repair began at 8:00pm October 20 and was completed by 6:00am the next day.

The Selectboard approved borrowing up to \$150,000 through an emergency line of credit, which is expected to be paid back by settlement with VTrans, the contractor, or both.

**Water Ordinance.** Events over the past year have drawn attention to the need to update the Water Ordinance and provide a copy of it to all water customers. We intend to work on this in 2015.

**Budget.** The Town's transition from a calendar fiscal year (Jan. 1 to Dec. 31) to a fiscal year (July 1 to June 30) had not been on the Water Commission's radar when the 2014 budget was adopted. Subsequently, we adapted the 2014 budget into an 18-month budget, similar to the Town's general fund with short a 2014 budget from Jan. 1 to June 30 and they FY2015 budget from July 1, 2014 to June 30, 2015 and made some adjustments.

Although we have had a full year of meter readings and billing quarters, a number of bugs remained to be sorted out, including repairing or replacing some faulty meters. Connection to the water system also resulted in the detection of various levels of water leakage from pre-existing distribution systems. The Water Commission waived numerous water overage charges during this time from the perspective that to do so did not significant harm to the budget and the money would be better spent repairing the leaks.

As we gain more experience with actual costs and water use, we will continue to review the budget and reevaluate the rates to deliver an essential service at a fair and reasonable cost.

Respectfully submitted,

Scott Kingsbury, Chair  
Peter Reynells, V. Chair  
Jack Himmelsbach  
William Parker  
Ted Tremper

Waitsfield Community Water System Annual Operating Budget  
2013 - FY2016

	Approved 2013	Actual Thru Dec 2013	Approved 2014	Jan - June 2014	Actual Thru 06/30/2014	Projected July 2014 - June 2015	Proposed July 2015 - June 2016
No of ERUs Debt Service	205.64	211.22	230.72	230.72	238.00	228.36	235.21
No of ERUs Debt Service & O&M	186.24	185.30	204.80	204.80	204.55	205.55	210.94

**ANNUAL REVENUE**

Connection Fees (See Note 1.)	2,500	29,170	2,500	1,250	-	-	-
Interest Received	-	-	-	-	9	35	36
Water User Fees - Debt Service	124,720	112,712	132,996	66,498	58,988	110,000	132,996
Water User Fees - O&M	41,783	37,239	43,330	21,665	17,541	33,000	51,757
Water User Fees - Additional Water \$6 per 1,000	0	3,096	18,000	6,000	3,264	8,000	8,240
Accounts Receivable	-	-	-	-	-	22,189	-
<b>TOTAL REVENUE</b>	<b>169,003</b>	<b>182,217</b>	<b>196,826</b>	<b>95,413</b>	<b>79,802</b>	<b>173,224</b>	<b>193,029</b>

**ANNUAL DEBT SERVICE**

USDA Rural Development Loan, due 03/17, 09/17	\$124,720	\$124,720	\$124,720	\$62,360	\$62,360	\$124,720	\$124,720
USDA Rural Development Loan, due 11/21, 05/21	-	-	\$8,276	\$0	\$0	\$8,276	\$8,276
<b>TOTAL DEBT SERVICE</b>	<b>124,720</b>	<b>124,720</b>	<b>132,996</b>	<b>62,360</b>	<b>62,360</b>	<b>132,996</b>	<b>132,996</b>

**ANNUAL OPERATION & MAINTENANCE**

Accounting	500	0	515	258	0	1,000	1,030
Advertising (public notices)	250	300	258	258	200	400	412
Repairs, Maintenance and Materials	2,000	2,406	2,060	1,030	6,366	7,250	7,000
Chemicals	100	0	103	52	13	50	100
Dues & Taxes	265	0	273	136	0	265	273
Education/Training	200	0	206	103	0	1,500	1,545
Electricity	5,000	1,473	5,150	2,575	1,207	2,500	2,575
Propane	2,000	264	2,060	1,030	53	500	515
Insurance	1,640	796	1,689	1,689	1,718	1,800	1,800
Legal	0	300	300	150	562	500	500

Waitsfield Community Water System Annual Operating Budget  
2013 - FY2016

	Approved 2013	Actual Thru Dec 2013	Approved 2014	Jan - June 2014	Actual Thru 06/30/2014	Projected July 2014 - June 2015	Proposed July 2015 - June 2016
Engineering Services	-	-	-	-	-	2,500	2,575
Billing - Payment to Treasurer	1,500	0	1,545	1,545	1,500	1,500	1,545
Office Expense/Misc. Admin/Supplies/Postage	1,500	10	1,545	773	189	1,000	1,030
Water Operator - Contract	16,200	17,353	16,680	8,340	8,690	17,180	17,696
Water Operator - Additional Services			0	0		2,000	2,060
Permit-Licenses	100	405	103	103	239	2,700	2,781
Telephone/cell service for control system	1,500	986	1,545	0	0	1,500	1,545
Water Tests	2,500	5,960	2,575	1,288	395	1,000	1,030
Plowing	1,500	660	1,545	773	300	0	0
Miscellaneous	5,028	1,678	5,179	2,589	1,111	1,500	1,545
<b>Total Operation and Maintenance Expenses</b>	<b>\$41,783</b>	<b>\$32,591</b>	<b>\$43,330</b>	<b>\$22,691</b>	<b>\$22,543</b>	<b>\$46,645</b>	<b>\$46,757</b>

Water System Debt Service Reserve/O&M Contingency 7.5-10% (See Note 2.)	3,028	0	3,119	1,702	0	0	5,000
---	-------	---	-------	-------	---	---	-------

<b>FUND BALANCE</b>		<b>24,906</b>	<b>17,381</b>	<b>8,661</b>	<b>-5,102</b>	<b>-6,417</b>	<b>8,276</b>
---------------------	--	---------------	---------------	--------------	---------------	---------------	--------------

Debt Service	\$606.50		\$576.44	\$270.28	\$262.02	\$582.40	\$565.43
O&M	\$224.35		\$211.57	\$119.10	\$110.21	\$226.93	\$245.36
<b>Annual Water Fees/Total ERUs</b>	<b>\$830.85</b>		<b>\$788.01</b>	<b>\$389.39</b>	<b>\$372.23</b>	<b>\$809.33</b>	<b>\$810.79</b>

Notes: 1. New connection fees will be deposited directly in the Water Reserve Account.  
 2. A reimbursement of \$38,107 is pending from USDA Rural Development that will be deposited in the Water Reserve Fund in FY2015.

Rate Set by Water Commission	Debt Service	O&M	TOTAL
	\$608.00	\$232.00	\$840.00
	\$600.00	\$200.00	\$800.00
	\$550.00	\$250.00	\$800.00