

Notes from Meeting with VT Drinking Water Division
October 16, 2015

Present: Dick Beatty, Tom Kenyon, Martha Harrison, Patricia Beavers (P2 Environmental), Jim Siriano, Michelle Carbonneau, Allison Murphy

Jim Siriano, Michelle Carbonneau, and Allison Murphy from the Vermont Drinking Water Division were present to evaluate the town's capacity to own and operate a water system. Jim had a 10-page evaluation form that served as the basis for discussion. Water system operator Patricia Beavers from P2 Environmental provided much valuable information. Michelle will review the Preliminary Engineering Report (PER) recently provided by Aldrich + Elliott (A+E) and provide comments at a later date. The town has a contract operator (Patricia Beavers), a part-time employee (Dennis Brown) who checks on the system daily, and a back-up operator (Dana Arey). The Town Treasurer (Cathy Archibald) does the billing. There is also a Utility Advisory Committee (UAC) that meets once a month, usually by teleconference. A joint meeting of the Selectboard, the UAC and the town's engineers (A+ E) is planned for December. Tom noted that the system is in good shape financially. For legal, technical and financial support, the town has Town Attorney Matthew Birmingham and Operator Patricia Beavers, and there is a plan in place to seek funding for needed improvements to the water system. Regarding record keeping, Cathy keeps the water and sewer records separate from the town records. Jim said the town will need to retain monthly reports, water quality test results, etc. Patricia currently keeps records for the water system in a secure location with everything backed up electronically over the past few years. Some records were lost in the Base Lodge fire. There is an O&M manual in the pump station. The town should have a Master List indicating where important documents are kept, including records that document the town having legal access to all components of the water system. There should be both paper and backed-up electronic files. Patricia has an asset management spreadsheet that can be used to inventory water system assets and keep track of their age, condition and replacement cost. Documents from a rate case that was prepared but never submitted to the PSB are also available. The town should have a contingency plan in place in case key people leave. Water quality issues are directed to Patricia. The town provides information via its website. The buildings have meters but they are 30-year old Rockwells and having one meter for 20 units is not useful for billing although it is useful for detecting leaks. Water usage is high at the Sports & Fitness Center, which has two Olympic-sized pools. Although metering is not required, if the town is interested in metering, they could ask their engineers to price it out. Patricia suggested that the town consider a commercial rate and a residential rate. Access to the pumps and the storage tanks needs to be maintained and plowed. The UAC is a good source for information about how well the water system is meeting customer needs. Regarding complaints and questions, Patricia documents all calls. Jim suggested that Patricia keep a log and share it with the town. Patricia noted no complaints about quality or pressure. Asset management includes setting service goals with the base level of service being compliance with regulatory requirements. According to the minutes of the most recent UAC meeting, Mts. Edge property owners are concerned about losing pressure following the reconfiguration of the system recommended by A+E. Patricia doesn't think that's going to happen due to the PRV right outside the Mts. Edge complex. Dick noted that Mountainside will decommission their booster pump and the town will decommission their old well. Jim asked if the well could be used as a backup source. Regarding quality, Patricia said the well was closed for salt contamination but it's not clear where salt would come from; possibly melted snow from

snowmaking since the well is uphill from the road. If the town decides to use it as a backup source, the Mountainside well should be capped. Otherwise, it should be filled with bentonite. Currently the well is completely disconnected from the water system. Regarding annual billing, the town billed \$126,891 in February and has collected all but \$7,920. In the past, water couldn't be shut off for non-payment but the town can put liens on the property of users who don't pay their bills. Tom noted the UAC wants the system to be fixed properly, not patched. Dick asked for clarification on the name of the water company. Patricia said it's Summit Water Company. The town can change the name when they acquire the system. Jim noted the town's existing plan to bring the system into compliance and asked about a written plan to operate and manage the system. Patricia said it's a work in progress but she has a lot of information that will help finalize it. The town will need to develop a water ordinance and Jim will send some examples. Jim also offered to help with the Asset Management Plan. The town should ask A+E to put new asset information into a registry format. The town is not aware of any major future expansions. Regarding source protection, the tennis court and pool are in the isolation zone for the well. The source protection area and the isolation zone should be noted in the Town Plan and appropriate protective measures should be included in the zoning regulations. A Capital Improvement Plan and map of the system will be included with the Asset Management Plan. The town should be sure it has all easements needed for repairs and replacements. The town is in the process of acquiring much of the land on which the water system is located from MFW and easements for the water system are included in the Asset Purchase Agreement. Some of the infrastructure is located on Orange Lake property. The treatment plant for the water system consists of a building with disinfection equipment. Jim suggested including photos of system components in its asset inventory. System components should also be evaluated to determine which ones are most likely to fail and what the impact would be if that happened. There is a replacement well pump in Wisconsin which would take five days to get here if the existing pump, which is believed to be approximately 10 years old, failed. Regarding the distribution system, P2 monitors pressure, flow and quality. Patricia will send Michelle the documentation from flushing the eight hydrants on the system two years ago. Patricia also has documentation on all the leaks that have been fixed. All leaks were pin holes in the copper piping that grew to the size of quarters. Piping was installed in 1984. Patricia will share maintenance records with the town, including an annual "state of the system" report. Regarding backflow prevention, the main backflow preventers are in the Base Lodge and Cunningham Building and the water to those buildings has been shut off so the only concern is the backflow device in the Sports & Fitness Center. Patricia does not know if it's being tested annually. Patricia said the Windham Building should also have a backflow prevention device. In the past, Orange Lake was not cooperative with meter reading and device testing. The Water Ordinance should address the installation, testing and replacement of backflow devices. Jim encouraged the town to have a conversation with Orange Lake about these issues. The town is currently pursuing an option agreement to purchase the property on which the Base Lodge is located if federal funds can be obtained to mitigate any contamination present and demolish the building. Right now, the burned-out lodge is the biggest PSOC (potential source of contamination) on the system. Tom noted that the cost of tearing down the lodge is in the range of \$150,000 to \$200,000, which is not feasible for the town without grant funding and there's no way the current owner could recoup the costs by selling the lot after the building is demolished. Regarding natural disasters and other risks, the town has a grant for a local hazard mitigation plan, which could incorporate an assessment and response plan for the water system. Patricia files a Tier II for the system every year, which includes the transformer that's out of commission and an empty 17,000-gallon fuel tank near the maintenance garage, which was installed in 1999.

Patricia said the fuel tank is not an issue for the water system. A Phase II environmental assessment was recently completed and results are expected in early November. Regarding Tier II and the source protection plan, if the town owns the adjacent land, it's going to be considered contiguous property. Unless the tank is filled with concrete, Allison said, the capacity is still there. Once the Phase II report is received, the Selectboard will decide what to do with the tank if the town acquires the maintenance parcel. Jim suggested evaluating the Mountainside well as a possible back up water supply. A supplemental source is not required but it's something to think about. Tom asked if the conservation easement would allow a supplemental or replacement well. Martha said yes; she asked John Roe to include a provision in the easement for the replacement and relocation of the water system. The water system does not have a generator. During Irene, the water line to the General Store was severed and drained the 64,000 gallon tank. The PER should address a secondary source of power such as a quick connect option. It's not required but the state is recommending it. Tom suggested sharing a generator with Orange Lake. Regarding the metering of water production, there is a master meter in the treatment facility and the well has an hour meter. Jim suggested considering the long-term financial viability of the water system and ensuring that the base rate is sufficient to cover fixed costs. The system currently uses 30,000 gallons per day and there are 120,000 gallons in storage. During the fire in January, the fire department did not use the drinking water supply. The water system has a budget that covers the cost of services. The UAC is working with the Town Treasurer to set up a system for comparing operating income and expenses on a regular basis. Currently, there is an unmetered flat rate of \$495 per year, which is reviewed annually and is adequate to cover operating expenses, capital improvements, debt service and other costs. Formal policies for the collection of delinquent accounts and the discontinuance of water service will be included in the Water Ordinance once the town owns the system. The water utility does not contribute to other funds or the general fund. Improvements would most likely be funded with a state revolving fund loan. Outreach to customers occurs through the UAC. The town participates in local and regional community and economic development planning but the UAC does not. The highest priority for the water system right now is replacing the infrastructure and creating an ordinance. Jim's office will summarize today's meeting and make recommendations. Jim recommended joining a group of water systems in the area, if one can be created, to share information and equipment and plan for emergencies. Michelle said Ashley Lucht asked her to notify us that the water project is in the fundable range for the 2015 priority list so we can start moving forward as soon as we acquire the system. Jim encouraged Martha to touch base with Ashley. The town hopes to hear from the PSB in the next few weeks. Regarding the November 1st expiration of the temporary electrical permit for the water supply, Jim said the Drinking Water Division would be happy to weigh in if necessary.

Respectfully submitted,

Martha Harrison