

SPECIAL SELECTBOARD MEETING
July 31, 2023
Minutes

Present: Lee McClenny
Bill Cleary

Nanette Rogers
Callie Hamdy

Guests: See attached list

The meeting was called to order at 9:00 a.m. The meeting was held in person and via Zoom.

CHANGES TO AGENDA

The Bond Language & Warning item was moved up to follow Ordinance Development.

COMMUNITY WASTEWATER PROJECT

Lee explained this is a working session with the Planning Commission.

Ordinance Development

Julie Beth Hinds (JB) reviewed the draft sewer ordinance. Adopting the ordinance gives the Board the authority to act as the Sewage Disposal Board of Commissioners. The Selectboard would need to designate somebody, such as the Zoning Administrator or Health Officer, as the delegate that would coordinate the contract operators in case of issues. Lee questioned the required availability of such a delegate, as they would need to be on-call constantly.

Article 2 governs the use of the system. The proposed language is about as permissive as it can be. If a property owner connects during construction of the system, there is no charge to connect. In addition to this being an incentive to connect, it is also more economically and constructively efficient. Not that a property owner can't connect afterwards, but it would be significantly more work. The Ordinance includes a required connection when there is a health concern such as sewage reaching groundwaters, or a replacement system encroaching on neighbor's wellhead, etc. The procedures are spelled out consistent with the procedures other towns with sewer systems have adopted. We must give a property owner 45 days to make a connection in the event of a health emergency. Lee asked what would occur if a homeowner were unwilling or unable to affect a functioning system. It would be a notice of violation from the Department of Environmental Conservation (DEC). The state enforcement will require pumping, or a pumping schedule, repairs to a leach field, and a variety of things to mitigate the overflow. Bill believes this all points to the health officers having an expanded role in the Town. There is the potential to deal with issues first at an administrative level within the Town before escalating to the State level.

Meters are not proposed at individual properties for this system. The capacity that each user is allocated using gallons per day is in the State's design rules. Instead of treating all properties as having three bedrooms, JB proposed differing capacities for studios and two-bedroom apartments. This would keep things equitable and reduce the cost per apartment. This is a slight deviation of using this approach from the state wastewater rules but is in response to the questions and conditions asked about by Westford residents. Lee asked how the Town addresses differing types of users such as the store, municipal buildings, and event spaces. JB explained their flow would be determined by the State rules, which the ordinance would refer to.

Regarding connecting to the system, a property owner may not trench and connect without a permit from the Town. Fees will need to be paid prior to connection, which allows the Town to fund the connections to buildings. Generally, separate building sewers are required unless site conditions are deemed appropriate to share.

In Article 3, if the Town chooses to create a public wastewater system, the capacity is an asset owned by the Town of Westford in the same way the town buildings and roadways are. In that sense, it is the Board of Sewer Commissioners that can allocate the capacity as they see fit. At this point, if constructed per the PER, roughly half of the capacity would be allocated if those currently interested were connected. It's not clear if Westford will be in a situation where capacity is very limited to the point it must think about who is allowed to connect. If Town gets to that point, the ordinance is drafted so that it is first come first serve. If the Town finds itself in a situation where capacity is tight, the first priority would be connection of systems with health concerns, second would be for those in existence as of the date of ordinance, and third would be new expanded uses. Bill asked if there would be reserve capacity if every property in the potential service area connected. JB advised there would be. Bill wanted to see numbers showing when there's potential emergencies and property owners need to connect immediately, and numbers if every property in the service area connected. That will provide him with a real number of what is extra. Melissa added that there had been previous discussion of the Town reserving capacity for itself in the future.

The capacity allocation procedures are structured so the Town has a preliminary and a final approval process for property owners who need approval for a project to obtain financing. It allows the Town to reserve capacity for a period of time while the property owner goes through financing and permitting steps of their project. Vicky Ross asked who would be responsible for keeping track of the excess capacity and reserve commitment. JB explained it is typically a spreadsheet kept by the Zoning Administrator or Town Administrator. Capacity can be reserved for as long as five years. There is a clause to allow for financial hardship. If a final capacity allocation has not been modified and no progress is made, the allocation reverts to the Town.

The Board of Sewer Commissioners has the authority to charge reasonable charges for a user charge system for the purpose of producing adequate revenues to cover the cost of the system. The Board also has authority to develop a fee schedule. Most Boards of Sewer Commissioners do an annual review of the rates however they are not obligated to change the rates annually. Regarding connection fees, there is no obligation under Vermont law to charge a connection fee, but most towns do because it helps offset the costs of the system. Bill wanted to make sure it's equally applied to public and private investment.

Most annual user charges are based on an annual understanding of what the debt services were to construct the system and what the annual operational costs are. The Town will have the authority to apportion a share of the costs on the grand list (bond language). User charges must be based on the capacity allocation. This is structured to be as simple as possible and in JB's experience, it is an equitable way of managing a system of this size. Lee mentioned that someone asked why the Town won't be metering. Largely the answer is because it would be expensive, it is technically complicated, and the revenue would fluctuate. Peter pointed out that a property owner is being allotted a piece of the system. Just because one owner of a property doesn't use much of the capacity doesn't mean the next owner won't use two or three times as much as the previous owner. JB pointed out that in a small soil-based system the Town must hold the capacity to keep the State permit. Other small soil-based systems in

Vermont have tried to meter, but it was difficult administratively and there were other related issues therefore the metering did not last long.

Section 13 outlines having a dedicated fund for major expenses, such as repairs, to monitor expenses and revenue. The dedicated fund will need a fund policy. The Board will have authority to increase, decrease, stop and/or maintain regular deposits to the fund by a set-aside amount up to fifteen percent (15%) of the normal operation and maintenance costs and the bond payment.

Article 5 covers the use of the system and materials that are not to be discharged into the system. The Board of Sewer Commissioners will have the authority to adopt a policy to regulate such things grease traps for commercial establishments that cook food.

George asked if the Zoning Administrator would act as a front-line person in cases where people are using their systems for unpermitted uses such as catering within the home without the required grease trap. JB advised that someone must be empowered as the health officer for purposes of administration. It could be the Zoning Administrator, or not. JB noted that if there is a sewer violation of what is being discharged, it is more than likely due to a zoning violation.

Bill asked, if the Town uses the information of property owners wanting to connect for the purpose of arriving at cost estimates to use for the bond vote and that property owner decides not to connect, what happens? Bill explained that this change would shift the numbers that were presented to the voters. JB explained that at this point the Town does not have anything binding, even in a preliminary way. Amy doesn't think the major users are likely to change their minds given their immediate future interests and current concerns. The other residential users are small in comparison to those major users so based on previous surveys they have a good sense of folks continued interest or lack of interest in connecting.

Vicky thought that the projected estimates for the Westford Common Hall and other larger users seemed too high compared to residential use that happens every day. Amy explained that the projected capacity need is more based on spike usage. JB explained that if users pulled out, it's a proportional impact regardless. If more users hook up then the cost is cheaper, especially when hooking up upon connection. One single family pulling out currently is 2.3% of the capacity. George explained that something to remember is that the decision is that during construction it will be no cost to connect. So, for people who chose to connect down the road or to back out, there is a financial impact to them to connect later. He believes most property owners in the service area would be taking their time to be thoughtful about this and not committing to something without going through all the pros and cons.

Vicky feels that if a key player such as the store backs out, it would have a significant impact on the numbers. Seth Jensen thinks something important to keep in mind is that this can swing both ways when people see the costs. People around the common are not looking at the cost of a conventional leach field. They're looking at the cost of a mound system with pre-treatment and probably significant conditions limiting how much they can use. So, what is the cost of a \$35,000 system over a period of 15 years at 4% interest. There aren't grants available for residential systems. Seth noted that a store smaller than Westford's in another village paid more than \$100,000 for a system and has significant restrictions on what they can do with that system and has required annual inspection fees of about \$1,000. Annual inspections for a single-family home with a pretreatment system could be \$500 to \$1,000 per

year. That's the reality. Property owners in the service area may compare the cost of connecting to the community system to the cost of an onsite system and decide it's a good time to reserve capacity. This would allow them for expansion, such as adding an accessory unit or in the case of a commercial establishment, additional seating.

Lee and Bill wanted the opportunity to discuss the ordinance with Dave, who was not present. It was noted that decisions need to be made quickly. At further ordinance meetings, Bill would like the larger users such as the store, Westford Common Hall, and Red Brick Meeting House to have a representative present.

Bond Language & Warning

The Board was provided with draft bond and warning language. Nanette recommended the Town Attorney review the document. If the bond vote is to occur in November, it needs to be warned around mid-September.

Financial Projections

JB reviewed the financial projections. What these projections demonstrate is the best anyone can do at this point in the process is to give the Town the best possible expression of the range of rates that could be encountered by a taxpayer per the grand list value and by a user based on their particular use. The bonded rate, which does not change, and the annual operation and maintenance costs are part of the calculation. The variable is what percent of the cost attributable to the reserve share the Town pay versus the users of the system.

The projection has two scenarios based on the funding stack: a \$400,00 bond and a \$900,000 bond. The lower amount is the minimum necessary after the ARPA funds and the other funding sources the Town has secured. The higher amount is an arbitrary amount for demonstration. JB has included an increase for inflation and an estimate yearly increase of the grand list.

The bulk of the expenses for a system of this type are contracted operators, utility partners, etc. They are the people that answer the alarms when they ring and would work with the Town's engineering consultants on problems that come up. Additional costs are annual inspections, pumping the tanks, permits and insurance.

Lori Johnson was wondering how the costs were arrived at, such as the insurance. She doesn't know what you can insure for the numbers projected. She asked how much it costs to replace individual pumps. She feels their projected costs are low, noting that she doesn't see any projected costs for admin work. JB says it has not been the experience of other towns of a similar size and with a similar system that this necessitates additional staff. It is entirely up to the town staff to fill in the void in billing. The projected cost was based on the other communities such as Bristol, Warren, and Richmond.

Seth pointed out that the Town of Elmore has a public drinking water system that requires daily inspection. That system is overseen and managed entirely by volunteers. The Clerk's only role in that system is the distribution of billing. He's not recommending administering our system entirely by volunteers, but a more complex system with more daily oversight does this with little additional admin work.

Sheila Franz pointed out that the other towns with similar systems are larger towns. JB responded that Warren is not larger; additionally, Elmore has around 800 people compared to

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the approximately 2,000 people in Westford and manages a more complex system. While concerns about staff are well taken, let's not pretend the Town needs a public works director to do this. There are smaller communities managing more complex systems.

Kim and Ira asked when the Town would know if the State would allow the reduced costs for the apartments. Peter responded that the Town could charge however it wants, that's independent of the state.

ADJOURN

The meeting adjourned at 11:35 a.m.

Respectfully Submitted,

Lee McClenny, Chair
Selectboard

Callie Hamdy
Minute Clerk

GUEST LIST

Mark Letorney
Juli Beth Hinds
Amy Macrellis
Gordon Gebauer
Seth Jensen
George Lamphere
Lori Johnson
Kim Guidry
Ira Allen
Melissa Manka
Sheila Franz
Peter Lazorchak
Vicky Ross
Louise Jensen