

1 **BENNINGTON SELECT BOARD MEETING**
2 **BENNINGTON TOWN OFFICES**
3 **205 SOUTH STREET**
4 **BENNINGTON, VERMONT 05201**

5
6 **TUESDAY, JUNE 16, 2015**

7
8 **MINUTES**
9

10 **BOARD MEMBERS PRESENT:** Tom Jacobs, Chair; John McFadden, Vice
11 Chair; Sharyn Brush; Donald Campbell; Jim Carroll; and Michael Keane.

12
13 **ABSENT:** Justin Corcoran.

14
15 **ALSO PRESENT:** Stuart Hurd, Town Manager; Melissa Currier, Finance
16 Director; Michele Johnson, Human Resources & Contracts Administrator;
17 Michael Harrington, Economic & Community Development Director; Dan
18 Monks, Assistant Town Manager & Permitting, Planning & Code
19 Enforcement Director; Terrance Morse, Water Resources Superintendent;
20 and Beq Lendvay, CAT-TV Production Coordinator.

21
22 T. Jacobs called the meeting to order at 5:32 P.M.

23
24 **1. FY 2016 Water & Sewer Budget Work Session**

25 S. Hurd opened with a quick review of the Water Resources Budgets
26 Presentation that the Board previously received (see attached.) The Fund
27 budgets increase 2.7% and 2.1% respectively. T. Jacobs inquired about
28 the depreciation. There was a brief explanation from M. Currier. The
29 depreciation has now been fully funded for the last two years.

30
31 S. Hurd continued on to review the Capital Asset Schedules provided to the
32 Board within the packet for both the Water and Sewer Funds. M. Currier
33 explained the Transfer to Reserve. There was an explanation of Slip Lining
34 and RBC Gear Drives and the need to continue to budget for both yearly.

35
36 S. Hurd explained property insurance costs are down; however, the
37 workers compensation costs are up. He noted that the workers

38 compensation costs are up across the State and that the Town actually has
39 been doing very with its safety record.

40
41 The water/sewer rates sheet was reviewed.


42
43 S. Hurd explained that the Water Tank project bid came in lower than
44 expected so we will be able to extend the line down Monument to Dewey
45 and will come in under the \$3 million bond.

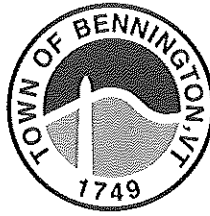
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47 **Motion: S. Brush made a motion to adopt the water and sewer**
48 **budgets with the rates as presented. M. Keane seconded. Motion**
49 **passed unanimously by all members present.**

50
51 T. Jacobs asked if there was any other business. There was none.

52
53 **Motion: S. Brush made a motion to adjourn the meeting at 6:47 PM.**
54 **M. Keane seconded. Motion passed unanimously by all members**
55 **present.**

56
57 Respectfully Submitted

58 
59
60 Michele M. Johnson



TOWN OF BENNINGTON

WATER RESOURCES BUDGETS F.Y. 2016

I present to the Board the Water and Sewer Funds for the coming fiscal year. The Fund budgets increase 2.7% and 2.1% respectively. Each fund includes wages and benefits costs as recently approved by the Board. Attached to each fund is the Capital Asset Schedule prepared by Melissa Currier, Finance Director. Each fund also has the appropriate depreciation and reserve transfers necessary to meet our needs. Property and liability insurances declined this year. Workers Compensation Insurance increased slightly as it did throughout the State. Our excellent safety record kept the increases to a minimum. The impact on rates will be discussed at the conclusion.

WATER FUND HIGHLIGHTS

5900	ADMINISTRATION	
41-5900.380	Depreciation increased based on anticipated capital projects and Benmont Bridge water line projects. (See Capital Asset Schedule)	\$ 628,000.
5910	BUILDINGS	
41-5900.720	This line includes real estate taxes for lands the Town owns in Pownal, Woodford, and Stamford estimated at \$12,000 this year. Operating Permit costs add \$30,750. CDL reimbursements complete this line.	\$ 41,800.

5920	<i>EQUIPMENT</i>	
41-5920.900	Principal & interest payments here are on the dump truck purchased last year. Combined.	\$ 24,640.
41-5920.910		
5940	<i>SYSTEMS</i>	
41-5940.210	Operating supply costs continue to increase. Our anticipated use remains level.	\$ 42,000.
41-5940.560	Contracted costs this year are projected to increase by \$2,500 to hire an engineer to review Bolles Brook reservoir construction.	\$ 26,500.
41-5940.630	Repair costs this year include water tank cleaning at \$5,000 and tank/tower (5) inspections at \$1,000 each.	\$ 17,400.
41-5940.840	Transfer to reserve is budgeted to meet our needs and maintain total budget goal.	\$ 284,000.
5980	<i>FILTRATION PLANT</i>	
41-5980.210	Operating supplies cost are increased principally by an increase in CO ² cost at 15%, \$6,020 additional.	\$ 89,420.
41-5980.230	Small tools and equipment are increased by needs to update our SCADA system, \$14,000. The other principal need is a Limitorgue Actuator replacement at \$4,500.	\$ 20,460.
41-5980.680	Repair costs increase due to rebuild of backwash pump \$7,350. The remaining increase is due to cost increases by service providers.	\$ 53,150.

SEWER FUND HIGHLIGHTS

5400	ADMINISTRATION	
42-5400.380	Depreciation increased anticipating capital asset schedule of projects and equipment.	\$ 302,000.
5440	TREATMENT SYSTEMS	
42-5440.560	Contracted costs increase this year due to vendor pricing.	\$ 24,600.
42-5440.840	Transfer to reserves increases to meet our projected needs.	\$ 276,850.
5480	TREATMENT PLANT	
42-5480.560	Contracted Services increases by \$60,000 to process sludges cleaned from the primary digester. Other costs remain stable.	\$ 132,940.

RATES

You will recall, when discussing the Water Tank/South-end water project bond, we believed we could keep rate increases in the 3% range over the next several years. The proposed rates for both the Water and Sewer Funds need to increase by 3% this coming year. Both Fund budgets increases were below this percentage; however, rates had to increase principally due to the continuing reduction in water use and sewer flow. The system operating costs are relatively fixed. Savings can be realized by reductions in treatment supplies. Unfortunately, these materials price increases tend to offset any reduction in use. The rate proposal is attached.

SAH/mmj K:\Manager\Michele\MyFiles\Budget\FY'16\ENTERPRISE FUNDS16.wpd

FY2016 WATER & SEWER RATE CALCULATION RATE PROPOSAL WATER & SEWER

Board approval: xxxxxxx

WATER				SEWER					
NUMBER OF UNITS	PROPOSED QUARTERLY RATES		FY15 Rates	DOLLARS GENERATED	NUMBER OF UNITS	PROPOSED QUARTERLY RATES		FY15 Rates	DOLLARS GENERATED
	FLAT:	PER 1,000 GALLONS:				FLAT:	PER 1,000 GALLONS:		
2776	N/A	459.48	13.36	1,275,516	2830	N/A	344.02	10.02	973,570
		<i>Per Person Yrly Increase</i>					<i>Per Person Yrly Increase</i>		
1182	197,686,085	4.25	0.13	840,166	1272	219,237,080	2.99	0.06	656,613
		276.20	8.04	326,488			213.76	6.24	271,904
				\$ 2,442,151					\$ 1,902,086
				\$ 2,443,650					\$ 1,906,430
				\$ (1,499)					\$ (4,344)

ANNUALIZED FLAT RATE

UNITS X PER 1,000 GALLONS ANNUAL TOTAL SURCHARGE

TOTAL DOLLARS GENERATED

BUDGETED EXPENDITURES NET OF OTHER REVENUES

SURPLUS OVER BUDGET

FLAT: \$111 PER 1,000 GALLONS: \$1,977 METER SURCHARGE \$12	THE ANNUAL IMPACT OF INCREASING EACH RATE BY A PENNY WOULD INCREASE REVENUE BY THE AMOUNTS SHOWN FOR WATER AND SEWER
FLAT: \$113 PER 1,000 GALLONS: \$2,192 METER SURCHARGE \$13	