

Vermont Facilities Engineering Division Capacity Development Evaluation For Community Water Systems

Water System Name Jericho Underhill WD
WSID

Water System Representative Peter Mitchell, Joe O'Brien, Marc and Jane Mayheux
Date 8/3/2015

Technical Capacity

Technical Capacity refers to the physical infrastructure of the water system, including but not limited to the source water adequacy, infrastructure adequacy, and the ability of system personnel to implement the requisite technical requirements.

1. Does this system source(s) have enough water to meet the current and possible future needs of your water system?

Yes

No

How do you plan to address this?

Don't know

Purchase water

2. Does the system have an approved and recently (within 3 years) updated Source Protection Plan?

Yes

2/18/2018

No

Do you need help developing one?

Don't know

Purchase water

3. Does the system have a Phase II/V Waiver?

Yes, when does it expire?

No

Don't know

Purchase water

4. Is the system's infrastructure adequate to meet current and future needs?

Yes

No, what are you doing to address them? **Project to address**

5. Does this water system have accurate maps of its distribution?

Yes, are they in map or digital form? **Almost all digitized; basic auto CAD**

- No
- Don't know

6. Is the system's service area clearly defined, meaning does the system add connections in a planned way?

- Yes
- No

7. Is this system nearby another water supply distribution system with which it is not interconnected (opportunity for consolidation)?

- Yes, have you considered consolidation (physically, managerially or technically)? **Emergency interconnect with CWD**
- No

8. Does the system have a DWGWPD approved Operations and Maintenance manual and is it actively used?

- Yes
- No

9. Does this system have standard operating procedures for daily, weekly, monthly, annual tasks?

- Yes
 - Are they followed? **yes**
 - Are work orders produced for planned and/or unplanned work? **no**
- No

10. Has this system ever done a water audit?

- Yes, what is the % non-revenue water? **Evaluate water usage quarterly, was higher but now down since Route 15 upgrade**
- No, why?

11. Does the water system monitor water usage for possible leaks?

- Yes, how? (metering program, backflow prevention, leak detection, etc.)? **daily meter readings**
- No, why?

12. Does the system provide for and encourage operator training opportunities?

- Yes
- No
- Don't know
- Have a contract operator

13. Does the system have a back-up operator?

- Yes
- No, have you considered hiring one or contracting for emergency services?
- Have a contract operator

14. Does the system have a written contract with its operator?

- Yes, how often are job duties reviewed? **yes**
- No

Don't know

15. Does the water system have any deficiencies that have not been resolved since the last sanitary survey?

Yes, what is the plan to address them?

No

16. Is this system operating under a Permit to Operate?

Yes 4/1/2017—you will need to apply for a new permit in March 2017. Your next permit will not expire

No, have you applied for a new one?

Managerial Capacity

Managerial capacity refers to the management structure of the water system, including but not limited to, ownership, accountability, involvement, staffing and organization, and effective linkages.

17. How are decisions about the water system made?

Board level, in conjunction with operator. In an emergency, operator has full authority.

18. Is there an organizational structure with clearly defined roles?

Yes

No

19. If water is purchased from or treated by another system, is there an agreement that provides the system with enough water for current and future needs?

Yes

No, how do you plan to address this?

Not applicable

20. Does this water system sell water to or buy water from another water system?

Yes, are you interested in developing a consecutive exemption agreement?

No

Don't know

21. Does this system have a customer complaint policy and form?

Yes, does it track complaints and resolution? Website where they can file complaints

No, how do you identify and address customer complaints?

Don't know

22. How does the water system operator discuss system needs with the water board, governing board, etc.?

Monthly board meetings where operator and assistant. Special meetings as well.

23. Does this system have by-laws?

Yes, date of last review every year

No

N/A

24. Does this system have water ordinances?

- Yes, date of last review
- No
- N/A

25. Does this system have a public information program other than the CCR?

- Yes, what is it? [Website jerichounderhillwater.org](http://Website.jerichounderhillwater.org)
- No

26. Do this system encourage water conservation/efficiency?

- Yes, how?
- No, why?

27. When planning for system upgrades, does the system consider energy efficiency a priority when choosing equipment?

- Yes
- No

28. Does the water system's governing body hold duly warned meetings on a regular basis?

- Yes, are minutes available?
- No, are you familiar with VT's open meeting and record laws?

29. Is the system familiar with VT's open meeting and record laws?

- Yes [ask questions to be sure]
- No [send link to law and discuss some of the more important points]
- n/a

30. Does the system have an adequate filing system where documents can be stored for the periods of time required in the WSR?

- Yes
- No

Financial Capacity

The challenge for most utility systems is to operate like a business. The following questions will assist in evaluating the financial capacity of the water system

31. Does the system develop and follow an annual budget that is approved by the governing body (please be prepared to present and discuss this during the visit)?

- Yes, does the system project expenses out 2-5 years? [Working on it](#)
- No
- Don't know

32. Does the water system have a financial record-keeping system?

- Yes
- No

33. Are monthly/quarterly/annual financial statements prepared?

- Yes, are they reviewed by the governing board/owner? **yes**
 No

34. Is the system on target with budgeted income and expenses?

- Yes
 No, why

35. Does the system have at least 180 days of cash on hand to account for emergencies?

- Yes
 No **only \$20k, but have access to short-term financing (line of credit) from local bank**

36. Is the system aware of the different reserve accounts that exist and the rules that govern them?

- Yes [ask questions to make sure]
 No [discuss START requirement here]

37. Does the system contribute to a capital reserve or surcharge fund?

- Yes, how does the system calculate contributions to this fund?
 No [discuss loan requirements]

38. Does this system have a capital improvement plan that projects future needs for *at least* 5 years?

- Yes, does this plan include projected revenue and expenses associated with these identified future needs?
 No

39. Is the system actively engaged in Asset Management?

- Yes
 No **VSAT? AM plan**

40. Does this water utility support or contribute to other enterprise funds or the general fund?

- Yes
 No

41. Does this water utility require revenues from other enterprise funds or the general fund for normal operations?

- Yes
 No

42. Does this system prepare an external audit or have annual financials reviewed by a CPA?

- Yes
 No, why?

43. How often does this system evaluate and review its rate structure? Are adjustments made based on that review?

annually

44. What type of rate structure does this system have? [ask for copy of structure]

Metered flat rate

45. If metered, does the system have a meter maintenance and replacement program?

- Yes, how often are they replaced? Is there a line item in the budget for them? **Yes—line item should go to capital reserve fund**
 No

46. If not metered, has the system considered meters?

47. Does the system have formal policies for payments/collection? Does it utilize the Uniform Water and Sewer Disconnect Policy (VT State Statutes Title 24 Chapter 129)?

- Yes, is it enforced? **yes**
 No
 Don't know

48. Are the annual delinquent accounts below 5% of the annual operating budget?

- Yes **none!!!**
 No, how does the system plan to address it?
 Don't know

49. Does the system's current rate structure produce income to cover (check all that apply):

- Capital fund
 Operating reserve (emergencies)
 Current expenses
 Debt service
 Contractual obligations
 Other
 All of the above
 None of the above

50. Do the system anticipate future growth in the following areas (check all that apply)?

- No
 Residential
 Commercial
 Industrial
 Wholesale
 Other

51. If yes, is there a plan in place to address it?

- Yes **Have plenty of water**
 No
 Don't know

Summary

What actions will the water system take to address capacity deficiencies based on the above survey?

Line in item for capital reserve (see below)

START- Short Term Asset Replacement Table. This is a new requirement of the funding program especially with the construction loan. Your engineer can develop this as part of the preliminary engineering report. We require contribution to capital reserve fund based on this START, but we also provide the system the benefit of contribution when underwriting the loan.

Consider a reevaluation of the rate structure to improve sustainability



Ashley J. Lucht
Facilities Engineering Division
DWSRF Project Development
(signature)

8/6/2015

Date