
CFD2 | Regular Meeting

10.02.2023 via Zoom 5:30-7:11pm

Attendees

Jonathan Ashley (D&K)
Ian Baldwin (Board Member)
Gina Campoli (President)
Nicole Civita (Board Member)
Paula Davidson (Treasurer)

Christina Finkelstein (Secretary)
Norm Hanson (Board Member)
Renee Rossi (Board Member)
Steve Smith (Systems Operator)
Jake Tracy (D&K)

ABSENT:

George Hall (Board Member)

Acronym Guide

DEC	Department of Environmental Conservation
D&K	Dubois & King, consultant engineers for CFD2
RCAP	The Rural Community Assistance Partnership
WL-01	Well polluted with PFAS
WL-04	Well with no detectable levels of PFAS
WL-05	Reference to potential primary source well or its location
WL-06	Reference to potential primary source well or its location
WL-07	Reference to potential primary source well or its location

Agenda

1. Additions/changes to Agenda
2. Approve minutes from last meeting and review action items
3. Status of WL-07 permitting and design
4. Status of easements
 - a. Sterling College (WL-07, WL-06, pump house)
 - b. Alford (WL-06)
 - c. Simmons (Pump House)
 - d. Town of Craftsbury
5. Board recruitment
6. Finance committee/Treasurer's Report
7. Other business
 - a. status of class-action lawsuit
 - b. insurance up for renewal
 - c. Vermont Heritage
 - d. Corner yokes, water meters
 - e. Review action items
8. (Time permitting) By-laws and Ordinance preview
9. Executive Session - potential board member nominations

1. Changes/Additions to agenda

Gina moved review of action items to the end of the meeting and board recruitment to executive session.

2. Approve Minutes

MOTION: Nicole made a motion to approve the minutes from September 11, 2023. Norm seconded. The motion passed unanimously.

3. Well-07 Permitting and Design Progress Update (Jon Ashley)

- D&K had an in-person meeting with several DEC staff earlier today (10/2) to review the 30% Design submittal.
- Jon reported that CFD2 needs two permits. The two permits cannot be pursued simultaneously. The Source Permit must be issued first **and then** the Construction Permit.
 - PERMIT #1–SOURCE PERMIT. In order to get a source permit issued for WL-06 and WL07, the state requires:
 - (1) Technical review. D&K submitted the technical information for both WL-06 and WL-07. DEC has sent comments on WL-06 and D&K has responded. Comments to WL-07 have not been received yet. Jon expects the comments this week.
 - (2) Permanent easements to be in place [See Section 4]. Specifically, the easement for the 200’ protection area around the well must be in place before the source permit can be issued.
 - (3) After the technical review and permanent easements, the state requires a 30-day public comment period.
 - PERMIT #2–CONSTRUCTION PERMIT. This permit is required to put the piping in the wells and build the controls that run the power.
- Jon reported that at the meeting the state noted that projects are often built “at risk” without permits and/or funding officially in place. He noted that given the timeline associated with the required steps, CFD2 would need to determine whether it should proceed “at risk” or wait until next year.
- **[See Attachment A for current status]**

Discussion

- Gina asked whether CFD2 will need a wetlands permit or an Act 250 Amendment. Jon said he didn’t think a wetlands permit would be needed, but agreed that an Act 250 Amendment will be needed.
- Gina noted that she never thought it was possible to get WL-07 connected this year. Ian asked if it will be connected next year. Gina thinks that we’ll get it done next year.

- Gina noted the steps involved with the permitting and finding a contractor and said she was not comfortable with proceeding without a permit and funding in place. Nicole agreed that it would be very high risk, but asked what the bottled water cost implications might be if CFD2 is unable to secure additional funding for the bottled water. Gina said that the bottled water costs would pale in comparison to the potential cost of the project. Gina will reach out to Dana Nagy to inquire about funding status.
- Jon said if CFD2 were to proceed “at risk” without permits in place, then it would not be reimbursed until the permits are in place and the loan application is approved. So CFD2 would need to fund the project during that duration. Nicole observed that based on the financial statements Paula shared with the Board prior to the meeting, CFD2 was not in a position to absorb such costs. Jon added that there could also be technical comments to WL-07 that could require change orders.
- Jon said that if CFD2 decides to not proceed “at risk” then it would be good to know soon for D&K’s schedule and priorities. Jon said D&K’s work would not slow down.
- Gina asked when construction could start next spring. Jon said it would likely be in May, weather permitting. Nicole added that like this year, no construction will be permitted on Sterling’s campus during Commencement. So any construction would not start until after May 20th.
- Jon noted that the ledge analysis revealed there is not as much ledge as anticipated.

WL-06’s Purpose

- Jon said another decision point was whether to proceed with WL-06 as a source or as an emergency back-up, because the conditions required for each are different. There was discussion in earlier meetings of separating the permitting process for the two wells in order to expedite the construction of WL-07.
 - If CFD2 wants to turn on WL-06 at any time, then it would need to be fully permitted and connected.
 - If CFD2 wants to use WL-06 as an emergency back-up then it would need to go on a Do Not Drink Order until all the water quality test results are available.
- Jon explained that at the meeting with DEC, they reviewed the water quality tests. There is radium above the MCL in WL-06 and not in WL-07, but the pump test suggests that there is some hydraulic connection because there was a drawdown in WL-06 when WL-07 was connected. The expectation is that radium could be a cause

for concern in WL-07 eventually. So radium treatment for both wells might be prudent.

- The main difference then between whether WL-06 is a source or emergency is the ongoing water sampling costs. If WL-06 is used as an emergency back-up then the sampling costs would only be incurred while trying to get off the Do Not Drink Order.

Discussion

- Nicole thought that a cost-benefit analysis is required to better inform a decision.
- Gina commented that the 11.9 gpm from WL-06 would be insufficient to meet demand. Jon noted that although 22gpm is required for the permit, 11.9 gpm would yield 17k/day, which is enough to meet average demand today.
- Norm asked what the likelihood is of WL-07 having a major failure. Jon said a well's yield can decrease over time, the well can get contaminated, or a pump can get stuck in the well—all things CFD2 has already encountered. Gina observed that we've never had 47gpm. Nicole encouraged the Board not to get too seduced by the number because things can happen, like a new contaminant and that we should hook up both wells. WL-06 can be treated as an emergency back-up since the operating costs may be more manageable and testing results can be rushed.
- Nicole noted that the discussion is odd because it wasn't on the agenda. She asked if a decision needed to be made today or if a special meeting should be called in two weeks. Gina agreed.
- Gina added that she was surprised to hear that the state was confident that WL-07 would be sufficient and asked if the state would still support funding for WL-06. Jon said he believed they would.
- Jon said that WL-06 will require treatment for radium and it's possible that WL-07 will also need treatment at some point due to the hydraulic connection between the two wells.
- Additional discussion led to the conclusion that CFD2 should support a resilient system so WL-06 should go forward.
- Steve asked what the treatment plan for WL-06 would require. Jon said a cation exchange system (aka a water softener) would be needed and a field trench near the pump house where the backwash can go back into the ground.
- Gina asked if we would treat WL-07 now since its radium level is below the threshold. Jon said it would be part of the grant, but it wouldn't have to be turned on unless WL-06 is on or the levels in WL-07 change. He added that he would want to

inquire with the manufacturer whether there are consequences of not using the cation exchange for an extended period.

- Steve asked if WL-06 is treated, would CFD2 still need to issue a Do Not Drink Order if WL-07 had to go offline. Jon confirmed that a Do Not Drink would be required until the additional source sampling was completed.
- The decision to be made is whether to go through the process of having WL-06 permitted as a source at the same time as WL-07 or if/when WL-07 fails. The key difference is the additional annual sampling costs for the second well.
- Ginas asked what the sampling costs are each year. Steve said there is some variation because some things are tested for every year while others may be required every three or five years.
- Ian noted that before there is any additional public discussion we need to know the cost of connecting WL-06 now vs. if/when needed.
- Christina noted that the 2023 budget for water sampling is \$2645.
- Nicole summarized the options available: (1) don't hook-up WL-06 at all, but don't abandon the wellhead; (2) connect WL-06 and have as an emergency back-up—not permit as a source; or (3) connect WL-06 at the same time as WL-07 and permit both as water sources. Nicole added that if she was a customer she would want the opportunity to think through these options, but this wasn't on the agenda—because the options became clear just today.
- Additional discussion clarified again that given the choice between securing a source permit if/when needed for an already connected system vs. laying down a connection for WL-06 if needed, the former is the more prudent option considering CFD2 is eligible for funding now.
- Nicole asked if we connected WL-06 as an emergency source and WL-07 had issues, then would CFD2 just need to go through the process to have it permitted as a water source. Jon confirmed that is correct. CFD2 would get permits from the state to construct and connect it to the system, just not use it as a water source. Nicole added that she would be comfortable with the use of WL-06 as an emergency back-up.
- Ian asked if we go with the emergency back-up option, would the construction start this year or would we wait until next spring. Jon said it would have to be next year. Gina added that we would want one contractor to do everything and the easements would need to be in place before the state can issue any permits.
- Additional discussion and clarification on the decision to be made. Does CFD2 push the construction of both wells without permits and funding in place or does it proceed with the goal of having construction begin next spring.

- Christina asked what D&K's cost would be to turn WL-06 into a permitted source; what is the process involved. Jon said an online application would need to be submitted to supply the data from the water quality tests. Jon guesstimates that the laboratory test fees for the sampling, the permit application fee, and D&K fees would be a little over \$10,000.
- Christinas asked if there is any risk to the equipment or the connection if WL-06 is unused for an extensive period. Jon said no. He didn't think the pump would deteriorate from nonuse. The only piece that might require occasional use is the cation exchange system, but there is no harm in using it on WL-07. It would need to be drained.
- Christina asked if the cation exchange system is running on the entire system would the water flowing into our homes then be softer—so there would be a reduction in hard water issues on plumbing and fixtures. Jon said yes it would help with the water hardness. Nicole noted that some people are allergic to softened water so if the water softening is not required , then we would need to alert customers if it's turned on for maintenance.
- Ian asked whether the field trench for the backwash would be built now if WL-06 is connected as an emergency back-up or when and only if WL-06 needs to be a permitted source. Jon confirmed that the trench is not necessary to connect WL-07, but it would add to the lead time if/when WL-06 needs to be a permitted source.
- Additional extensive discussion about the cost of the cation exchange system and whether WL-06 should be pursued as an emergency back-up source together with WL-07. Agreement that it didn't make sense to pursue WL-06 separately.

MOTION: Nicole made a motion to not pursue the option of construction prior to permitting and funding. Gina seconded. The motion passed unanimously.

MOTION: Gina made a motion to propose to the state that WL-06 be developed as an emergency source through this round of permitting and funding. The motion was supported by all members present except Christina.

- Christina noted that she was not supportive of WL-06 as an emergency back-up, but as a permitted water source. The additional annual water testing costs is insurance that there is an alternate working water source immediately available.
- Christina asked for confirmation that there will not be a special meeting about WL-06. Gina confirmed that the issue was just voted on.
- Nicole asked if the loan package can be amended to make WL-06 a permitted water source as support may change after having a full understanding of the operating costs for WL-06.

MOTION: Ian made a motion to amend the previous motion to add the option of amending once additional cost information is available. Nicole seconded. The motion passed unanimously.

4. Status of Easement Agreements

Sterling College (WL-06, WL-07, pump house)

- Nicole reported that everyone is working to get the easements in place by October 11.
- Nicole passed on to Sterling officials the need for a 250 Amendment.
- Gina added that she met with the appraiser for WL-07 while he completed his walkthrough of the easement area.
- Gina reported that the appraiser needs to review a copy of the proposed easement agreement before he can complete his report. Nicole said she would check-in with Lori about the status.

Alfond (WL-06)

- Nicole reported that this is in process.

Simmons (pump house)

- Gina reported that she spoke with the Simmons family. The existing easement is likely sufficient to cover the new connection pipes, but CFD2 lawyers will review to confirm. Gina also that there is flagging in place to indicate where the pipes will be.

Town of Craftsbury (ROW)

- Gina spoke with the Town Clerk about a right of way for the new connection pipes. The Select Board will need to approve. CFD2 lawyers are drafting language.

Discussion

- Gina said that by the November meeting we should have the easements ready to submit to D&K and the state so that the permit process can move forward.

5. Board Recruitment

Discussion moved to executive session.

6. Finance Committee/Treasurer's Report

Paula shared with the Board the latest financial reports with the Board prior to the meeting, but was absent from meeting.

Discussion

- No questions/comments, but strong consensus that Paula is doing an outstanding job.

7. Other Business

Status of class-action lawsuit

- Gina reported that she got a notice of settlement for the class action suit. The total award amount is about \$1700.

Insurance

- Christina reported that the policy with VLCT is up for renewal and paperwork needs to be submitted by October 13th. She will reach out to Steve with follow-up questions needed to complete the paperwork.

Bottled Water Supplier

- Christina informed the Board that Vermont Heritage was acquired by Vermont Springs LLC on 7/17/2023. All is the same except the invoicing. We no longer have a count of returned bottles but we should be getting 1 for 1.

Corner Horns and Water Meters

- Steve reported that due to manufacturing delays related to brass, the soonest we can get the new water meters for the few properties currently without one is next summer.

8. By-laws and Ordinance Preview

- Moved to next meeting, time permitting.

9. Executive Session

MOTION: Gina made a motion to move into Executive Session to discuss board nominations. Nicole seconded. The motion passed unanimously.

MOTION: Nicole made a motion to leave Executive Session. Gina seconded. The motion passed unanimously.

Actions Items

- Gina will reach out to Dana Nagy about the status/potential of additional funding for bottled water through spring 2024.
- Jon will inquire about the cost of the cation exchange system.
- Nicole will make the draft language for the WL-07 easement available for the assessor.
- Nicole will follow-up as needed regarding the status of the Alford easement for WL-06.
- Gina will follow-up with Simmons' family and CFD2 lawyers regarding changes, if needed, to the existing easement.
- Gina will follow-up with the Town of Craftsbury to obtain Right of Way after receipt of draft language from CFD2 lawyers.
- Christina will renew insurance with VLCT by October 13th.
- (from 8/7) Steve will schedule a meeting with Harwick's water systems operator about a reciprocal on-call arrangement.
- (from 8/7) Christina will share a summary of the by-law and ordinance review.

- (from 8/7) Paula will file a claim with VLCT for the failed pump for WL-01 during the July 11th storm.
- (from 7/10) Jon will send the Board a completed draft of the Asset Management Plan
- George will hand-deliver these minutes and any announcements to customers without email.

Upcoming Meetings

The next Regular Meeting will be on **Monday, November 6th at 5:30pm**. A special meeting will be called if there are developments or other issues that merit full Board deliberations.

A reminder announcement with the Zoom link (<https://us02web.zoom.us/j/87324152544>) will be posted on Front Porch Forum.

NOTE: The Zoom link (<https://us02web.zoom.us/j/87324152544>) and call-in details are the same for all remaining 2023 meetings.

Call in Details:

Meeting ID: 873 2415 2544

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