



# **Champlain Water District**

2012 – 2013

Annual Report

## ***Board of Water Commissioners***

A publicly elected eight-member Board of Water Commissioners, one elected from each of the eight member towns, for a three-year term, governs CWD.

### **Shelburne:**

Tom Bessette, Chair

Peter Gadue - Alternate

### **South Burlington:**

William Szymanski

Justin Rabidoux - Alternate

### **Milton:**

George Nelson

Roger Hunt - Alternate

### **Colchester:**

Karen Richard

Dawn Francis - Alternate

### **Winooski:**

Peter Crowley

Katherine Decarreau - Alternate

### **Town of Williston**

Joe Duncan

Rick McGuire – Alternate

### **Essex:**

Aaron Martin

Pat Scheidel - Alternate

### **Village of Jericho:**

Robert Shand

No Alternate

## MANAGEMENT LETTER

Champlain Water District (CWD) is a regional municipal organization chartered by the Vermont Legislature in 1971, presently supplying drinking water and fire protection to the following (12) municipal water systems: South Burlington, Shelburne, Williston, Essex, Essex Junction, Village of Jericho, Winooski, Milton, Colchester Fire District #1, Colchester Fire District #3, Colchester Town, and the Malletts Bay Water Company since 1973. This past year CWD celebrated our 40<sup>th</sup> anniversary of supplying drinking water to our Chittenden County service area. We hope our customers enjoyed reading the anniversary brochure that the District sent out summarizing CWD's past accomplishments, present activities, and future plans for maintaining a reliable supply of safe drinking water to our served 70,000 consumers. Over the past year CWD has steadily continued its efforts toward completion of its Twenty-Year Master Plan reported by Dufresne & Associates in September 2002. This past fiscal year CWD's accomplishments are as follows:

- Continued to manage a long term asset management contract with Utility Services Company Inc. for on-going inspection, maintenance, and rehabilitation of (14) of CWD's welded steel water storage tanks
- Completed the interior and exterior rehabilitation and recoating of three water storage tanks in Essex and Colchester
- Completed construction of Phase II of CWD's High Service Water Transmission Cross Tie Project thus adding a redundant critical loop to CWD's County water supply piping network, placing this new 24" diameter water line in service on November 29, 2012.
- Completed the construction of a new metering vault in Williston within the County served water transmission system and also completed the design for the relocation of a meter vault on the Colchester/Winooski boundary
- As part of our ongoing annual capital program, a deep bed multimedia filter was rebuilt, along with interior pipe reconditioning and catwalk replacements at the water treatment facility
- Completed installation of a redundant air blower system at the treatment plant site
- Continued CWD's replacement program for supervisory control and data acquisition (SCADA) units that bring in critical county wide information to the treatment control facility, as well as upgrading specific process control technology for redundancy and reliability reasons
- Continued investment with Efficiency Vermont to optimize daily energy usage and reduce overall annual electrical costs
- Continued to serve as the Vermont Training Center for the New England Water Works Association hosting five separate training sessions in fiscal year 2012-2013

- Coordinated the purchase and installation of a long term asset management database system
- Continued enhancement of emergency response planning via training and collaboration with Vermont Emergency Management and the Department of Homeland Security
- Continued the documentation process toward executing infrastructure ownership Memoranda of Understanding with all served municipal water systems

CWD's commitment to providing safe drinking water is exemplified again this year by celebrating the fourteenth consecutive year of continuing to attain the Excellence in Water Treatment Award under the Partnership for Safe Water Program. At this time there are only eleven water treatment facilities in the United States that have attained this level of water treatment optimization, which signifies continuous performance protective of public health. CWD has maintained this level of excellence through successful submission of a comprehensive annual report that is reviewed for water quality test results, as well as demonstration and documentation of the operational tenacity toward continued quality improvement as required by the Partnership for Safe Water Program. CWD was the first water supplier in the U.S. to attain this level of excellence in May of 1999. The Partnership for Safe Water membership collectively serves a combined population of 85 million people, or nearly two-thirds of the U.S. citizens served by surface water.

We thank our employees and elected officials for their effort, support, and dedication in allowing CWD to be proactively managed and operated to supply a drinking water product protective of public health. As always, we welcome groups of any size to tour our facility. Please call 864-7454 to arrange a tour, or if you have questions, or need further information on Champlain Water District.

Respectfully Submitted,

Tom Bessette, Chair CWD Board of Water Commissioners

Jim Fay, CWD General Manager

## Wholesale & Retail On-Going Activities

- Completed the interior and exterior rehabilitation and recoating of water storage tanks in Essex and South Burlington
- Completed storage tank inspections and pressure washing
- Constructed a new Williston North Master Meter Vault
- Replacement of the Winooski East (St. Michael's) Master Meter Vault
- Treatment plant improvements and process enhancements including one filter rehabilitation and reconditioning of process piping
- Maintained all of the CWD transmission main right-of-ways
- Conducted annual mainline valve maintenance
- Continued focus on Emergency Response/Emergency Management:



New Winooski East Master Meter Vault

- Incident Command & Emergency Management training
  - VtWarn effort to re-energize the program
  - CWD tabletop emergency crisis management exercise
  - Statewide CAT2 catastrophic event exercise planning & preparation
- Completed rewiring and redesign of air blower controls for fault tolerant redundancy
- Continued CWD's replacement program for Supervisory Control and Data Acquisition (SCADA) units that bring in critical county wide information to the treatment control facility, as well as upgrading specific process control technology for redundancy and reliability reasons
- Continued investment with Efficiency Vermont to optimize daily energy usage and reduce overall annual electrical costs
- Rebuilt one deep bed multimedia filter at the water treatment facility
- Developed and implemented energy efficiency operational guideline for transmission and storage system pumping optimization.
- Participated in regularly scheduled sanitary survey for the CWD Treatment facility and transmission system.



Continued upgrades to SCADA RTUs at remote sites and at the Treatment Plant.

- Completed the regularly required lead and copper sampling program and reported continuing optimized compliance to the State and Federal regulatory authorities.
- Implemented Stage 2 Disinfection By Product (DBP) monitoring demonstrating optimized quality status.
- Streamlined the processes of CWD's State of Vermont Certified and NELAC certified Laboratory.
- Updated process feed pumps and feed lines.
- Provided two sample hydrants for installation in CWD served systems.
- Arranged USGS contract to fund La Platte River flow monitoring station.
- Coordinated the purchase and installation of a water quality management database system.
- The Lawrence Heights water main replacement project in the Village of Jericho received full approval and is slated to begin construction during the summer/early fall of 2013.
- CWD Retail personnel worked closely with CFD 1 officials, Aldrich & Elliott Water Resource Engineers on the development and final design of the proposed Route 15 water main replacement project. This large project which will replace a significant portion of the Fire District's water infrastructure started in mid-June 2013 and is expected to be completed over the next two construction seasons (2013 & 2014).
- Performed field inspections and subsequent repairs to water infrastructure on South Burlington Town Highways during and after repaving.
- Perform routine and regular hydrant flushing, valve inspection, maintenance, and meter reading for the five CWD owned and or managed water systems.
- Edit water system field data for the South Burlington Water system GIS mapping effort and continue corrective changes as needed.
- In 2013 the South Burlington water meter and radio read replacement project received City approval. The Automated Meter Reading equipment and software was successfully commissioned in June; field work in advance of this project is ongoing and large scale installations are expected to begin during the winter of 2013/ 2014.



At Lawrence Heights in Jericho a hydraulic hammer being used to explore the extent of ledge rock in advance of the project design for the water main replacement.



Neptune R-900 meter interface units await installation in S. Burlington

## INDEPENDENT AUDITORS' REPORT

To the Board of Water Commissioners  
Champlain Water District  
South Burlington, Vermont

We have audited the combined financial statements of Champlain Water District as of and for the year ended June 30, 2013 and have issued our report thereon dated October 23, 2013.

The accompanying summary financial information is not a presentation in conformity with generally accepted accounting principles as management has elected to omit the notes to the financial statements.

The complete financial statements and our report thereon are available for public inspection at the District offices.

*Jmm & Associates*

JMM & Associates  
October 15, 2013

**COMBINED STATEMENT OF NET ASSETS**  
**JUNE 30, 2013**  
**ASSETS**

<b><u>CURRENT ASSETS</u></b>	<b><u>2013</u></b>
Cash - Operating	\$ 376,139
Cash - Reserves	1,866,354
Accounts receivable - water	507,095
Accounts receivable – other	75,910
Inventories	272,551
Prepaid expenses	<u>51,914</u>
 <b>TOTAL CURRENT ASSETS</b>	 <b><u>3,149,963</u></b>
 <b>PROPERTY &amp; EQUIPMENT</b>	
Land & rights of way	264,368
Buildings & improvements	19,716,149
Water transmission & mains	18,466,697
Water storage tanks	6,811,352
Machinery & equipment	2,737,039
Retail service connections	110,293
Vehicles	595,372
Construction in progress	<u>198,208</u>
	48,899,478
Accumulated depreciation	<u>(23,068,758)</u>
 <b>TOTAL PROPERTY &amp; EQUIPMENT</b>	 <b><u>25,830,720</u></b>
 <b>TOTAL ASSETS</b>	 <b><u>\$ 28,980,683</u></b>



## LIABILITIES & NET ASSETS

### **CURRENT LIABILITIES**

**2013**

Current portion of long-term debt	\$ 643,000
Accounts payable	387,371
Accrued vacation	163,929
Other payroll accruals	27,390
Accrued interest payable	47,332

### **TOTAL CURRENT LIABILITIES**

**1,269,022**

### **LONG-TERM LIABILITIES**

Notes & bonds payable, net of current portion	<u>8,097,000</u>
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### **TOTAL LONG-TERM LIABILITIES**

**8,097,000**

### **TOTAL LIABILITIES**

**9,366,022**

### **NET ASSETS**

Unrestricted	657,587
Restricted	1,866,354
Invested in capital assets, net of related debt	<u>17,090,720</u>

### **TOTAL NET ASSETS**

**19,614,661**

### **TOTAL LIABILITIES AND NET ASSETS**

**\$28,980,683**

**COMBINED STATEMENT OF ACTIVITIES  
& CHANGES IN NET ASSETS**

<b><u>OPERATING REVENUE</u></b>	<b><u>2013</u></b>
Water sales	\$ 6,110,894
Management contracts	510,816
Water supply fees	148,587
Other services	57,687
Miscellaneous	36,241
Equipment rental	99,780
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<b>TOTAL OPERATING REVENUE</b>	<b>6,964,005</b>
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<b>OPERATING EXPENSES</b>	
Operating	4,242,323
Depreciation	1,400,110
General and administrative	215,628
Maintenance	288,493
Water supply fees	148,587
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<b>TOTAL OPERATING EXPENSES</b>	<b>6,295,141</b>
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<b>INCOME FROM OPERATIONS</b>	<b>668,864</b>
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<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Interest income	2,767
Connection fees	6,200
Reimbursed interest	11,620
Gain on asset disposition	13,681
Interest expense	(385,843)
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<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>(351,575)</b>
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<b>NET INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	<b>317,289</b>
Capital contributions	20,000
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<b>CHANGE IN NET ASSETS</b>	<b>337,289</b>
<b>BEGINNING NET ASSETS</b>	<b>19,277,372</b>
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<b>ENDING NET ASSETS</b>	<b>\$ 19,614,661</b>
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## COMBINED STATEMENT OF CASH FLOWS

<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>	<b><u>2013</u></b>
Cash received from water sales	\$ 6,238,772
Cash received from fees and services	812,799
Cash received from other sources	39,241
Cash received from interest income	14,387
Cash paid for interest expense	(377,730)
Cash paid to suppliers for goods and services	(2,317,471)
Cash paid for salaries and benefits	(2,470,981)
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<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>1,939,017</b>
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<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sale of asset	13,681
Purchase of property and equipment	(2,970,291)
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<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(2,956,610)</b>
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<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	
Contributed capital received	20,000
Proceeds from issuance of long-term debt	2,500,000
Principal payments on long-term debt	(590,000)
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<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<b>1,930,000</b>
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<b>INCREASE (DECREASE) IN CASH</b>	<b>912,407</b>
<b>BEGINNING CASH</b>	<b>1,330,086</b>
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<b>ENDING CASH</b>	<b>\$ 2,242,493</b>
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## COMBINED STATEMENT OF CASH FLOWS (CONTINUED)

### CASH FLOWS FROM OPERATING ACTIVITIES

2013

Change in net assets \$ 337,289

Adjustments to reconcile change in net assets  
to net cash provided by operating activities:

Depreciation 1,400,110

Capital contributions (20,000)

Gain on asset disposition (13,681)

(Increase) decrease in:

    Accounts receivable – water 136,396

    Accounts receivable – other 4,219

    Inventories (52,417)

    Prepaid expenses (35,259)

Increase (decrease) in:

    Accounts payable 153,206

    Accrued vacation 17,397

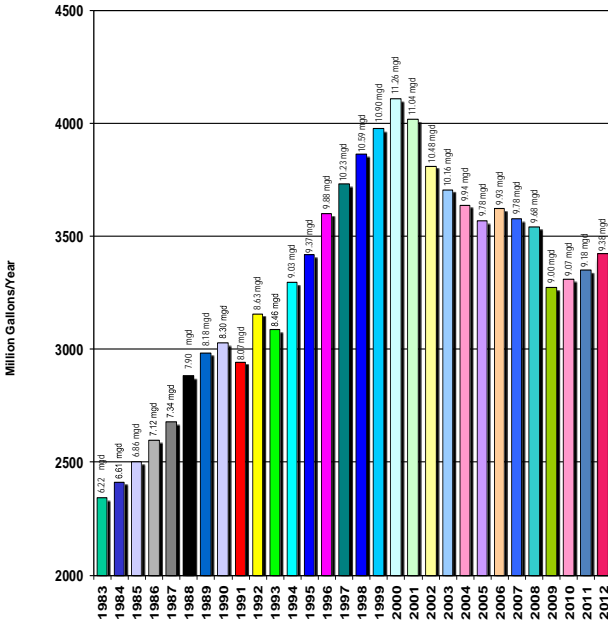
    Other payroll accruals 3,641

    Accrued interest payable 8,116

Total adjustments 1,601,728

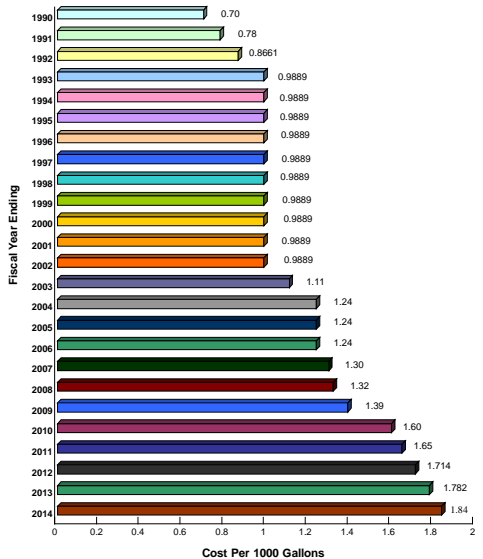
**NET CASH PROVIDED BY OPERATING ACTIVITIES** \$ 1,939,017

# Champlain Water District Annual Water Sales

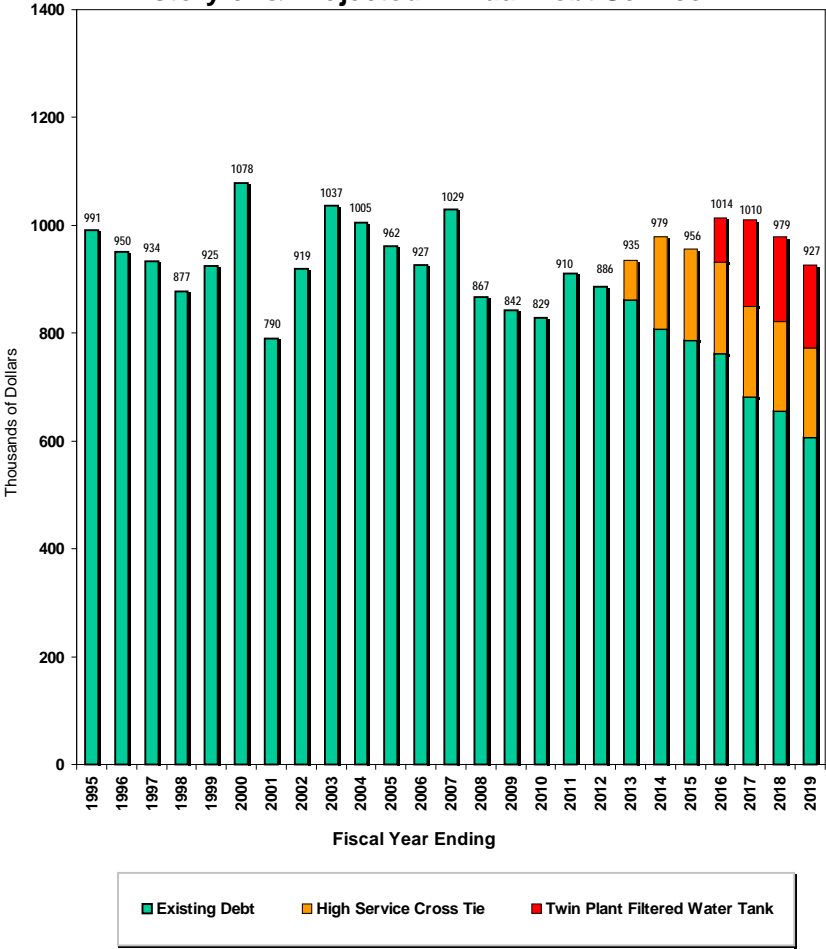


## Fiscal Year Ending

## Champlain Water District Wholesale Water Rates 1990 - 2014



## Champlain Water District History of & Projected Annual Debt Service



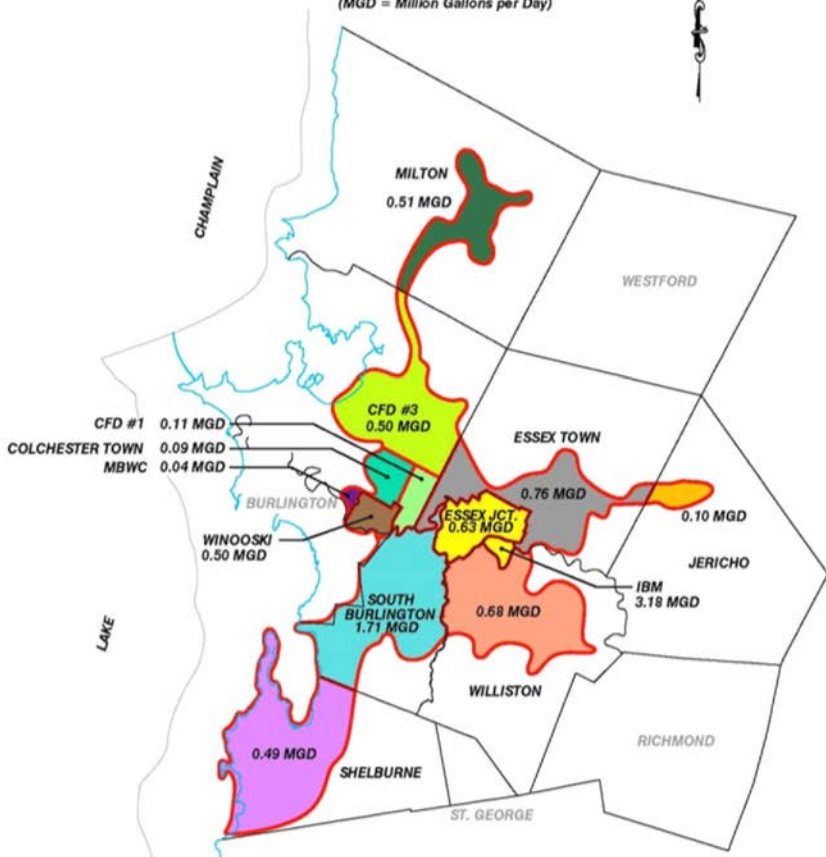
Note: FY 2008 & 2009 are overstated on the above graph since it includes Bond Anticipation Note interest in the totals.

# CHAMPLAIN WATER DISTRICT

## Chittenden County, Vermont

### Demand Areas

CWD DEMAND PATTERN  
FISCAL YEAR ENDING 6/30/2013  
TOTAL DEMAND = 9.30 MGD  
(MGD = Million Gallons per Day)



## **Current CWD Staff**

### **Administration**

Jim Fay, General Manager  
Tracy Bessette, H.R. Administrator  
Christine Rongo, Accountant

### **Engineering**

Richard Pratt, Assistant General Manager/Chief Engineer  
Melissa Hood, Transmission System Engineer

### **Water Quality Operations**

Mike Barsotti, Director of Water Quality & Production  
Scott Flax, Lead Treatment & Transmission Specialist (TTS)  
Mark Hamel, TTS  
Chris Collins, TTS  
James Desorda, TTS  
John Heald, TTS  
Mat Cunningham Water Quality Maintenance Specialist (WQMS) Foreman  
Jason Scott, WQMS  
John Heald, WQMS  
Evan Stewart, WQMS

### **Electrical & Technology**

Bruce Bushey, Electrical & Technologies Supervisor  
Anthony Higgins, Systems Administrator  
Brian Hilliker, Instrumentation Tech.  
Cory Waterhouse, Electrical Maintenance Tech.

### **Wholesale Maintenance**

Paul Tice, Transmission Systems Director  
George Wimble, Maintenance Foreman  
Vilas Gentes, Maintenance Tech.  
Brian Martin, Maintenance Tech.  
Joe Tymecki, Maintenance Tech.

### **Retail**

John Tymecki, Retail Superintendent  
Julie Ringuette, Billing Specialist  
Eric Pepin, Distribution Foreman  
Adam Rule, Meter Reader/Maintenance Tech.  
Tyler Button, Meter Reader/Maintenance Tech.  
Patrick Gillen, Meter Reader/Maintenance Tech.  
Todd Blaisdell, Meter Reader/Maintenance Tech.