House Bill H.871 Charter Amendment Approval Regulation of Public Water Supply & Sources

Outline of Testimony by Thomas McArdle, Montpelier Director of Public Works.

My testimony will focus on the statements found in my letter to Mr. George Desch, Acting Division Director of the Drinking Water & Groundwater Protection Division, VT D.E.C. dated March 30, 2016

Key Points

- I will explain my role as the public official with fiduciary responsibility of the water system and my concern about being exposed to an unmanageable risk when the pond was opened to the public.
- I will offer testimony to explain the Montpelier water system is an enterprise fund relying solely on rate payers for operating expenses. This fund has outstanding debt service obligations as a result of significant capital investments and is now faced with $76,000,000 in expenses identified in the distribution network 50-year replacement program / plan. The cost for enhanced treatment could result in serious financial hardship.
- I will point out the irony of the State Water Supply Rule which is intended as a means of "assuring safe and affordable drinking water".
- In consideration of the Charter change request delegating control to the City, I will also note that revenues are down significantly from 20 years ago when we delivered 1.5 mgd at the time the plant was constructed to less than 850,000 gpd today. With declining revenue, any added expense is a financial burden.
- Our state operating permit requires that we issue a "consumer confidence report" annually and publish it. With recreational use of our drinking water source but absent enhanced treatment plant capabilities, we must ask ourselves how confident we are in delivering safe and reliable potable water.
- I also wish to express that control of the water source is a matter of necessity as trustees of the City's infrastructure and out of a legitimate concern for public safety & affordability.
- We ask that due consideration be afforded our expert witnesses regarding the science & engineering of water treatment design and ask them to recognize the relevance of their testimony about the treatment system capability & limitations including the original Basis of Design.
- I will explain the intent of my letter to the Drinking Water & Ground Water Protection Division (DWGWPD) seeking to enjoin the Division in our efforts by extending beyond their role as regulators and advocate on our behalf. In the letter, I informed DWGWPD that we strenuously object to public statements issued by the DEC about our facility's capabilities. I will reference DEC's published vision, mission statement & guiding principles.
- I will ask the Committee to consider what choices the City will be faced with should authority not be granted considering exposure to exorbitant costs for design, construction, and operating a plant with enhanced treatment.
- The regularly scheduled update of our Source Protection Plan is due on Sept 8th. Rather than a routine update, the loss of source water control will compel us to undergo a time consuming and costly revision effort.