

## Times Argus

This is a printer friendly version of an article from [www.timesargus.com](http://www.timesargus.com)  
To print this article open the file menu and choose Print.

[Back](#)

---

Article published Nov 22, 2007

# Barre admits to 'flawed' water, sewer charges; votes to raise water rates in each of next 4 years

By [David Delcore](#) Times Argus Staff

BARRE – Guilty as charged.

A week after officials in Barre Town publicly accused their counterparts in the city of siphoning more money than was justified from the local water and sewer funds to cover municipal expenses, Mayor Thomas Lauzon acknowledged as much.

Although Lauzon said he didn't necessarily agree with the town's assertion the water and sewer funds were being overcharged to the tune of more than \$290,000, he said it was impossible to defend the series of sharp increases in enterprise billing that occurred between 2000 and 2005.

During that span enterprise billing for administrative services climbed from just over \$125,000 to more than \$800,000. Using what he characterized as a "flawed" formula, Lauzon said city officials were effectively able to mask the tax increases that should have been required to finance municipal operations.

"It made it easier to keep tax increases at a reasonable level," he said this week, calling on city councilors to "fix the problem."

"It's important we deal with it," he said.

On a night when they agreed to increase the city's water rates, create new impact fees for those hooking on to the city's water and sewer systems and establish a committee to oversee the two public utilities, councilors did – approving a plan to reduce enterprise billing by \$200,000.

It won't happen overnight.

At Lauzon's suggestion, the plan approved by the council calls for the city to wean itself off its reliance on revenue from the water and sewer funds over a period of five years.

"For me it's a statement," Lauzon said. "I will not support a budget that doesn't reduce the enterprise billing by \$40,000 a year over the next five years."

Councilor Carol Dawes cast the lone vote against Lauzon's proposal. Although she did not dispute a \$40,000 reduction was warranted during the coming fiscal year, Dawes questioned the wisdom of approving what amounts to a multi-year budgetary directive to

the city manager.

"Things have a way of changing," she said, reminding the council that there are services for which the city legitimately charges its utilities and there is no telling how those costs might escalate in the future.

"Trying to go out five years is unrealistic," she said.

However, Lauzon maintained the \$200,000 target wasn't a mathematical stretch given the series of extremely liberal and highly questionable increases that occurred before he took office 18 months ago.

"They (city officials) were overly generous and the specific reason was to keep property taxes down," he said. "It doesn't take a rocket scientist to figure that out."

Councilor Steve Mackenzie agreed, suggesting the solution advanced by Lauzon was a reasonable response to concerns town officials brought to the city's water committee last week.

"It sends a clear statement of intent to our neighbors and it shows good faith that we are trying to deal with the problem," he said.

Contacted Wednesday, Barre Town Manager Carl Rogers said selectboard members were aware of the incremental proposal advanced by Lauzon, but were not necessarily satisfied with it.

"They didn't reach consensus about that proposal," he said, explaining the board did agree to invite Town Attorney Daniel Monte to attend next week's meeting to explain its options involving the city's water billing.

"We need to talk to our attorney," he said, explaining that discussion will occur in executive session.

In other utility-related business this week, councilors approved a series of annual increases to the water and sewer rates, created impact fees that will be charged to new users and formed a committee to oversee the water and sewer operations.

Under the plan approved by the council the \$40 base rate charged all direct-billed water customers will remain unchanged for the balance of this fiscal year, but increase by 3 percent in each of the next three years. Meanwhile, the consumption-based water charge will immediately increase from \$2.65 per 100 cubic feet of water to \$3.05 and then increase an additional 3 percent in each of the next three years.

Based on the newly approved increase that will be used to calculate water bills that will be mailed next month most users will see an annual increase of \$16 to \$64.

Sewer rates will remain unchanged this year, but will rise by about 3 percent a year over the next three years.

The council also agreed to charge new users an impact fee of at least \$1,000 to hook on to the city's water system and a similar sum to hook on to the sewer system. Residential properties would also be charged an additional \$.25 per square foot of living area and the

council has suggested a soon-to-be-formed committee consider how to calculate an additional fee for commercial and industrial properties.

The committee will be composed of five voting members – four residents of the city and one from Barre Town – as well as the city and town managers.

The council deferred action on a proposal to pay committee members a stipend.

---