

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
MONDAY, JULY 9, 2012

Present:

Trustees: Gordon Smith, George Pearlman, Walter Pomroy, Chris Parker

Others: Duncan Hastings (Manager), Rosemary Audibert (Clerk), Steve Towne, Tom Elwood, George Desmarais, Jr., George Desmarais, Sr., Nicole Whittemore, Laura and Gilles Lehouiller

Note: All votes taken are unanimous unless otherwise noted.

1. *Call to Order*

Gordon called the meeting to order at 4:12.

2. *Treasurer's Report*

The board reviewed and signed bills. Rosemary said the last 6 months' revenue for electric was at about 50% of budget. Walter said we're halfway through the year but Water Dept. expenses are all above 50% of budget. Distribution system maintenance is 88% of budget. Steve said we had to install curb stops as part of the Main St. project and that came out of distribution system maintenance. Gordon suggested that time spent on the water system might mean less time spent on something else, so expenses will even out overall. Duncan agreed that will be the case. Tom said electricity and chemical costs will be down for the rest of the year because a leak was found and fixed. Steve said the entire budgeted amount for tree trimming has been spent. The contract trimming is done, but village maintenance trimming needs to continue. He can take the cost out of some other budget item. Rosemary and the trustees agreed that Steve should keep taking the cost out of tree trimming.

Walter said he, Duncan, Rosemary, and Eric Osgood have gone to a couple of meetings in Montpelier put on by the Vermont League of Cities and Towns, about preventing fraud issues. VLCT picked some towns to be test cases. At the initial meeting, Walter and each of the others from Johnson were given checklists to fill out. They filled them out separately, then compared their answers. At the second meeting they were told that all the recent fraud will affect insurance premiums. More than likely, towns and villages will be asked about their internal controls and if their controls are inadequate they may pay a higher insurance rate. Walter said he feels we are doing pretty well in general. There are a few holes here and there that can be tightened up, and we need to document our policies and procedures better. He asked the board how far they feel the group should go with this. It will take some time to create the procedures. Then the trustees and the selectboard will jointly need to pass some policies. Gordon said he thinks we might as well proceed with that work. If we don't do it, it may be mandated. Walter said there are best practices, but we may decide we can't implement all of them. For instance, there should ideally be only one person working the register, but that may not be realistic. We may have to decide that current practice is good enough. Gordon agreed; we should do what we can and focus on the biggest priorities. Rosemary said they gave us a sample policy booklet. Walter said his recommended next step would be for Rosemary and the people who work with her to document their current procedures in more detail. Once we have that, we can identify what is good and bad about our procedures and start making decisions. Duncan said he thinks one recommendation will be adoption of a purchase order system; we don't currently have one for the town or the

village. Steve asked if it would be for all products. Duncan said we might set threshold limits. Requiring purchase orders wouldn't necessarily mean purchases would need trustee approval. Steve said a transformer could be needed on an emergency basis and they cost \$1000 and up; the board should realize that. Walter said we will need to consider emergencies when developing the policy.

Rosemary asked the board to sign two water and sewer liens to ensure that we are covered if the properties are sold. **Walter moved and Chris seconded to authorize Gordon to sign water and sewer liens for customers Donna Bolio and Donna Neas. The motion was passed.**

Rosemary said Susan had asked the board to consider what our policy on collections should be if we do not have an address for a delinquent account holder. Do we still want to wait 180 days prior to sending the account to collection? Most trustees felt it would be best to send the account to collection immediately in that case. Walter expressed concern about ruining someone's credit for what could possibly be a change of address mix up. George pointed out that we already give people 30 days to pay, then another 30 days before the account is considered delinquent. All agreed that we should amend the policy to say that delinquent accounts will be sent for collection immediately when we do not have an address for the account holder. Rosemary will have Susan amend it.

3. *Review and Approve Minutes*

George moved to approve the minutes of June 11, Walter seconded, and the motion was passed.

Duncan explained his proposal for how corrections to the minutes should be handled. He suggests that Donna send out draft minutes, then he and board members can look for errors and send any suggested corrections to Donna. She will create a new version with requested changes shown in red and that copy will be distributed at the next meeting for approval. People can also mark up their own copies with suggested changes and bring them to the next meeting.

4. *Wastewater Treatment Facility & Water System Operator's Report*

Tom said it has been pretty dry and the wastewater plant has the lowest flow he has recorded; 66,000 came in on Sunday. The plant is running well. We are down to 1 filter while we wait for delivery of an automatic valve, but since flow is low that is not a problem. The new water line on Clay Hill is online. (*George Desmarais, Jr. and George Desmarais, Sr. arrived at 4:45.*) The new hydrant is in service.

Steve Edgerley passed his exam and received his Grade 2 Wastewater Operator license today. He is eligible for a step increase, which the trustees agreed should be retroactive to the date when he passed the test.

Our water loss was only 20% this month, up a bit from 17% last month, but some flows could only be estimated, such as flushing on Clay Hill. Gordon sends information on water losses for fires. If we get above 25% we know we have a leak.

Tom would like to take a class at Lake Morey in phosphorus and nitrogen removal. The cost of getting a room overnight is \$95 and it will cost more than that in mileage and time if he travels back and forth. The class provides continuing education credits toward his license. The board agreed he can take the class and stay overnight.

Tom said he had done some research on on-call pay. Pay rates he learned about ranged from a high of \$300/week in Burlington to a low of \$60/week (our rate.) He is asking the board to approve \$20/day, which is about average for villages that pay for being on call (not all do.) Steve said he agrees. Walter said he doesn't disagree, but he doesn't want to make a decision on one department without discussing the other department. Gordon agreed that we should make a decision on both the electric and water and sewer departments at the same time. The amounts can be different for each department. He said he would like to see a spreadsheet of how our rates compare to other municipalities'. Duncan said that can be provided. It was agreed to wait to make a decision.

Walter moved to award Steve Edgerley a step increase as per his employment letter, Chris seconded, and the motion was passed.

5. *George Desmarais, Jr. Water/Sewer Adjustment*

George Desmarais Jr. explained that he is submitting an application for an excess water usage billing adjustment. He had a leak in the line to his garage, which has been repaired. Last month, because of the leak, his water usage was 10,550 gallons; usually it is about 1,050. The water came from his own well and did not go into the sewer; it just ran out onto the lawn. He pays only for sewer, not water. Walter moved to adjust George Desmarais' bill to the average of the last 3 months: \$30.41, Chris seconded, and the motion was passed. A new bill will be sent out. (*George Desmarais, Jr. and George Desmarais, Sr. left at 5:02.*)

6. *Public Works Superintendent Report*

Steve reported on SCADA work at the substation. They ran into a glitch with the LTC control work and are working on that. The substation bushing repair was delayed because the wrong size drop leads were sent by Jordan. Now we have the correct drop leads and are waiting for crimps.

FEMA repair work has been completed except for rip-rap around the pole behind the Union Bank. Steve has talked with Peter Dodge who has promised to put in the rip-rap.

Kingsbury Construction was invoiced for the broken pole on Main Street. Duncan suggested that since Kingsbury did traffic control for the fire department during a recent fire, we should consider that compensation and tell them they don't have to pay that invoice. Steve agreed as did the Board .

V-Tel pole attachment staus report. It was determined that it would be much easier to replace most of the pole/conductor run up 100C as the existing plant is too tight and old with multiple clearance issues. We will be doing around \$90,000.00 worth of system upgrades, (make ready work) to get the poles that V-Tel is attaching to into compliance so as to allow V-Tel room to attach. We will be starting this once the new poles are set and MVW&L will be assisting us. Comcast will share a 50% burden of cost. Steve is waiting for FairPoint to set the poles.Fairpoint has not been paid their make ready work yet, so no work until that

happens. We will work on locating water and sewer lines on 100C from the covered bridge to DJ's.

A renter on Railroad St. was upset that she was not notified that a dead tree that was not on her property was going to be cut down, that the work woke her up, and that her driveway was temporarily blocked.

Tim Percy placed 1st in the NEPPA Rodeo. Steve suggested it would be nice to do something to recognize this. Gordon suggested a picture for the News & Citizen with him in his gear holding his certificate. Steve said he is not sure if the trustees can gift an employee, but perhaps they could take him to lunch. Duncan and Steve stated this was quite an achievement and should be recognized.

The generator to back up the Village / Town Buildings at the end of Railroad Street is now fully functional.

An LED demonstration light was installed on the bridge. There are several lens choices for this fixture. Steve requested one that better matches the ones on the Main St. project. All the heads are ordered and will be installed when they arrive.

We are in the process of replacing the Katy Winn booster pump and will get the other pump rebuilt at Pioneer Motors once the change out is completed.

Steve reviewed recent Linex service upgrade work. Laraway is putting up a big solar array. He just met with Katie Orost to discuss an issue about where the meter for the solar array at her house is to go. He wants to require that the meters be side by side. Duncan said we can require that under the PSB rules. Steve felt it was important to establish a consistent precedent. The Board agreed

Duncan said he just got an email from the Public Service Board regarding the Standard Offer program and the queue. There is some village land that could potentially be used for a solar array. Would the trustees have interest in putting in our own solar array if we could get Standard Offer pricing? The board said yes. Steve suggested having someone from the Public Service Board come to the next meeting to discuss it. (*Nicole Whittemore and the Lehouillers arrived at 5:16.*)

Steve and Duncan requested permission to go to the NEPPA Conference at the Sunday River Ski Resort in Bethel Maine, September 16-20. The board gave permission.

Walter asked about banners and flags on Main St. Steve said 2 fixtures are coming with flag brackets. We would probably need a change order to change that and he doesn't think it is worth it. We could do retro banner brackets but they would not be the same type of bracket being installed by the company building the light fixtures. Walter said he was planning to talk to Bobbi Rooney, who has been in charge of buying banners, about her feeling. We could buy decorative flags and put them on the poles or retrofit the poles. People are

concluding that the flower baskets were a bad move. We may want to retrofit those, too. Steve said his recommendation is to wait until the poles are in place.

Walter suggested that if there are any brick pavers left over, we should buy them and keep them in the warehouse. Steve agreed.

7. *Mowing Issue – Laura Lehouiller and Nicole Whittemore*

Laura Lehouiller said she had heard that homeowners are expected to mow the grass strips that were put in as part of the Main St. project. But she didn't choose to put in the grass and didn't want it, and it is not her land. Walter said it is her land, but because it is in the right of way there are limits to what can be done with it. Laura and Gilles said if it is their land they should be able to do what they want with it. Nicole Whittemore suggested that property owners should be able to put down something like pea stones if they want. Duncan said they can't do anything, at least for now. He said the village entered into a contract with VTrans to maintain the infrastructure put in. Until the project is done, Kingsbury is responsible for it. Nothing can be done until then. Thereafter, it is a gray area. Laura said there should have been a plan for maintaining what was put in after the project is done. Duncan said there are grass strips in right of ways all over town that people maintain and have maintained for years. Gilles said the project reduced the number of parking spots in front of businesses. Chris recused himself from offering any opinion because he is one of the people impacted. Laura said everyone is bringing their dogs to the grass strips and they are making a mess. Nicole said grass won't grow where it has been planted.

Gordon said if he could, he would change how businesses lost their parking. Steve said the curbing that was put in for traffic calming was required by the state. The state's mandates handcuffed the village. Chris asked who makes the decision about what can be done with those grass strips. Gordon said what we do in the strips should be consistent. Walter said his attitude is that the village won't maintain the strips, but the village can't tell people what to do with them. Steve said making a change within the state highway right of way requires a permit. Duncan said the village signed an agreement with VTrans that we will maintain the improvements. He isn't sure if changing grass to chips would count. Nicole said people will mow at different times so the grass will not be an even height. Laura said when Morrisville and Stowe have put in grass on right of ways they have maintained it. Nicole asked if there is a contractor who mows grass for the village. Board members said yes, there is a contractor who does mowing for village and town properties. Gordon said he thinks we should look into the cost for having that contractor mow the new grass strips. We created this. Walter said we didn't create it, we just moved it around. There were existing green strips. Gordon said if he were one of the property owners, he would put in chips. Walter said he thinks people should feel a civic duty to help keep this town looking nice. George said he thinks all the Main St. improvements help the people on Main St. They have raised property values and maintaining the improvements maintains property values. He thinks property owners should be responsible for their front yards. Nicole and the Lehouillers asked if it is okay to put down bark instead of the grass. George suggested that they give the grass a chance this summer. Nicole said she has tried grass before and it didn't grow. Gordon said he would hate to see the strips all different – some with grass, some with bark, some with stone. Chris said we should we try to get agreement and keep it consistent. Steve said when he maintains the sidewalk, chips may get blown into the road and pea stone may blow into windows. What

concerns him is maintenance. If people put down bark mulch and the maintenance messes it up, is the village responsible to remulch in the spring? Duncan said he feels the maintenance agreement is mainly saying that maintenance is not the state's responsibility. He feels it doesn't bind us to mow lawns, but rather to maintain the trees, fog lines, benches, etc.; it doesn't get down to the level of lawn mowing. George and Gordon suggested that we wait and see what happens with the grass. If the grass doesn't grow, then we will have to figure something out. Chris unrecused himself. We could wait until Fall and see what happens.

Before Nicole Whittemore left the meeting, Duncan stated that he had heard from Cheryl McCabe that they were looking at the Woody's building (Whittemore's) as a possible site for Hot Tamales. Duncan stated that the Woody's building was not in compliance with water and waste water permits, both state and local. He had told Cheryl that this would need to be done if they wanted to move into Woody's building. He stated that there was no permit application at this time but asked the Board if they would authorize either he or Gordy to issue a permit if one was received before the next Board meeting, as time was critical in Hot Tamales plans. The Board agreed that it would be nice to facilitate a permit for Hot Tamales. Nicole left the meeting.

Gordon said he got some phone calls from people stuck in traffic Thursday and Friday and asked if there is any estimate of when the heavy traffic tie ups will end. Duncan said the real issue is they can only do half at a time when putting in the crosswalks. It takes 2 weeks to do one half because of the concrete curing time. We are probably looking at another 7 to 10 days. Kingsbury's deadline for substantial completion was originally July 21. Steve said they requested an extension for lighting, but the rest of the project should be completed by July 21. Duncan said rain could extend the date. The crosswalks they are working on now should be the last major impediment. Steve added that then the state will be paving.

Duncan asked if there is any follow-up needed on the mowing discussion. All agreed to wait and see if grass will grow. Steve said dogs relieving themselves on the grass strips is a problem. Walter said eventually, if the town gets an animal control ordinance, people can be given tickets.

8. *Johnson Action Committee*

Chris said he is involved in a committee formed to address problems in the community. Nicole Whittemore and Bobbi Rooney were concerned and Bobbi approached him. They went to the selectboard asking for recognition of their efforts as well as endorsement and participation. Kathy Black will participate in the action group as the selectboard's representative and Chris volunteers to be the representative for the village. He is asking for the village's endorsement. The issues include drug dealing, vandalism, and noise issues. The group is trying to identify issues. The next meeting will be a week from Monday. Roger Marcoux will be bringing someone to talk about a village where there are ordinances that allow the village to ticket people for problem behavior. Steve mentioned that we have no ordinance about posting things on utility poles.

The board agreed to let Chris serve as its representative. Duncan said the 3-town consortium that deals with law enforcement has convened a subcommittee to identify community law enforcement needs and exercise some control over the budget. That work is happening at the

same time as the Johnson Action Committee's work. Chris said Kathy Black is also participating on the law enforcement budget committee. He said surveillance cameras are one possible solution that has been discussed. Walter said evidence shows that surveillance cameras do not deter crime, except in parking lots. Others said they may aid in prosecution, but Walter said reports say that is not the case.

George moved to endorse the efforts of the Johnson Action Committee and to participate in those efforts through Chris as the trustee's representative, Walter seconded, and the motion was passed.

9. *Transmission Services*

Duncan said we have a price from Morrisville for buying 15% of their transmission network: about \$270K with estimated annual maintenance costs of \$4500. The cost of a buy in with VEC is higher and the annual maintenance estimates are a lot higher. If we go with Morrisville, we would still want VEC to provide back-up services, but they say we would be required to pay them a "wheeling" charge if we continue to use them for back-up. That would be \$60K, the same as if we were getting power from them. He feels that if they insist on charging that much, we ought to go without back-up power. He proposes telling Jeff Wright at VEC that we don't want to buy into the VEC line but would still like to have them provide back-up transmission services and we believe there is a way to do that at a reasonable cost. He thinks it is reasonable to pay some fee to them. He has talked with our legal counsel who says there is non-firm service that does not require a utility to charge full wheeling. The board agreed with that approach. Gordon abstained from offering an opinion because he works at VEC.

10. *Sewer and Water Allocation Permits*

Duncan asked for authorization to amend the sewer and water allocation for Rich and Nicole Whittemore's building if necessary to allow Hot Tamale to use the building. **George moved to authorize Duncan to write an amended sewer and water allocation permit for the Whittemores and to authorize Gordon or Duncan to sign off on it, Chris seconded, and the motion was passed.**

11. *CPG for Net Metering*

Duncan said we will be getting more CPG for Net Metering applications. SunCommon has a very attractive financing package. Steve said he wants to make sure he has the board's backing on requiring all meters to be in the same location. He would like to stick to Vermont electric utility standards. The board agreed. George suggested contacting SunCommon to let them know our expectations for meters.

12. *Contract Amendment for Main St. Project*

Duncan said a contract amendment is needed concerning the stormwater portion of the project. It increases the OCE budget by \$35K, paid for by the state. VTrans has agreed to the contract amount. **Walter moved and Chris seconded to authorize Gordon to sign the amendment to the contract between Otter Creek Engineering and the Village. The motion was passed.**

13. *VPPSA Purchase Approval*

Walter moved to assign to VPPSA the right to purchase Transco Equity on our behalf, maintaining our load ratio share, Chris seconded, and the motion was passed.

14. *Taxation of Village Lot*

Duncan has not come up with a reason to consider the lot tax exempt. The listers have already reduced the base price they are using to assess it.

15. *Concrete Spalling Issue*

Steve said he attended a job site meeting about the issue. No one is accepting full responsibility. There is supposed to be a meeting of the various parties involved. Kingsbury has been notified that the sidewalks are unacceptable and need to be replaced.

Walter moved to enter executive session to discuss the issue further, Chris seconded, the motion was passed, and the board entered executive session at 6:31. Walter moved to come out of executive session at 6:41, seconded by Chris, and the motion was passed.

16. *Courtland Construction Pay Req*

The pay req for Courtland Construction for the Clay Hill Water Main Replacement is \$69,000.00. The total cost will probably go over budget a little. Otter Creek might be less than budgeted. The project probably will come in at or slightly above budget cost. The selectboard agreed to pay for Sure-Pack on the shoulder of Clay Hill so the shoulder can be wider. Walter expressed appreciation for that. Steve said the parking lot in the booster pump area will be made larger.

17. *L&D Curb dispute and cost Sharing Issue*

Duncan said he spoke to Steve Stitzel of Stitzel Paige and Fletcher about our legal options with L&D. His initial response was that our proposed 3-way split was very reasonable. He is going to get back to Duncan with recommendations for the board.

18. *Lamoille County Planning Commission*

Gordon said the village isn't represented on the LCPC, but the town is. The village could have a seat. Duncan said he would encourage trying to find someone. Maybe we could post it on Front Porch Forum.

19. *Adjourn*

Walter moved to adjourn, George seconded, the motion was passed, and the meeting was adjourned at 6:48.

Minutes submitted by Donna Griffiths