

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES  
JOHNSON MUNICIPAL BUILDING  
MONDAY, AUGUST 8, 2013

**Present:**

Trustees: Gordon Smith, Ellis O'Hear, Walter Pomroy, Chris Parker

Others: Duncan Hastings (Manager), Rosemary Audibert (Clerk), Steve Towne, Tom Elwood, Lea Kilvadyova

**Note: All votes taken are unanimous unless otherwise noted.**

**1. *Call to Order***

Gordy called the meeting to order at 4:00.

**2. *Treasurer's Report & Review and Approve Bills and Warrants***

Duncan distributed second quarter comparisons for electric. He said overall revenue for electric is up almost 1.6% for the year. He distributed a VPPSA power budget status summary. Our market pricing is staying about the same or decreasing. We haven't been overcovered. Steve said he feels we could increase revenue quite a bit if we put in a power factor tariff. Walter noted that the metered load is up and the cost of power is down.

Duncan distributed a quarterly comparison for sewer. Walter said we are behind budget for sewer revenues. We should be at around 60% and we are only at 55%. Duncan said there are 2 months of relatively low usage for the college in the summer that will probably be made up for later in the year. Walter asked why we are at close to 70% of budget for sludge disposal. Tom said the price has gone up from \$55/ton to \$75/ton. Tom mentioned that he might have miscoded some expenses; he needs to check on that. (*Chris arrived at 4:14.*)

Walter asked if distribution system labor under water is so high because of all the leaks that have had to be repaired. Tom said yes. Walter noted that we are already at 107% of budget in that area. Rosemary said the expense for the water line that was put in to connect to Chesamore is going to be reclassified to capitalize it.

**Walter moved to authorize Gordy to sign a release of lien for Valerie Koval, Chris seconded, and the motion was passed.**

**Walter moved to authorize Gordy to sign a release of lien for Gretchen's Hometown Deli, Chris seconded, and the motion was passed.**

**Walter moved to place a lien on Karen and Eugene Wood, Chris seconded, and the motion was passed.**

**3. *Review and Approve Minutes***

**Walter moved to approve the minutes of July 8 with the corrections Steve had suggested, Chris seconded, and the motion was passed.**

**Walter moved to approve the minutes of August 5, Ellis seconded, and the motion was passed.**

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

Tom passed out water data. A large leak was fixed on July 17 and after that daily flows dropped 36%. A number of other leaks have been fixed recently. The Studio Center granted the village an easement to install a new water line in back of Chesamore to serve Vallee's store. The board agreed to send a letter of thanks to the Studio Center.

Tom said he is still working on getting quotes for grating to put over the sewer channels in the basement of the water treatment plant. He expects the cost to be less than \$1500.

Walter asked about the manholes on Clay Hill. Tom said they haven't gotten to them yet. They are going to try to schedule work on them this fall.

Duncan passed out a quote from Bore Tech to bore under Route 15 by the Wescom property. Their estimate is \$37K. We could probably drop the cost down to \$30K by hiring an excavator and doing the excavation ourselves and not putting in a manhole on the other side of the road. Putting in the manhole is the way it should be done, but we could save \$5-6K by not doing it. Steve said they list a lot of things that it appears we would be responsible for, like installing a concrete slab in the pit. Another contractor is coming tomorrow to look at it.

Duncan said we could make the property owner bear 100% of the cost, but we had talked about the village contributing to pay for the difference between a 6-inch pipe (which is what the property owner would probably put in otherwise) and an 8-inch pipe (which would be more useful to us.) Our ordinance says that if they are within 500 ft. of a sewer main they have to connect unless the cost to do that would be twice as expensive as putting in a ground system. The state could also order them to connect to the sewer system because it might not be possible to put a functional system on their lot. Duncan has issued a Health Order at Wayne Wescom's request. The Health Order required the property owners to hire a technician within a certain amount of time to evaluate the system and determine whether it has failed, and if it has failed, the health order requires that it be fixed. He doesn't think they have hired anyone yet. Steve said he will try to get more quotes. Duncan said we could loan the owners money from the CIG fund to help pay for the work and they could pay us back as soon as the property sells. All agreed that we should get more estimates and get more information about what Bore Tech is assuming we would be responsible for. Board members agreed they would be willing to contribute for the incremental cost of putting in an 8-in. pipe.

We are getting closer to letting of a bid for a jettie trailer.

Duncan sent a letter confirming preliminary approval of the allocation request for Gary Smith's property off Crab Tree Lane. (*Tom left at 4:54.*)

#### **5. Public Works Superintendent Report**

All VTel's work is completed, including the underground work on Pearl St. and Main St. They didn't have to dig up concrete on Main St.

Steve completed and sent an invoice to the insurer for the broken pole on 100C. The invoice covers the LCSD, the JFD, and the MVW&L portion as well.

Line striping is about 70% done.

The dump truck continues to have problems. It is at Clark's for work on the brakes again. The rotation motor on the bucket truck had to be replaced. The old one was taken out and rebuilt and is now available as a spare.

We have met with Fairpoint and are working on upgrading our IOP agreements with them, which establishes the shared cost responsibilities for setting new or replacement poles and anchors, to bring them more in line with today's costs for the pole and the setting of it. We are also looking at pole set territories for pole setting to come up with around a 50/50 split for replacing poles and establish mapped areas of responsibility.

George Lague met with Steve and Duncan about assisting in estimating costs involved with circuit conversion. Steve will be working with George to come up with costs to convert feeders.

Some brush along right of ways needs to be trimmed and cannot be reached with the tractor. Steve would like to purchase a hand-held brush clearing tool. He reviewed with the board the three quotes he had received. We also need a harness and an extra blade.

**Ellis moved and Chris seconded to authorize expenditure of up to \$750 for a hand-held brush cutter and accessories, and the motion was passed.**

Steve will be working on tree trimming and billing out what he can to Fairpoint.

**6. *Form Based Code and Wi-Fi***

Lea said it is her understanding that the board gave the go-ahead to the Planning Commission to look into form-based zoning. Does the board feel comfortable applying for a municipal planning grant to help pay for that? The Planning Commission has lined up a consultant who works for Newport and assisted them with and other communities with the preparation of a Form Based Code. He has agreed to come to Johnson for a presentation about what form-based zoning does for a community. The presentation will be September 10 at 7:00 pm. Lea would like to encourage both the trustees and the selectboard to participate. She would advocate for a joint grant application from the village and the town to explore writing form-based code for the village and the town, even though she doesn't know how well this type of zoning would work for the town. She understands that it is a better fit for a village center. But the consultant is willing to explore that. She also plans to talk to the selectboard to see if they are interested in filing a joint application. The process would begin with numerous community meetings, then we would write up the regulations. The consultant provided a budget of \$18K for the process. If the town and the village go in together, together they would need to contribute a match of \$1K, so she would ask the village to contribute \$500 to the process. The grant applications are due on September 30.

Gordy said he is against hiring a consultant. We don't even know if we want form-based zoning. He would like to have an informational meeting, then have an Australian ballot vote before we do anything else. The money is also a concern. Lea said the problem is that we don't really have expertise within the community. We need someone from the outside to help

collect community input and we need financial help to pay for this person. She would envision that we would collect community input first, then code would be written up, but that code doesn't have to be adopted. We would go through a process where people would have a chance to contribute. If we don't get outside help with holding meetings, she doesn't know how we will accomplish even exploring this idea. Gordy asked, isn't that what the Planning Commission is for? Lea said she doesn't think they have the expertise. Duncan agreed.

Chris said, based on the Vallee project discussion at the last meeting, there is community interest in zoning. Gordy said he thinks if people had known that was going to be discussed there would have been just as many people there who were against zoning. Chris said he thinks it is an important enough issue to proceed with steps to open it up for discussion.

Walter asked who the September meeting is for. Lea said they would like to open it up to the community. But this one meeting won't be enough. We have money budgeted for consultants for planning. If want to give looking into form-based zoning a serious shot, in her opinion this is the way to go. We are not committing to adopting new code at the end, just giving a serious chance to get something started. Without it, she is not sure anything will happen.

Chris said he would support applying for the grant and hiring the consultant. He feels this is an important enough issue that everyone should be discussing it as much as possible.

Walter said in Newport, this consultant had hour-long meetings with various constituent groups. He would want to make sure the consultant met with people who were against zoning as well as those in favor. And he wants the issue to go before the voters. He feels he still doesn't know enough about form-based zoning and wants to wait until he hears more before deciding if he is in favor of it. He would like the trustees to agree to hold a brief meeting after the September 10 meeting to discuss it, and he would like to encourage as many people as possible to come to the meeting, especially naysayers.

Lea said that by showing a willingness to explore form-based zoning the board would be responding to the need that was expressed by people who came to the last meeting.

Ellis said he would like to see the Planning Commission investigate form-based zoning and then if they determined it was a good idea the board could come up with a plan. He would like to wait until spring and ask people at town meeting whether they want form-based zoning, then put the gears in motion.

It was agreed that the board should plan a meeting to be held after the September 10 meeting. Duncan said he thinks it would be valuable to have it be an open community meeting. There might be a lot of people. We could have it at the school. Lea said she can put a grant application together pretty quickly after the September 10 meeting if the board decides it wants to proceed. The Planning Commission will do outreach for this meeting, but she thinks they may reach out mostly to people who are in favor of zoning. She suggested the board could do some outreach also. Notices can be put in the paper, on Front Porch Forum, and on the web page.

Duncan said a consortium grant enables a very minimal cost share. If the town and the village combine to apply, it reduces the cost share to \$1K; otherwise it would be 25%. His understanding is that Newport thought it was important to involve the community when they explored form-based zoning. Having local meetings and building zoning from the ground up would be an important part of what the consultant would do.

Gordy said he wants assurance that this will come to a vote of all the people in Johnson. Duncan said it doesn't require an Australian ballot vote or any vote by the community. The legal opinion he has received is that even if there is an Australian ballot vote, the board still has to vote on adopting the ordinance, and technically could vote no even if the voters said yes. Walter said he would vote the same way the voters did. Chris said he would too.

The board agreed to meet after the September 10 meeting, then give Lea an opinion on whether to apply for the grant.

Lea said we were selected as a recipient of a grant from the Vermont Council on Rural Development. The grant will allow us to install a wi-fi zone in our downtown. Through the grant, we can get expertise to figure out how much of the downtown the zone will cover and the grant will pay for installation of equipment and a 5-year equipment lease. Our responsibility will be to raise \$1K every year to cover the cost of the ISP. She would like Johnson Works to take on that responsibility but she doesn't yet have an agreement from them. She has started fundraising and has close to \$800 in preliminary commitments. She would like to ask the village to contribute \$50. She also plans to ask the selectboard.

Gordy asked if we are locked in for 5 years at \$1000.00/yr? Lea said the grant will pay for a 5-year lease fee. They only require a commitment for the first year. We will have to fund raise for \$1K for each year. Gordy asked, if the funding falls short, do the taxpayers have to pay the \$1K? Lea said no. If Johnson Works accepts the responsibility they will do the fundraising. There will be no contract with the village. There will be a contract between the sponsor and Johnson Works. Duncan said it is not a commitment. Walter said he thinks the \$1K can probably be paid for by ads on the page that will come up when people connect. Duncan agreed.

Chris proposed that the village contribute \$50. Walter suggested that the contribution come from the electric department, since that is a business. **Chris moved that the electric department contribute \$50 to help fund the wi-fi zone, Walter seconded, and the motion was passed.**

## **7. Manager's Report**

Duncan passed out a map showing the revised location of the Long Trail. The Green Mountain Club wants to know if the location across village property looks acceptable. The board had given them a letter a few years ago agreeing in concept to the relocation. They haven't yet asked for an easement. Walter said he is on the GMC board of directors, so he has a conflict of interest and won't vote on this. Duncan asked if GMC will want an easement or if they just operate with agreements and not easements. Walter said they would love an easement, but they don't always have them. Duncan said he will check with GMC and look into the written document that the board executed previously.

**Chris moved to inform the Green Mountain Club that the proposed location of the Long Trail shown on the map is acceptable to the village trustees, Ellis seconded and the motion was passed with Walter abstaining.**

MW&L and VOJW&L have signed the P&S and Joint Ownership Agreement. Duncan is trying to get a meeting set up with DPS. Craig and Duncan prepared a letter to GMP asking for resolution of the line losses issue and provision of emergency backup service to VOJ. In the most recent conversations on that subject they say they may not even need to charge us for strictly emergency backup service. In return, they want Morrisville and Johnson to support a proposal to the VELCO Operating Committee that all line losses related to the Fairfax to Johnson 34.5kV line be socialized across all VELCO participants. The new manager of Hardwick Electric is very interested in becoming a joint owner of the Morrisville system like Johnson. Walter asked if the process with the Public Service Board has been started. Duncan said getting concurrence with DPS comes first.

Duncan handed out a VLCT newsletter article on the subject of whether towns can regulate domestic animals. It is difficult to do it through zoning, due to an exemption by statute for Accepted Agricultural Practices, but there are other ways. Barre regulates it through their animal control ordinance. Under the nuisance section they have a section relating to noise. They require a license for any person who wants to keep livestock. The license is for the person, not the animals. When someone applies for a license they send someone to the premises to ensure there is enough space. If they violate the terms the license is suspended or revoked. They also define what an animal pen or yard is. It can't be within 30 ft. of another person's residence. We could regulate domestic animals under the animal control ordinance or under the noise ordinance. It is quite possible that pre-existing uses might be exempt from an ordinance.

Walter said he thinks it should be regulated under the same ordinance as the town. Duncan said he thinks regulation should be limited just to the most densely populated parts of the village. Chris recommended that the board keep this issue active and keep taking a look at it. He thinks there will be an effort to look at all our ordinances. Walter asked where the town is with its animal control ordinance. Duncan said all the town and village ordinances need to be updated. Chris said the public safety committee has identified what it needs and part of it is development of ordinances.

VELCO had made a commitment to bring fiber to every substation and Steve and Duncan have been working with VELCO on a proposal to bring fiber to our substation. We now have a cost estimate and a proposed method of financing. It is estimated at \$30K if VELCO does all the work. That could be reduced by \$7K if we do some of the work. They would finance it at about \$100 a month. Steve and Duncan can't think of any significant benefit that would come to us by bringing fiber to the substation. Walter asked if it helps VELCO as a whole. Duncan said it would help some. It would help them to monitor our load, but our load is a small part of the whole. If they think it is beneficial, they can pay for it themselves.

**Walter moved that the village not spend anything to pay for connection of fiber to our substation, but allow VELCO to install it if they wish, Chris seconded, and the motion was passed.**

Johnson State College wants to install a 150kw solar array. We have about 93 kw left on our 4% cap. PSB approval would be required to exceed the cap. There was agreement that the board does not want to go to the public service board and seek the ability to exceed the cap.

The board is not interested in selling the old Johnson Power Plant on Route 15.

**Walter moved to sign Johnson Main Street Amendment #8 to the Cooperative Agreement, Chris seconded, and the motion was passed.** The amendment increases the maximum limiting amount for the stormwater piece of the project.

VELCO is going to issue an equity call in 2013 and another in 2014 to increase their debt to equity ratio. VPPSA doesn't want to do the financing because their auditors don't want them to take on additional debt. Therefore, VELCO is offering to do the same type of financing VPPSA was doing for utilities that want to purchase the equity but may not have the funds to do so. The only difference is that shares are going to pay the interest only and we don't need to purchase shares until 2 years from now. If we don't buy the equity and get the dividends we will still be charged the transmission charges with no offsetting revenue, so it is to our advantage to buy it. The board doesn't have to make a decision tonight, but Duncan is asking for authorization to pay a pro-rated share of the cost of legal review of the VELCO equity assignment documents. **Walter moved to authorize spending for legal counsel to review the VELCO equity assignment documents, Chris seconded, and the motion was passed.**

Nominations for the 2013 VLCT Municipal and Legislative Service Awards are due by August 15.

The Main St. crosswalks are clearly not going to stand up to traffic. Duncan had considered the option of having the state grind right over the top of the crosswalks and pave when they pave Main St. next year. But the re-rod in the concrete "curbs" is only about 2 inches below the surface and that would cause a problem for the grinding machines, so that option won't work.

Walter said colored crosswalks make a big difference to walkers downtown. He wants colored crosswalks but paint wears out fast. Duncan said impregnated pavement doesn't last much more than a year. Gordy said he thinks all board members agree there should be colored crosswalks. Steve said what he was told by the state was that any deviation from a standard hash mark crosswalk requires the village to maintain it. Walter said he does not want to have to rely on the state to paint the crosswalks every year. They really need to be painted in spring and fall. If we pave over the crosswalks, Walter wants us to take responsibility for painting them. Steve said he thinks we would have to.

**Walter moved to clarify that at the prior month's meeting the board agreed to authorize expenditure of \$2500 for soils investigations at the former Cyprus Industrial Minerals site, Chris seconded, and the motion was passed.**

**Walter moved to adopt the Tax Stabilization Policy Duncan had presented, seconded by Chris, and the motion was passed.**

The village received a letter from Bernard Sanders offering congratulations on receiving the 2013 Waste Water Facility Excellence Award.

Duncan passed out a couple of examples of what the maps will look like when we move to web-based GIS mapping. The maps will be available for anyone to pull up on their home computer.

There is a Report of Tax Sale of July 16, 2013 available. Duncan issued a Facility Use Agreement for the upstairs meeting room for July 16.

The village received emails from Vermonters Against Toxic Sludge.

L&D have formally declined our suggestion that they should contribute in the curb payment issue. We could pursue legal action, but it would require that Duncan find time to pull documentation to supply to the attorney, whom we would pay a few thousand in order to get a few thousand. Duncan feels that there is clearly a design flaw in the crosswalks. Walter said it sounds like the amount of money at stake is increasing.

8. ***Adjourn***

**It was moved and seconded to adjourn at 6:48 and the motion was passed.**

*Minutes submitted by Donna Griffiths*