

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
MONDAY, SEPTEMBER 10, 2012

Present:

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

Others: Duncan Hastings (Manager), Rosemary Audibert (Clerk), Steve Towne, Tom Elwood, Tim Percy, Christine Tinker, Mark Cattelona, Rick Jewett.

Note: All votes taken are unanimous unless otherwise noted.

1. *Call to Order*

Gordon called the meeting to order at 4:04.

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

Tom said he has changed to a different method of phosphorus removal and has seen amazing results. The state's limit is 400 lbs./year and we have only 11 lbs. so far this year. He talked about lines that have problems and lines that have been cleaned.

3. *Presentation of Certificate to Tim Percy*

Gordon said it says a lot about Tim that he, as a 3rd year apprentice, was able to beat other lineworkers with more climbing experience. He presented Tim with a plaque and framed pictures from the Lineworkers Rodeo where he was the Top Overall Performer. All the board members offered their congratulations to Tim. Steve said he appreciates Tim's work ethic and wants the trustees to know that he is an asset to the village. (Tim left at 4:13.)

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

Walter asked about street light expenditures, which are still a problem compared to budget. Duncan said apparently we underbudgeted. We tried to budget for less thinking there were going to be more LED lights. Steve said we got 99 lights through our ARRA grant. That didn't replace all of the village owned and operated street lights. LED lights in the area of the Main St. project are being taken down and put in areas of the village that still have sodium vapor lights. That will reduce operational cost. Duncan said between the time we budgeted and this report, we got our streetlight tariff reviewed and approved. We have gone from a metered tariff to a fixed monthly cost per streetlight. Some of the change probably reflects that.

Steve billed Jourdan Electric for the substation work that was done, and they made payment today.

Gordon asked about streetlights not working on one side of Main St. Steve said he thought breakers were shut off when work was being done and then they were not put back on. He will check on that after the meeting. There is a defective light by the fire station.

Steve said he had to spend quite a bit of money at Katy-Win. Walter noted that sewer, water, and general are all over budget or getting close to budget for salaries. Tom said there was quite a bit of labor to fix the problem caused by the mop head at the trailer park. Duncan said water system labor will reflect all we had to do related to the Main St. project – responding to Kingsbury's water breaks, putting in curb stops, freezing lines, etc. Tom said quite a bit of labor went into cleaning lines. Steve said 3 days were spent at Katy-Win just trying to find the line. Walter said we must be racking up a lot of overtime. Steve said not a lot, except in water. Duncan said he can present a report at the next meeting on regular and overtime hours.

Gordon said he needs to discuss with Rosemary whether it makes sense for the fire department to keep the cell phone it currently has. He said the department's jaws broke and the Fire Department Club is going to buy a new one and pay for it out of its own money.

Rosemary asked the board whether we should pay Kingsbury anything on the current pay req before we get reimbursement from the state. Duncan said the sidewalk issue is being resolved. Last we heard from VTrans they thought we would get reimbursement on Sept. 10 or 11. If we don't get it by the 11th, he would like to offer Kingsbury at least \$50-60K. We are supposed to pay within 20 days and we are a few days beyond that, but their pay req had some errors. The pay req we owe is about \$220K. **Walter moved and Chris seconded to authorize payment of \$50,000 to Kingsbury, and the motion was passed.**

5. *Review and Approve Minutes*

Chris moved and Walter seconded to approve the minutes of August 13 as written, and the motion was passed.

6. *Wastewater Treatment Facility & Water System Operator's Report (continued)*

Tom said he had a high Biochemical Oxygen Demand reading on effluent on August 1. He thinks we had a toxic load come down and knock the dissolved oxygen out of one tank. He notified the state and resampled 2 weeks after that; the samples were good. He doesn't see a violation coming to us. Today the water department cleaned the sewer line by the Studio Center going up Pearl St. past the School St. intersection. They also cleaned the line in front of the fire house and the lift station where we had trouble. They got out a lot of floating material and grease. He still thinks there is a problem in the Pearl St./School St. area. The plant is running well now.

7. *Manager's Report*

Duncan said the Whittemores have been in touch with him about bringing their building into compliance and there has been some forward activity.

The JSC water meter we tested was found to be below the accuracy standard by about 3-3.5%. The new one we purchased for JSC is in place and Tom thinks it would be a good idea to get another one since they are our biggest customer. It is recommended that meters be sent out for testing every 2 years. We don't have a replacement head to use while the other one is being tested. Steve suggests buying a replacement head with next year's budget and testing it regularly.

Steve said there is a water leak in Cabin Cove off 100C. Duncan said the curb stop feeds a tree to several houses. If the leak is in a line serving several houses, we will have to notify all the homeowners that they have to repair the water line.

Walter said we had talked about testing other water meters. Have we? Steve said no. Tom said testing meters will be a slow process. We will have to schedule it with homeowners. To test a meter, we will have to take one off the shelf and put it in to replace the one being tested. It costs \$50 to test one. Steve said a new meter costs about \$100. Walter said 3.5% of our total budget is a big amount, so we could be losing a lot of revenue if many meters are inaccurate.

Duncan said the town has received two applications for excess water usage due to leaks, from Rich and Nicole Whittemore and from Royce and Christine Tinker.

8. Public Works Superintendent Report

All ARRA grant work at the substation has been completed. Bushing repair is done and Jourdan Electric has been invoiced and has paid. Fairpoint wouldn't set a new pole to replace the broken one on Gould Hill, so we set one. Peter Dodge did the rip-rap behind the bank. There is still FEMA repair work to do. The town and village are going to install a catch basin on French Hill Rd. The bridge LED lighting is installed and operational. The water line installation is complete at Katy-Win. There is a little more work there in the pump house and top soiling. A water leak was repaired at the sewer plant. Tom will be working with Brent from Vermont Rural Water to try to repair the leak at Cabin Cove. Steve told Kelly Ford not to tear down the building that burned until we come up with another way to support the pole that has a support guy tied into the burned building. The pole is part of the VTel upgrade. We may place a temporary push brace on the pole. The brakes caught fire on the 3-ton dump truck. It is now fixed. Steve reviewed the service upgrade work that has been completed and the work that is ongoing.

The chimney at the food shelf building is in a state of disrepair. Steve has gotten a couple of estimates for replacing it. One person suggested putting fiber bond on the outside of the chimney instead of replacing it. That would cost about \$1000, compared to \$2500 to replace the chimney. We will split any cost with the town. George suggested getting a price for a power venter for the furnace. Steve said he can look into that. **George moved to authorize Duncan either to have fiber bond put on the food shelf building chimney or to get a power vent for it, whichever he determines to be more reasonable. The motion was seconded and passed.**

(Tom left at 5:06.)

9. Water Bill Adjustment Requests

Christine Tinker arrived to discuss her request. Duncan distributed copies of the policy on water bill adjustments, which calls for adjusting the water amount to 3 times the average of the last 3 months and the sewer amount to the highest amount from the last 12 months.

Walter moved to adjust the Tinkers' water bill to 3 times the average of the last 3 months (\$72.90) and to adjust their sewer bill to the highest amount billed in the last 12 months (\$102.75) for a total bill of \$175.65. Christine said the highest sewer bill from the last 12 months was from another time when she had a leak. The water didn't go down the sewer that time, but she didn't complain; she paid the bill. When homeowners water plants or wash cars, that water doesn't go down the sewer, but they are expected to pay as if it had. George said we can't meter how much water goes into the sewer. Duncan said they don't make accurate sewer meters. Board members pointed out that everyone in the village is in the same boat; they all pay as if all water used went down the sewer. Duncan said the policy allows the board to assign a different figure for the sewer bill; they can either use the highest monthly reading from the past 12 months or average consecutive meter readings, which in this case would give \$50.31. Walter said then that figure would have to be multiplied by 3, which would give a higher figure than the one he proposed. Duncan said up until a couple of years ago, the board had no policy on adjustments. Bills were not adjusted at all for leaks. Gordon said the Tinkers can make arrangements to pay the bill off over time with no interest. **Chris seconded the motion and it was passed.**

Christine said it would be nice to reduce sewer bills by some amount for everyone, because not all water goes into the sewer. Walter said if the village did that for everyone, rates would have

to go up because the village would have less revenue to pay for expenses, so people would still end up paying the same amount. (*Christine left at 5:21.*)

George moved to adjust the Whittemores' water bill to 3 times the average of the last 3 months (\$92.19) and to adjust their sewer bill to the highest amount from the past 12 months (\$90.59) for a total bill of \$182.78, Walter seconded, and the motion was passed.

10. Mark Cattelona and Rick Jewett – Discuss Camp on Village Property

Mark and Rick arrived at 5:22. George explained that the state is now taxing all the properties the village owns. Duncan said there is no formal agreement for Mark and Rick's camp to be on village property. Mark and Rick are currently getting a tax bill for the camp building. Mark said they would be interested in owning some of the property if the village is interested in selling half an acre. Walter said the village has asked voters in the past for permission to sell land and they said no. He doesn't know if they would let us sell a chunk of this property. Duncan said at some point in the 1970's the village voters designated that entire parcel as village forest. That has statutory ramifications. That designation would have to be reversed to sell, or presumably to sell any portion. Walter said he thinks we would probably get more by selling the whole property at once rather than selling a bit now and then selling the rest later. He would want to put the whole property up for sale if we were to sell. He said the trustees are suggesting a lease giving Mark and Rick permission to keep using their camp while the village retains all rights to the land – water, timber, etc. The suggested lease payments would be \$600 per year, roughly the amount of taxes on the property.

Rick said \$600 is the tax amount for the whole parcel, not for the part they are using. Walter said he feels \$600 is a reasonable amount compared to what comparable camp lands get rented for. Duncan asked what amount of land around the camp Mark and Rick think would be reasonable to designate on the lease. The whole property is 48 acres. Mark said they wouldn't use as much as 2 acres. The area they have mowed might be a half acre at most. They are paying around \$80 a year to the town in taxes on the building. George said \$600 seems steep to him, as they are not using the land. Chris said he doesn't think the amount is unreasonable. He suggested asking for graduated lease payments: 1/3 of the \$600 the first year, 2/3 the next year, and the full \$600 thereafter. Duncan said he would suggest starting out with a 5-year lease with a renewal clause.

Mark said if the village ever wants to sell the land, he would like first right of refusal. Duncan said he is not sure we can do that. He can look into it. There could probably be language in the lease about selling to Mark and Rick upon voter approval. He would have to check the statute, but he doesn't think the board can sell anything without voter approval. George suggested we could ask the voters for approval at the next village meeting. Duncan said he is not sure we can ask for approval when we are not ready to sell. Mark and Rick said if it turns out to be possible they would like something in the lease making it possible for them to buy the land the camp is on if the village wants to sell.

Chris moved to authorize Duncan to draft a 5-year lease with the lease payment to be 1/3 the tax bill for the property in the first year, 2/3 of the tax bill in the second year, and the full amount of the tax bill as issued by the town in the third year and thereafter, Walter seconded, and the motion was passed. (*Mark and Rick left at 5:50.*)

11. Manager's Report (continued)

Will has asked if Lea and/or Duncan could provide some assistance in filling out an application for a water rescue grant. The board agreed that Lea or Duncan can dedicate some staff time to that.

Mandy Mason is applying for utility service and she and Troy Mason have an unpaid balance from 2006 which has been turned over to the collection agency. Mandy needs to set up a payment plan to pay back the past due balance. Is the board willing to abate some or all of the interest? Walter moved that if the full outstanding balance of \$898.79 is paid off at \$25 per week, the village will waive all interest, but there is to be no forgiveness of interest until the full principal is received. Duncan said he thinks we can pull this from the collection agency if they start paying. Chris seconded, and the motion was passed.

Duncan said he is never able to go to Highgate Converter meetings, so he would like the board to appoint David Mullett as a voting alternate representative. He would not take any action that required a commitment of dollars without prior approval from Duncan. George moved to appoint David Mullett as voting alternate representative to attend Highgate Converter meetings, Chris seconded, and the motion was passed.

VELCO has changed the way costs for upgrades to the converter station are allocated. The upgrade has been treated as a PTF by the ISO, which means we are getting credits against our capital expenses. There is a one year time lag on the credits, but we will have been reimbursed for the costs by the end of 2014. Duncan recommends that we wait to make any decision about continuing to own our small share until we have gotten all our pool transmission credits. The board agreed.

Walter moved to authorize Gordon to sign the sub grant agreement between the Village and Vermont Studio Center necessary for the Village to pass grant funds in the amount of \$62,000 on to Vermont Studio Center, to be used to improve accessibility of the Red Mill Building. Chris seconded, and the motion was passed.

Duncan said he had asked the paving contractor if there was anything they thought they could do about the puddle on Pearl St. They said they would look at it when they get here. They could potentially grind it back to the next catch basin or into the parking lot. Would the board want to expend any money out of this year's budget to pay for that work? The board agreed that if the puddle can be fixed for \$2000 or less Duncan can have the paving contractor do the work.

Duncan said he is trying to get the ball rolling again on transmission joint ownership with Morrisville Water & Light.

Kingsbury has agreed to remove 132 panels of unacceptable sidewalk and replace them. Walter asked how we can know the new sidewalks are good. Duncan said we will have Knight Consulting Engineers on site doing tests. Walter said next year this time we won't have any leverage if there is a problem. Duncan said there is no warranty on a VTrans job. We have no leverage on any part of the project except through a lawsuit.

Gordon said the crosswalk across from Woody's is dropping. Duncan said the state is going to grind the pavement on either side to lower the blacktop. That is all we can do. (*Gordon left at 6:11.*)

Duncan reported on the status of the Main St. project. There is close to \$5K remaining for the project and we have \$10-12K coming in reimbursement for LED streetlights. He thinks that will be enough. Steve and Duncan can't walk the punch list. Bob Harrigan will need to come back to do it. The punch list items are not pay req items. We are holding money until all punch list items are done. There are still quite a few things on the punch list. The amount Duncan said we have left does not include any possible money we might get back from L&D. If we get that money back, it is not owed to anyone else, so we will be able to keep it.

Duncan and Steve will come to the board at some point with a recommendation on adopting NEPPA Model Safety Operating Procedures for Electric Distribution Utilities.

Main St. paving is scheduled for the week of September 16. District 8 has been good to work with. We are still responsible for blocking off parking, but they have included a lot of grinding.

Chris asked about differences between what was done in Stowe's downtown project and what was done in Johnson. Steve and Duncan explained that Stowe's Main St. is a town highway; they bought the right of way from the state.

We have submitted our grant request reimbursement in the amount of \$805.34 or 50% of the actual cost to VLCT PACIF for traffic apparel and the gas detector.

We got the Sanitary Survey results back on the water system. There were two issues. We did not have an operating permit (because they haven't issued it) and we do not have a current Source Protection Plan. Duncan revised the last plan and Tom and Steve are reviewing it. It should be submitted soon.

Duncan said he thinks the village can assume it is off the hook regarding abatement of Kelly Ford's taxes, unless we receive a request from her. The town abated her taxes and Pomerleau's as well. They abated on the building only, pro-rated for the number of days of the tax year the owners had use of the property.

There is no news on the L&D curb payment issue or the Unifirst dispute.

12. *Adjourn*

Walter moved to adjourn at 6:34, Chris seconded, and the motion was passed.