

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
MONDAY, NOVEMBER 14, 2016

Present:

Trustees: Gordon Smith, Walter Pomroy, Scott Meyer, David Goddette, Bob Sweetser (by phone)

Others: Meredith Birkett (Manager), Rosemary Audibert (Clerk), Troy Dolan, Rhoda Mingledorf, Dale Mingledorf, Janice Bradley, Ron Audet, Daniel Bradley, Russell Roehl, Stephanie Roehl, Joye Lyon, Bruce Lyon, Gary Underwood, Debbie Underwood, Dary Sheehy, Karen Sheehy, Michael Lewandowski, Susan Alexander, Elly Ventura

Note: All votes taken are unanimous unless otherwise noted.

1. *Call to Order*

Gordy called the meeting to order at 6:00.

2. *Changes, Additions to Proposed Agenda*

Walter asked to add discussion of the agenda for the joint meeting with the selectboard. Meredith said she wanted to add an update on the Valley Ridge sewer project.

3. *Review and Approve Minutes from October 19, 2016*

Walter moved to approve the minutes of October 19, 2016, Scott seconded and the motion was passed.

4. *Discuss December Meeting Date*

Meredith said there is an energy planning workshop she thinks it would be helpful for her to attend on the board's regular meeting night in December. The board agreed to meet on Tuesday, December 13 instead.

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

Electric department sales are 82% of budget with 10 months of sales. Walter said that means we are slipping behind.

Rosemary said she heard that Manchester Lumber has closed permanently. Meredith said she called to confirm and it is true. Rosemary said that is about \$12K a month in electricity sales.

Rosemary said we got \$47,994 in state PILOT money and we budgeted for \$40K. In today's mail we got about \$3700 in PACIF grant money for the fire department and the electric department. All but JSC have paid for their fire contracts.

Walter asked what we have done for heat for the coming year. Rosemary said we have not done anything so far. Walter suggested it might be a good idea to get quotes for the rest of winter. Gordy agreed that could be a good idea.

Walter asked why fire department training expense is almost twice what was budgeted. Gordy said a number of people went to Franklin-Lamoille Fire School in September. Several are taking the basic course. Rosemary said quite a few new people have joined in the last few years.

Rosemary said she would like permission to take \$13,864.40 from the capital equipment reserve fund for the sewer department. **Walter moved to authorize transfer of \$13,864.40 out of the**

sewer capital reserve fund to be applied toward the current year's sewer department expenditures, Scott seconded, and the motion was passed.

Rosemary provided a spreadsheet showing what has been paid to date on the School Street project. She still is not sure how much we will need to pay back to the town. We have \$21K excess at this point, but we still have to pay some retainage fees. Change orders 3 and 4 are the ones still in question. The town reimbursed the village \$16,786.07 paid to Desroches and the state also reimbursed us 80% of that figure (\$13,428.86.) She doesn't think they should have done that. Gordy asked if things are looking better for the town. Rosemary said she thinks it is probably pending the appeal by Desroches. Meredith said she talked to Nick Meltzer at VTrans today. He still hasn't heard back on that. Meredith said there are still a lot of unknowns. She will let the trustees know as soon as she hears from VTrans about their ruling and what it means.

Walter asked Rosemary some questions about the amount the village has paid and the amount we have in excess. He is not sure the numbers make sense. (*Dave arrived at 6:26.*) Gordy said for the joint meeting we will need good numbers in case there is a discussion. Rosemary said the figures she showed did not include what we paid before we started construction. She will work on the spreadsheet some more.

Rosemary summarized the situation for Dave. Village appropriations so far total \$73,723.69. So far we have received \$131,839.28 from the state. Total construction costs were about \$258K. The state pays 80%. She believes the town overpaid their portion by about \$24K. David asked how they overpaid. Rosemary said she thinks Duncan took a figure from the wrong column in a worksheet. For the change orders in dispute, the town paid \$16,786 and the state has also reimbursed us 80% of that figure. She believes the state has overpaid on that. They do owe us for 3 more pay requests, so the net they owe us is about \$4900. (*Rhoda and Dale Mingledorf arrived at 6:32.*)

Rosemary let Dave know that Manchester Lumber is closing. Dave asked if we need to approach the state to bring in resources from the Department of Labor to help the people who are losing their jobs. Meredith said she can make some calls.

6. WWTF Chief Operator Report and Action Items

Meredith said Tom is on vacation this week. He provided a written report. Walter asked when the board will get a report on the tank. Meredith said she thinks within a week or so. She said Tom mentioned that he thought the amount of sediment was excellent. He thinks they will recommend some kind of cleaning but his sense is that it is not necessary.

7. Rhoda and Dale Mingledorf – School Street Water Leak

Rhoda Mingledorf showed the board a diagram and some pictures. She said in 2006 a shutoff that served 3 buildings was removed and the 3 lines were shut off. A pipe running in front of the Mingledorfs' building was cut and capped by the village and it later sprung a leak. It had been left connected to a broken shutoff. She understands that there was a work order to remove the broken shutoff but it was never done. In 2016 the abandoned line started to leak in front of their building. They were never told there was a live line there. They had Nat Rooney dig and he found the line, which was not their line and had nothing to do with them.

Meredith said Tom's recollection mirrors what the Mingledorfs said. The village did do work and left that line. Our policy has been that the valve side is the responsibility of the homeowner but the line that was left was not the Mingledorfs' service line. It had nothing to do with their property.

The Mingledorfs are asking the village to reimburse them for their expenses due to the broken line.
Walter moved to reimburse Rhoda and Dale Mingledorf \$1388 for costs incurred in fixing the leaking abandoned water line, seconded by Scott.

David asked if the line is still there. Dale Mingledorf said it is still there but it is not connected to anything. He suggested the village take a look at the shutoff near the curb because it is not working as it should. Rhoda said it doesn't make sense to her to have it right next to the road where it is currently located. It seems smarter to her to have it on the inside of the sidewalk.

The motion was passed.

Walter apologized on behalf of the board. He said the situation was obviously a hassle. The Mingledorfs thanked the board and left at 6:47.

8. *Gould Hill Road Residents – Comments/Questions re: Solar Project System Upgrade*

Meredith said she had sent a letter that hopefully all the residents had received. She gave background on the situation. The Orosts are putting in a solar array. Green Lantern, the developer, has a Certificate of Public Good for the project so the village has to allow the project to move forward. She apologizes about the stakes that were placed on residents' property. She knows they caused concern and frustration. The village was so focused on getting on the same page with Green Lantern they skipped over pre-notification of people living near the project. They should have been given warning. That was an oversight. The existing lines in the neighborhood are not sufficient to handle the load of the solar array. They need to be upgraded. The village put together a cost estimate to upgrade the lines assuming they would be put along the road. That is the cheapest option and it allows easier access for repairs or upgrades. That was the estimate put forth to Green Lantern. In conversation today, Sam from Green Lantern heard that people in the neighborhood are not in favor of poles along the roadway. He has asked the village for a cost estimate to replace the lines where they are now. The village will work on providing that estimate. Green Lantern wants to get going on the project as soon as possible. They are seeing if it is feasible to put the poles in the woods. If it is not, Green Lantern needs to come to the people in the neighborhood to discuss putting them along the road. If they can't come to an agreement with the residents they need to decide if it is a cost effective project for them.

Gary Underwood asked if Act 250 was done on this. Walter said it is not required. The project needed approval from the Public Service Board. Gary said esthetics should have been considered. It is a good nature area. He has to look at the solar array and a solar array is not pleasing to the eye. What will happen to the animals? This is a for-profit project for the Orosts. It is wrong. It should have been brought to the neighbors a long time before now.

Daniel Bradley said he is putting a garage on his property on Gould Hill Road and he had to get an Act 250 permit. At the tail end of the permit process the brakes got put on because his property is in a deer grazing and wintering area. The Agency of Wildlife had to assess whether his building would hurt the deer herd. They agreed it would be okay, but he can't cross-country ski or snowmobile in that area. It is also a wetland area. How can they do this in a wetland area and deer habitat?

Walter said to a certain extent he is on the residents' side, but there is not much the village can do. It all goes through the Public Service Board under Act 248. That was the time to raise concerns. Some residents said they didn't know about the project. Troy said developers usually notify adjacent landowners. A resident said those whose properties are not adjacent weren't notified.

Scott said he lives on Clay Hill Road. The JSC solar array is right next to his land. There is lot of deer habitat there that is not deer habitat now because it is fenced in. He doesn't think the PSB considers that as part of the permit process. Walter said it is part of what they consider but if the public good of the project outweighs the downsides, under Act 248 they can ignore the bad consequences. They can impose some conditions for a huge project but small projects to a certain extent tend to fly right through unless there is something major. In some areas of the state solar projects have become a major concern. Communities have almost no power. There is some new legislation. LCPC is moving forward on an area-wide energy plan. Once that is adopted then communities will have some power to resist these things. Even then it would almost be necessary to have some zoning or language in the town plan to try to restrict solar projects in our town. Without those things happening we are pretty powerless. Our electric department must run wires to the project.

Gary Underwood asked what benefit there is to the village from the project. The trustees said there is none. It will be a negative for the village. Walter said we have to buy the power and it is higher priced than market rates. It will cost the village ratepayers money. Gordy said the selectboard will save \$2500 and the school will also save money from buying the power. If we don't take this project, another will come in.

Walter asked what we can require of Green Lantern as far as where the poles are located. Meredith said the property owners would have to give easements. The poles could be placed in the right of way, but there are guy wires and we would need access for maintenance, so she feels the village would need easements from property owners. Walter asked, if we tell Green Lantern we are not seeking easements, can they take us to court? Meredith said our interconnection agreement with Green Lantern said they have to do all the work and pay any expense to get necessary easements. She verbally told them as well as putting it in writing. They said that was unusual, that usually utilities do that work, but we were clear that they needed to do it.

Gary Underwood said we have existing power lines. Why can't the power run that way? Troy said it can. The issue is the conductor size and the size of the poles. The plan is to change out the poles and wires to serve the array. Green Lantern will pay all the cost for those upgrades. They wanted the most cost efficient option for the poles. That is why he came up with the idea of putting the poles along the road. Another possible option Gary had mentioned would require more pole replacement and there is not a connection point at the Orost property. His understanding is that the Orosts did not want a connection point on their property.

A resident said in order for Daniel Bradley to get his Act 250 permit she had to sign a document promising not to run four wheelers, to maintain deer field, etc. If residents have to protect the deer, why is this solar project exempt? Her other concern is not being notified. People found out only when stakes were put in the ground. Before that it was only a rumor.

Walter said residents have power because Green Lantern will need to get easements.

David asked if any adjacent landowners were present. Some people said they were adjacent landowners. They said they received letters notifying them of the project. One couple said they planned to go to the hearing in Montpelier but then Jay Orost told them verbally that the project would not happen. Another adjacent property owner said he had a similar experience. Scott said there is an issue with that. Walter said that is a real concern to bring up with PSB – that Jay Orost told adjacent property owners the project was dead. David said he is concerned that adjacent property owners were notified, then contacted by an interested party and told not to worry about the project happening. An adjacent property owner said after the public service hearing Green Lantern came to his property and notified them the project was not dead and that the access road would be on their property line, which was not what they were originally told. Walter asked, they were told the hearing was off and then they changed the plans? The property owner said yes. Walter said they have a real issue with PSB. Gordy said he feels the village needs to facilitate communication with PSB about this issue. Meredith said she will contact the village's attorney and ask for advice about how to proceed. Scott advised residents to keep a journal with dates, times and who they spoke to.

No representative from Green Lantern were present. Meredith said she emailed Katie Orost to let her know the trustees would be having this conversation but she had a school board meeting tonight and Green Lantern had a hearing in another state.

Dave said it concerns him that neighbors were told by an interested party that they should not worry about the project happening and that that might have changed people's minds about attending the hearing. Walter said that could invalidate the hearing. One of the residents said there were a few days when it looked like the project might not go through but neighbors were not then notified that the project was back on.

Gary Underwood asked if the contracts with entities like the elementary school are private contracts. Gordy said at a selectboard meeting the selectboard was told that if they didn't commit to buying the power from the Green Lantern project, Green Lantern would sell it to private individuals. They were going to sell it to someone, if not the school and the town. Walter said the school and town are buying it. Green Lantern still needed other buyers. The village chose not to buy. Meredith said she believes Parker & Stearns signed on.

A resident asked if it is true that if the project goes through village ratepayers' rates will go up. Board members said yes. Another resident said it is strange that the project can get a Certificate of Public Good if it doesn't benefit us. Maybe we need to get hold of the PSB with our concerns because it is costing us money. It doesn't seem like it is in the public good. Walter said the legislature has passed laws about renewable energy. The PSB is making decisions based on those laws. The state has set a goal of 90% renewable energy by 2050. The legislature has mandated renewable energy standards that the state has to meet. The PSB is issuing CPGs to meet those standards.

Dave said the best thing for residents to do is speak up. The village's hands are tied. The board agreed Meredith should check with the village's attorney. Walter said residents have the power to sign right of way agreements or not. Green Lantern told us that if their cost were increased it could kill the project. It will be more expensive for them to go the other way.

Daniel Bradley said he thinks it needs to be brought up to the Orosts that there is a way to connect the two lines on their property, if that is an option to save money.

Gordy said anyone with questions can speak to Meredith or to any board member. Meredith represents the board. Gary Underwood commended Meredith. He said she has been good to deal with. (*Gould Hill Road residents left at 7:25.*)

9. Compost Facility Presentation

Susan Alexander, Lamoille Regional Solid Waste Management District manager, introduced herself and Elly Ventura, LRSWMD's education and outreach person. She said Meredith and Brian Story had put together a list of questions and concerns about LRSWMD's proposal to use the village facility next to the transfer station for composting. They created a presentation to provide background on why the project got started and why they want to work with the village on it.

The elements that provided the impetus for this project were an opportunity to get economic development money; the Universal Recycling and Composting Law (Act 148), which requires the district to accept food scraps at transfer stations; a lack of regional infrastructure to meet the mandates of Act 148, and the underutilized public facility owned by the village.

This area has no existing permitted infrastructure for composting. LRSWMD got grant money from the Northern Border Regional Commission. It was a highly competitive award. LRSWMD was one of 14 winners. The money is targeted specifically for economic development in what the federal government considers an economically distressed area. The village has a great site already developed to manage biosolids. The village has maintained a permit for the site, so it is practically a turnkey operation. It has all the elements that would be required for a composting facility and a perfect location next to the existing transfer station.

Opening a compost facility at the site would have direct economic impacts on the region. LRSWMD is obligated to hire local contractors to work on revitalization of the site. They will purchase materials, supplies, and equipment within the region. They will hire a half-time or full-time operator. And there is a multiplier effect when dollars invested in this project are then spent in the region. The operator would be a new hire. There would be potential to hire a full-time person who would run the composting facility and also do some transfer station work.

Gordy said he heard a lot of the work wouldn't be done by someone on site but by a computer. Susan said LRSWMD envisions putting in remote sensing to keep track of temperature. If a full-time person were hired, that person could also be the one who collects food scraps and brings them to the site. There won't be 40 hours of work a week at the site, but she envisions at least a half-time employee will be needed there.

The proposed compost facility aligns with town, regional and state plans. It addresses several of the objectives in the Johnson town and village plan. LCPC wrote a letter of support for the project, which fits with their goals and strategies. The project creates opportunities for partnerships with the educational community, with private haulers, and with local farms and food systems.

Walter asked if methane power generation would be feasible. Susan said that would be anaerobic generation. There is a small possibility of some heat capture for hot water but no immediate

application on site. Transferring the heat to a usable energy source is pretty difficult. Elly said it is important to make sure the facility gets off the ground at a scale LRSWMD can manage successfully, then they can see where it takes them from there.

Elly said there were a lot of operational questions on the list they got. She showed a site plan and explained how some of the concerns would be addressed. Food scraps would be collected at LRSWMD dropoffs. In Johnson food scraps would be dropped off at the transfer station. LRSWMD does not want people to go to the compost facility to drop off their scraps. Once they are in Johnson, the LRSWMD operator would pick up the scraps and bring them over to the receiving area to be blended. LRSWMD is required to have a plan that addresses vectors, noise, etc. When scraps come in they will be covered immediately to mitigate odors and reduce access by animals. There will be a fence around the facility so we won't have bears but the site will attract small rodents if not properly managed. The material will be screened visually for contaminants like forks but not for toxic and hazardous materials. Then material will be moved to a bay and later moved to other bays. There is a windrow turner already on the site, but windrows take up more space and piles can't be big enough to prevent freezing in winter. Using the windrow turner requires more fuel for the tractor. And every time a windrow is turned over, it allows odors to escape and exposes more food scraps. So LRSWMD feels aerated static piles would be better. They would not be turned as often as windrows. They envision having dividers under the roof to make individual bays. Compost would spend 1-3 weeks in each bay.

This would be considered a small processing facility by the state. The Green Mountain Compost facility in Williston is considered a medium facility. It is 2-3 times the size of the proposed facility in Johnson. LRSWMD will tour Green Mountain Compost tomorrow. Anyone from the village who wants to can go. Their facility is well operated. They have been great about giving advice. The Johnson facility would be similar to theirs.

Gordy asked if any material has to be added, like sawdust. When the village was composting biosolids it was difficult to add sawdust. Susan said procuring some carbon is in their budget, but they also operate a stump dump. Leaf and yard debris and clean wood have been banned from the landfill and there is a need to have a place to bring it. We have offered those materials to composters but because of distance no one has wanted it. LRSWMD expects to have more of that material coming in, but also expects to buy wood chips or sawdust.

The operating and management plan required by the state requires the district to cover composting scraps, control rodents, and minimize noise. The noise level would be like light farming. There would be a tractor and a chipper would be used a few times a year, but all that will happen during business hours. Traffic will be minimal. LRSWMD is required to test for pathogens and metals annually. They may also monitor maturity of the product. LRSWMD would take care of all maintenance at the facility.

Scott asked if that includes maintenance of Wilson Road if there is increased truck traffic and increased road maintenance is needed. Susan said she doesn't anticipate there being a lot of additional traffic. People who are already using the transfer station will have the option of composting. She doesn't anticipate a lot of people coming who are not using the facility now. Scott said he is thinking of for-profit businesses. Susan said they don't envision a lot of commercial usage. It would primarily be to serve the 6 LRSWMD facilities and material from all the sites

would be brought in at once. If a hauler like Hillside Trash decided to get into compost hauling they could also come in, but that would be maybe once a week. A business like a restaurant would want their hauler to deal with food scraps; they would not want to drive to the facility themselves.

Scott said a chipper is very loud. When and how often would it have to be run? It would be very loud for the neighbors. Susan said ideally you don't want to use a chipper unless you have a full days' work. The facilities LRSWMD has talked to say they use one a few times a year. They are much bigger operations. That can be spelled out in the host town agreement. LRSWMD is happy to work within constraints if the village thinks it is important.

Scott said he doesn't want people on Wilson Road to be surprised. He wants to make sure everyone is very transparent.

Walter asked if LRSWMD has to go through Act 250 for this. Susan said no. She said LRSWMD facilities have to be recertified every 5 years. When that is done they have to notify adjacent property owners and they notify the Agency of Natural Resources if they want a hearing. Only Worcester has asked for a public hearing. LRSWMD has a great track record of not getting complaints.

Susan said one concern from the village and town was environmental damage claims. LRSWMD doesn't envision any environmental damage. The Stowe facility is next to the bike path and LRSWMD has never gotten complaints.

A closure plan is required. If the facility is closed, LRSWMD has to leave it broom clean. They have put aside a fund for closure of facilities to make sure if they had to close down a facility they would have money to put it back into its original condition.

Scott brought up the situation where a pesticide or herbicide got into compost in the Chittenden facility and they had to pay out. Are the town and village held harmless if something like that happens? Susan said that would be worked into the host town agreement. The Chittenden facility accepted horse manure that had a persistent herbicide not allowed for sale in Vermont and they had to compensate people. Elly said composting facilities in Vermont learned from that and made operational changes to make sure that doesn't happen again.

Elly and Susan showed a draft operating budget. Right now, it shows expenses exceeding revenue. Revenue is based on capturing 3 tons of food scraps per week. LRSWMD could choose not to charge a separate fee for compost. The trash fee could cover both trash and compost. They plan to sell compost. They want to sell it as a bulk commodity by the cubic yard, not make potting mixes. That usually requires someone to manage it outside the region and it has to be marketed outside the region. There is an opportunity for other tipping fees. They don't know if businesses or haulers will be bringing food scraps. They won't make money on composting. Their goal is not to make money but just to make sure the materials get to the right place and to do it as cost effectively as they can.

A composting facility would be an educational resource. It would meet many goals of the town, the state and other organizations. They feel it would help make Johnson sustainable and resilient. It would be a way to bring our resources together and provide something extremely valuable to the

public. LRSWMD had a lot of support for their grant from the state, the regional planning commission and the Agency of Agriculture.

Walter asked if LRSWMD can process our sludge. It didn't make economic sense for us to keep composting sludge but we now have a hauling expense for it. Elly and Susan said they would love to be able to look at it, but they can't envision doing it in the first year. In the grant proposal they said that in the second year they might look into biosolids composting. Susan said LRSWMD negotiates a trash disposal rate for the entire district. If LRSWMD's per ton rate is lower than the rate the village is paying for sludge disposal, maybe LRSWMD can help the village get a lower rate. If nothing else, a pilot project on biosolids would be good.

Gordy asked, there is nothing in the budget to pay for use of the village facility? Susan said that is right. Walter said LRSWMD will be making improvements to the facility so we will get back a better building than we have now. Susan said they could put a capital maintenance plan into their budget. As the building ages they would maintain it. They would take care of all surveillance, plowing, gravel, and maintenance. With the town of Johnson, in exchange for using the transfer station they allow the town free disposal of things like a couch left by the road or light bulbs from town buildings. They could offer something similar for using the compost facility. They could swap compost if it is needed for municipal projects.

David asked if people are charged for food scraps when they bring them to a facility. Susan said LRSWMD could charge for it or embed the cost in the cost of a trash bag. Most composting facilities in the state accept compostable materials "free" with no separate fee. The cost is embedded in the trash cost. Gordy said if they charge for it there will be less showing up.

Susan said LRSWMD is meeting with the town next Monday and coming back in December for any wrap-up required. They are 7 months away from when they are required to accept food scraps.

Walter asked how long an agreement they are looking for. Susan said probably whatever the expected lifetime of the facility would be. They would want a long-term agreement. With the transfer stations they renew agreements every 5 years because that is how long their certification is for, but composting permits don't need to be renewed. (*Susan and Elly left at 8:13.*)

10. Foreman Report and Action Items

On October 25 the electric department participated in the ISO New England fall voltage reduction test. All our equipment functioned properly with no issues. There was a recent outage affecting one customer due to high winds. One service was retired recently. In the past couple of weeks our crew and a contract crew have worked on Clay Hill removing danger trees, including the maple by the Studio Center. The town worked with the village to haul it away.

All equipment has been serviced and is ready for the winter season. The week of October 30 Tom worked with Troy's crew to clean catch basins. The Vactor was hauled with the new truck. All fire extinguishers were tested and rubber gloves were sent out for testing.

The crew attended a high voltage switch and breaker demo. Troy got pricing of about \$45K for a new switch to switch over to GMP.

The new path for poles to the Green Lantern solar array was staked out but Troy doesn't know if it will be used. Walter asked how much was spent on that. Will it start getting onerous? Troy said we will deduct all our time and labor.

Gordy asked about the transformer for the Green Lantern project. Troy said they wanted to get easements before we got the transformer. He asked for quotes and hasn't gotten them. Gordy said he doesn't want to buy it and get stuck with a restocking charge. Meredith said if we order it we would get agreement that they would reimburse us.

Scott said his advice to Troy is to keep a journal about who said what on what date regarding the landowners and Green Lantern. Troy said initially SunCommon was going to be the developer. That may have been the first point when neighbors were contacted, then Green Lantern may have taken over after that.

Fairpoint has requested 2 additional poles for the underground line relocation. VTrans wanted us to set them but that made no sense to Troy. Fairpoint would be on site anyway and the poles are for them. Troy told them that. Fairpoint said they are not interested in setting more than they agreed to. Troy told them the Village of Johnson has no need for more poles than what was agreed upon initially and if they want them they have to set them.

Troy said at the annual meeting Cliff asked for a pole and lighting on St. Johns's Street. Some of his neighbors want it. He was approached by someone wondering where we are in that process. He is looking for approval to set a pole and place a light. He got a cost estimate of about \$3300. If we went overhead the cost would be about \$4100. Meredith said she thinks we should notify residents in advance. Walter suggested sending the neighbors notification so they can come to the December meeting. Before then he will visit St. John's Street in the dark to see how dark it is at night and he suggests other trustees do the same. Gordy agreed to agenda a decision for December. Troy said if we wait until later in the winter, it will probably have to wait until spring.

11. Village Manager Report and Action Items

Walter said after hearing the presentation by LRSWMD tonight he feels it is up to the town. He thinks it is a waste of time for Meredith to spend more time on this. The town has to approve any sublease. They are in the driver's seat. As far as he is concerned Meredith should spend no more time on it except for trying to save us money on sludge. Meredith said if the town says yes she will have to spend time on the sublease agreement.

Gordy said if we decide a few years from now that we want to do something with our sludge then we have lost use of our site. Walter said he doesn't think we will ever do anything with the sludge except have someone else take care of it. He doesn't see us ever running a compost facility. Meredith said we could work something into the agreement saying that if there is legislation mandating that we compost biosolids then we cancel the contract.

Gordy asked what the board thinks about saying that we support whatever agreement the selectboard comes up with. Walter said he is happy with what he heard. David said he doesn't have any concerns with it. Meredith said at the joint meeting there was talk about LRSWMD having to pay. She wants to be clear that the trustees are okay with not charging for use of the facility. Scott said he doesn't want any cost to the village. Any life safety code issues or other issues are up LRSWMD. He doesn't want us to be held responsible. Gordy and Dave agree that should be in the

agreement. There was agreement that the board is okay with the project moving forward as long as there is no cost to the village and we are able to cancel the contract if we are mandated to compost biosolids. Meredith suggested writing into the agreement that they need to consider biosolids composting after the first year. The board agreed to that.

The fire department drug and alcohol policy was updated in accordance with the discussion at the October meeting. A sentence suggested by PACIF was also added. The additional sentence is "For all the substances noted below, it is incumbent on the individual Fire Department member to self-report any impairment." Arjay and our attorney were okay with that. Our attorney prefers this version over the last one.

Walter moved to adopt the Village of Johnson Fire Department Drug and Alcohol Policy as written, seconded by Bob.

Scott asked if we have in writing that this is acceptable to our lawyer. Meredith said yes.

Scott asked who makes the call about whether someone is impaired. Meredith said the officers. She said we mentioned to VLCT that it would be helpful for the officers to get reasonable suspicion training the next time it is available. Walter said he feels it should be up to all members to ask someone to stop working if they see they are impaired.

Scott asked how it works if an officer or other member of the fire department asks someone if they are on a medication and the person says it is none of their business. Meredith said she thinks there have to be two things giving reasonable suspicion. The policy does not get that specific.

Scott said he is fine with this but he would like to see the fire department review it within one year to see if it is working and report back to the trustees. He would like to see it reviewed on an annual basis to make sure it is working. Meredith asked if he wants that added to the policy. Scott said he does. Walter said he does not want it in the policy. Gordy asked about other employees besides those in the fire department policy. Meredith said we have a zero tolerance policy.

The motion was passed with Dave abstaining.

Meredith said as mentioned at the last meeting there are 3 main things being changed under the new net metering rule. There is a new statewide blended rate for excess. Another new thing is non-bypassable charges. There is also a process for utilities to think about other non-bypassable charges. We can think about that in the future. There is also the addition of siting adjustors. The new rule gets rid of the cap and credit but it adds adjustors depending on whether the siting is good or bad or whether the utility gets the recs. The PSB is saying that will help manage net metering.

A big decision point is whether we want to limit group net metering customers to how we allocate their credits. She suggested previously that we limit them to percentage allocation. A lot of other utilities are going to do that. But she thinks there are others that won't. Walter had suggested being as friendly to customers as possible. She and Susan, for simplicity, would be in favor of limiting customers to percentage allocation. Walter said he has a preference for not limiting it but he can accept either way. Gordy, Dave and Scott said they are in favor of going with what Meredith recommended. Bob said he is okay with that.

Walter moved that Meredith file the net metering tariff with the Public Service Board on behalf of the Village of Johnson electric department, Scott seconded and the motion was passed.

Meredith gave an overview of Johnson's requirements under Act 56. It sets standards for supply portfolios of utilities. There are 3 tiers of requirements. All are based on percentage of retail sales, not load. As we have more sales our requirements go up. The law says VPPSA members can elect to meet the requirements in the aggregate. Conversation hasn't yet happened about whether VPPSA members want to do that.

Tier 1 is overall renewability. Starting in 2017 55% of our energy has to be renewable. In 2032 it is increased to 75%. We are at 7%. We are very far off. We can buy credits to meet the requirements. If we have excess Tier 1 credits we can bank them for up to 3 years.

Annual compliance with the requirements must be disclosed. Meredith said she thinks we will put it on our website.

There is a big gap between our Tier 1 requirement and our current renewable resources. The gap will be filled by paying an alternative compliance payment or by purchasing replacement RECs, which are currently very cheap (but it is not known how their cost will change over time.)

Tier 2 is distributed generation. The requirement is 1% in 2017 and it rises to 10% in 2032. It is met through renewable energy or RECs from plants that come into service after June 30, 2015. RECs have to be turned over to the utility. Gordy said the Green Lantern project does nothing to help us meet this requirement.

Scott asked if a new governor and pushback on ridgeline developments is going to change any of this. Meredith said she thinks the current net metering rule was intended to adjust for some of the concerns we are having. It is supposed to incentivize turning RECs over to utilities. Walter said the new rule is an improvement. It has brought in some reasonability. Meredith said she thinks the net metering tariff is supposed to be reviewed in 201 so it will come back around again.

Tier 2 counts toward Tier 1. Our projected position related to the Tier 2 requirement looks better but it is based on an assumption that net metering continues to grow in Johnson. Meredith is not sure that will actually happen. The level of net metering and whether RECs will be turned over to us is not known.

David asked if this could change. Meredith said the legislature could change the law.

Tier 3 is energy transformation. We either get additional Tier 2 resources or fossil fuel savings through energy transformation projects. The requirement is 2% of retail sales in 2019, increasing to about 10% in 2032. Energy transformation projects reduce fossil fuel consumption and related greenhouse gas emissions by the utility's customers – EV charging stations, heat pumps, energy efficiency, etc. A technical advisory group has been working to establish credits for every potential energy transformation project. Cost effectiveness of every Tier 3 project must be demonstrated. VPPSA is considering Tier 3 pilot projects. We have no Tier 3 projects at all right now.

Meredith showed optimistic and pessimistic predictions of potential costs from VPPSA. In 2017 the optimistic predicted cost is only about \$4K but it grows over time. David said, but if we come into compliance that cost goes away. Meredith said yes, but there is a cost for us to come into compliance.

Options for reducing our exposure risk include making wise decisions on future purchased power contracts to meet Tier 1 requirements, deploying our own Tier 2 resources like a small generator under 5 MW, and meeting Tier 1 and Tier 2 requirements in the aggregate with other VPPSA members.

At the December VPPSA board meeting, Meredith will be asked to vote on VPPSA entering into one or many contracts for products from multiple hydroelectric facilities throughout New England (the NE Hydro contracts.) Johnson will be asked for approval to enter into a contract with NE Hydro by mid-April 2017. VPPSA is prepared to give us a presentation on their recommendation about whether Johnson should give approval to enter into a contract with NE Hydro. She thinks they would say it is in our best interest. Walter asked, since the contract term would be 20 years, we have to go before the voters, don't we? Meredith said that would be challenging for April. She will ask when in April they need the answer. The contract would cover about 11% of Johnson's load but no RECs would be included.

VPPSA has provided a draft 2017 operating budget. They have not yet sent a power supply budget. There is some increase. She can ask about the reason for it. There is a conference call on the budget in early December.

Johnson is a joint owner of the DC-AC-DC converter in Highgate. Recent FERC rulings appear to add new complexity to calculating and defending the facility's revenue requirement. VPPSA is working on looking at the financial impacts to joint owners of selling it.

Meredith and Brian Story put together a list of goals for the website update project based on what they heard at the joint meeting. She read the list. The boards want some tie in to economic development, they want the site to be usable on mobile devices, they want social media to be integrated and they want the site to be more vibrant and esthetically pleasing. The site doesn't highlight the village utilities now. We need a place for meeting our reporting requirements and highlighting our connection to JSC. Gordy said we need our own identity. We need a separate place for the village.

David said his concern if we are going to spend the time and resources to update the site is that nobody is managing the site now. We dump documents there in order to stay in compliance but it is not a place to market Johnson. We need to look at maintaining it. Will we pay a firm to manage our marketing, make sure the website remains compliant and keep up social media? If we are not going to look seriously at that it doesn't make sense to spend money and effort on a new site. Walter said he agrees that is a very good question that needs to be addressed before we start dropping money into something that won't be maintained.

David said he thinks this is a great idea. He thinks we should spend a lot of resources, time and money developing a great brand and marketing. That is how we will promote our assets in the

village and town and redefine this area. Scott said he feels we are falling way behind quickly compared to other towns in Lamoille County. He thinks social media is needed. David said if we use social media we need to be very active, posting at least once a day. We would need to either hire someone in house or hire a consultant or firm to manage it.

Meredith said she and Brian got the message that they should come up with an RFP as soon as possible but they felt like we need to make sure we know what we want. It seems we need guidance about what resources there are for developing and maintaining a site. We need professional guidance about how to do that.

Scott said he thinks the cost of maintaining and setting up a site is money well spent. David said his recommendation is that we put a line item in the budget for marketing activities. He thinks we will need to hire a professional. That is where the RFP comes in.

Meredith said there is a rural business development grant program that includes technology-based economic development. Brian suggested looking into that. That might be good for getting a professional opinion about what we need to set up and maintain. Walter said someone in the state or the county must already have asked this question. He asked why we need proposals. We know what we need to do to market. It is getting funds to do what needs to be done and keep it up that is the need. There has to be someone who can tell us the steps. David said LEDC may have some resources. Meredith said one person works there and he is stretched thin. Walter said he should be able to tell us who to contact who can tell us exactly what to do and provide a copy of an RFP used by another town. David said his recommendation is that we figure out as a team what direction we want to take and put out an RFP to advertising firms and present them what we are looking for and have them tell us what it will cost for a marketing plan for Johnson. The trustees and maybe the selectboard can look over the RFPs and see what best fits our needs and figure out how to pay for it.

Gordy suggested a subcommittee of Meredith, Brian and two board members to look into this. Scott agreed. Meredith said she will talk to Brian about that. He will be talking to the selectboard Monday night.

Before getting business cards printed, Meredith wanted to make sure the board wants to press ahead with getting them with the current website and emails listed when that may change. The board agreed to order them. Meredith asked if board members are okay with having their home phone numbers listed. Most board members said yes. David said he would rather have his cell phone listed. Meredith said she will try to get a proof sent out to everyone.

Meredith plans to submit letters of interest for the grant discussed at the joint meeting – one for a rail trail mural and one for the sculpture pedestals on Main Street. Brian talked to the arts council and they were in favor. They will provide a letter of support. Meredith needs to get support from Chan Parker.

Johnson Works has asked the village and town to reconsider how the village wifi service is set up managed and paid for. They feel Johnson Works is not the best entity to manage it. They would like to see the hardware brought out to light poles rather than being located in private property.

David asked what the cost for the wifi is. Meredith said she still needs to get that information. David asked if she can get information on wifi usage. Walter said he has seen reports indicating that people are using it significantly and are clicking on links for local businesses on the Johnson Connection page. We have reports of how many people logged on and where they went after they logged on. Scott said that is probably why Johnson Works ended up with the bill. David said there was a grant to pay for it to begin with. Gordy said 5 years ago Lea came to the village with a grant opportunity. The majority of the trustees didn't want to apply for it so Lea went to Johnson Works to see if they would apply for the grant and take charge of it for 5 years. David asked if we will have to buy new equipment that will not be paid for by a grant. Meredith said this is just an initial discussion. She hasn't talked to Troy about it or gotten cost estimates.

Walter said the issue is whether wifi is worth it any more. He thinks that is a good question. He suggested we compare recent reports to historical reports. David and Scott agreed that with the number of people who use cell phones now it might not be worth it to maintain wifi.

Bobbie Rooney has worked on coordinating with Johnson State on Main Street banners. They are on a state highway so they cannot have words on them, only images. David asked, what about Stowe? Walter and Gordy said they own their Main Street. Meredith said taking over Route 15 was discussed at the joint meeting. David said having the ability to do anything we want on Main Street could be helpful. Walter said then maintaining it would be totally up to Johnson taxpayers.

Walter suggested putting flags with the Johnson village logo on the light poles, maybe intermixed with some Johnson State flags. It would beautify the village. Meredith said we need to get clarification on whether we can use a logo that has the words Village of Johnson. Walter said he would like to find out from Great Big Graphics what that would cost. David said he is not sure that would look as good as Walter thinks it would. Meredith said her concern would be that given the pushback from the selectboard and school board on us having our own logo, putting our logo on Main Street might rub them the wrong way.

David said to him it doesn't make sense to put banners up if they can't have words.

Meredith and Gordy talked about scheduling a joint meeting with JSC trustees and the selectboard. She can ask Brian to put that on the selectboard agenda. The board indicated that would be fine.

David said his focus is on how we involve the college in marketing. Scott said he thinks with the merger it is bad timing to talk to them about that. There is so much on their plate now. David said he thinks this meeting is just for introductions, opening a dialog and seeing what comes up in conversation. Walter said he thinks it would be wonderful if our website had information about events at JSC. Walter and Scott said they thought it might be best not to have all 5 trustees at the meeting with JSC. David said he thinks they should know every one of the trustees. Scott said we could have a quick introduction of all board members, then form a working group. David suggested setting up a dinner meeting at JSC. Meredith suggested seeing if they will host a dinner after the New Year.

Meredith said she looked for information on the value of the Old Mill House. It appears it has not been assessed by the town. She could only find the replacement value in our insurance policy. She got anecdotal information from LEDC about commercial lease prices. According to that

information, they range from \$7 to \$12 per square foot. If we want to move forward she thinks a reasonable next step is to ask the town to have the assessors assess it as a commercial property. Brian got quotes for painting the building. It looks like it will cost about \$15K to paint it, with about \$2K of carpentry work, so there is a significant investment if we keep the village interest in it. Walter asked if the town is open to the idea the village proposed. Meredith said Brian is not sure if the selectboard will be willing to give away a long-term lease for free. He will talk to them about it.

The town is looking to update and improve its mapping and GIS data and has asked whether the village needs GIS changes/improvements. Tom has indicated there is additional information we could use for the water and wastewater systems. She asked Troy if there is information that would be useful for him. Troy said the electrical department hasn't had to make any upgrades lately. When they are done they are costly. They can't be done in house. There are certain areas of the map where not all the information is available, due to a glitch in the system that the company is supposedly addressing.

LCPC agreed on the boundary for the Railroad Street plan. They suggested we include the Sterling Market parcel as there is an old gas station on that parcel. If we include it Meredith thinks we need to be clear that we are really only looking at the old gas station piece, not thinking of redeveloping Sterling Market. Gordy said we should make sure Pomerleau knows what is going on. David agreed. Walter said he thinks we should ask Pomerleau if they want us to include their property in the Brownfield study and make a decision based on what they say.

The Better Connection grant program could potentially fund a planning study of connections from JSC down School Street to Pearl to Main to Railroad, ending at the Rail Trail. The application due date is January 13. David asked what kind of connections. Meredith said she thinks primarily non-motorized travel – bike and sidewalks. It would be looking at strategies to close gaps. David said we should be careful with grants because there are always strings attached. And if we get a planning study done, then what do we do with it? Walter said this gets back to our need to maintain the sidewalks we have rather than making new ones. David said he hates to do a study we can't take advantage of. Walter said the only way he would look at this would be to see if there is a way we can pull addressing the sidewalk issues on School Street into a project we can get funding for. This is just a planning grant so we wouldn't get construction dollars. Meredith said she will cross this one off.

Meredith got Morrisville's step scale. For the 2017 budget she thinks we should address specific employee concerns and then move forward with steps, but not for the 2017 budget. We need to work with the town. She will bring this up at the joint meeting with the selectboard.

The power bill summary for September showed our load was 1% under budget and expenses were 1.9% under budget. We are losing more expenses than load for the year overall.

There is still a leak on the Cabin Cove foreclosed property. The realtor and bank said they were trying to get it fixed. Gordy said we can go in and fix it and charge them.

JSC is using more water in 2016 than last year but their usage is not too different from a few years ago. Walter noted that at one point their pool was shut down for a while, which could have affected usage.

John Grenier has promised bid documents for the Valley Ridge project by the end of the week. His estimate of project cost is \$75K based on recent experience. Walter said that is a meaningless number until we can say how many hookups we will have and what we will charge for them. If we come close to breaking even and we can have new customers he is happy.

12. Joint Meeting Agenda

Walter asked if we want to talk to the town about their noise ordinance and why they don't want to enforce it. Meredith said Nat Kinney indicated to her that the town is perfectly willing to enforce the noise ordinance and that they had encouraged Kim Marble to contact the sheriff's department if she is bothered by noise from her neighbor. Kim acknowledged to Meredith that that was the agreement. Kim is skeptical that it will be effective but Meredith told her she should at least try and see if it works.

Walter said he wants to discuss spending some money to keep this building and its grounds looking nice. He feels both the town and the village need to add money to their budgets for that.

Gordy asked if we should have this building on the agenda. Meredith asked if there was money put into the 2016 budget for work on this building. Rosemary said yes. Meredith said she will do her best to get estimates to see if the amount budgeted is reasonable or if we will need more in 2017.

We don't know the extent of the damage, which makes it harder to get quotes.

13. Adjourn

Walter moved and Scott seconded to adjourn at 10:44 and the motion was passed.

Minutes submitted by Donna Griffiths