

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
MONDAY, APRIL 14, 2014

Present:

Trustees: Gordon Smith, Ellis O'Hear, Walter Pomroy, David Goddette

Others: Duncan Hastings (Manager), Rosemary Audibert (Clerk), Steve Towne, Tom Elwood, Arjay West

Note: All votes taken are unanimous unless otherwise noted.

1. *Call to Order*

Gordy called the meeting to order at 4:07.

2. *Organizational Meeting*

It was agreed to defer election of a vice-chair until a meeting when all board members are present.

Walter moved to appoint Gordy as chair, Ellis seconded, and the motion was passed.

Walter moved to appoint Duncan Hastings as Water & Light Commissioner, to appoint Rosemary Audibert as Collector of Taxes, to appoint Duncan Hastings as VPPSA Director, and to appoint Steve Towne as Alternate VPPSA Director and the motion was seconded and passed.

Walter moved to increase compensation for all village employees by 2%, retroactive to the annual meeting, Gordy seconded and the motion was passed.

Walter suggested David might want to serve on the Lamoille County Planning Commission board. The town has a representative on this board and the village is entitled to one but the position has been vacant for several years. Duncan and the board gave David some information about LCPC and he said he would think about becoming the village's representative.

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

The board reviewed bills and warrants. Walter asked if we have ever thought about including the village tax on the town tax bill, to be paid with the first installment of the town tax. Morrisville does that. It could save on postage and printing.

4. *Review and Approve Minutes*

Walter moved to approve the minutes of March 10, 2014, Ellis seconded, and the motion was passed.

Walter moved to approve the minutes of April 1, 2014, Ellis seconded, and the motion was passed.

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

Tom said he ended up with quite a bit of overtime this past month, due to a power outage, spring ice jams, and a rotary switch that went bad. He did comp some of the overtime. A lift station by River Road West filled with water. Motors, starters, and breakers were replaced and the leak was fixed. Tom wants to get that pump station inspected to see if it is in good enough shape to last another 5 years or needs to be replaced sooner. He thinks it should last at least 5 years. He suggests

bringing in more fill in that area and raising the level so water drains off in a different direction. Electrical service from the can to the pole needs to be replaced or fixed.

Duncan said we are currently on the state's wastewater priority list for projects. It is not easy to get on the list. We have been on the list for 2 or 3 years for the pump station replacement project. Knowing the pump station should be able to last until we have borrowing capacity, do we want to stay on the list? Steve asked if we can change the priority list project to roof replacement. Duncan said no. Our spot on the list would allow us to get a low interest or negative interest loan. Duncan's recommendation is to stay on the priority list at least for the coming year. That will give us flexibility to have the can inspected to see if it is in danger of blowing out or is good and sound and we can squeeze 5 years out of it. There is no harm in staying on the priority list but he doesn't think we can stay on it for 5 years. The board agreed to stay on the priority list.

Duncan said he had distributed a letter to George Desmarais Sr. asking if he has any maps or information about the location of sewer lines owned by the village in Katy-Win park. George Desmarais Jr. got the letter and wants to come and address the board tonight. Duncan showed the board the only map we have. It is just a plan for Act 250. We do not have a map showing what was actually built. Our easement is supposed to be 10 ft. on either side of the pipes, but we don't know where they were laid.

Gordy said we are responsible for anything in the village or in the two town service areas, but part of Katy-Win is not in the village or the town service areas. Steve suggested that we should say we own lines as far as the pump building and George Desmarais owns anything outside of the pump buildings. At Harvey's we own up to the master meter. Duncan and Tom said part of Katy-Win is set up like Harvey's but part doesn't have a master meter. David asked if the village has an applicable policy. Duncan said our water rules and regulations say that normally the village's responsibility ends at the curb stop. Walter said it is definite that we stop at the curb stops, but are we responsible for lines from the master meter to the curb stops? Duncan said we can ask George what documentation he has that indicates we should take responsibility and we can look into exactly what agreement was made.

Tom said we replaced a main line valve at Nadeau well. The valve was bought last year but the labor was this year. We are at negative 8% water loss, though he doesn't know how that can be with a half gallon a minute leak at Katy-Win.

6. *Signing of Truck Contract*

Arjay West joined the meeting at 4:57. He asked the board to sign a contract to build a new fire truck. The contract amount is \$215,000. He anticipates sale of the old tanker will bring at least \$4K to be applied to that cost, bringing it down to the \$211K in the capital budget. That number is in anticipation of the PACIF grant. If the PACIF grant doesn't come through he will probably come back with a request to borrow the entire amount and then fund raise for the rest. The terms of the contract are to provide payment in full on delivery and inspection and insurance on delivery. The anticipated build time is 6-8 months. There are two choices for financing; we could use the same lease as last time, at a rate of 3.8%, or we could get a loan from a local bank. He thinks we can get a lower rate at a local bank, so he recommends not securing financing now but waiting until fall and looking locally. The capital budget assumes payments based on a 3.5% interest rate.

Walter asked, didn't our warning say we wouldn't borrow until 2015? Can we borrow for this truck if it is to be delivered in October? Arjay said he anticipates either a lease or a local loan with the first payment not due until 2015. One option would be to use payments in arrears or perhaps the loan could be granted with no payment due until early 2015. Walter read the wording of the warning. It said the document was to be executed after December 2014. He interprets that to mean we can't sign a loan document until after December 2014. Duncan said we have the legal authority to borrow for a period less than 12 months. On our own authority we could finance for 2 months, then we could refinance in January of 2015 for a 5-year period.

Walter moved to authorize Gordy to sign the contract to purchase the fire truck, Ellis seconded, and the motion was passed.

Gordy asked if the village had filled any sandbags yet. Steve said no. It was agreed that Steve would make his crew available the next day to fill sandbags. Tom said he would help. Arjay said he would come by to give direction. Tom said he would put in flood gates the next day at the wastewater plant. (*Arjay left.*)

7. *Katy-Win Park Water and Sewer Layouts*

George Desmarais Jr. joined the meeting at 5:19. He said he doesn't have any information for the board, but he will relay the message to his father.

Gordy explained that the board needs a map of the system if there is one. The board is not sure how much of the system is the village's responsibility. It also appears that the system goes outside the village limits. George said he doesn't think any of the lines are outside the village limits.

Gordy asked if it is all right to postpone action on the leak until next month. Steve said Tom has figured out that about half a gallon a minute is leaking, which is not horrendous. If people start losing water pressure then we will have to act. George said nobody has complained.

Duncan said any maps, documents, or agreements George has would be helpful. George showed a drawing he had brought. Duncan made a copy of it. George and Tom left at 5:35.

8. *Public Works Superintendent Report*

There was a safety meeting on Wednesday to discuss chainsaw safety as well as a review of some major changes in OSHA rules. There will be a safety meeting on pole top rescue in May.

ABB, manufacturer of power supply boards we have been having issues with, will replace some of the boards at no cost to us.

The free pole trailer we obtained has been refurbished and is now in good shape. We will need it because we will be setting poles due to IOP changes with Fairpoint, which are still to be agreed on.

The SPCC plan has been updated as required by the EPA. Steve will distribute copies to appropriate personnel. There is a monthly reporting/checklist that needs to be done and that will be followed.

All the trucks and sticks were tested and passed with no issues.

Steve is waiting for Dave Young to complete the work he is doing to assist in the re-installation of the R5 telemetric SCADA control.

The crew has been tree trimming and this will continue. John Farr is here doing some danger tree removal. Invoices will be split with Fairpoint.

Rail trail building work hasn't restarted as there is still frost in the ground.

Steve has ordered personal protective equipment for Troy Dolan. There have been some changes in OSHA PPE requirements. Under the new OSHA regs we will be mandated to do an arc flash analysis of our system. We have done this. We are one about 5 utilities in the state that have done it.

Steve will be going on vacation. He recommended that the additional pay Cliff receives when Steve is gone be increased.

Walter moved to enter executive session for a personnel matter, David seconded, the motion was passed and the board entered executive session at 5:45. The board came out of executive session at 5:46.

9. *Manager's Report*

Duncan welcomed David Goddette and thanked him for his willingness to serve as trustee. The board discussed how to recognize George Pearlman for his 15 years of service.

Robert & Sons can hold the mowing contract pricing the same again this year. This would be the third year in a row they hold the price. They were low bid last time we bid it out. Duncan recommends staying with them. **Walter moved to contract with Robert & Sons for mowing if they will honor last year's contract price, David seconded, and the motion was passed.**

Sue Lovering wants to know if she can set up a tent on the Village Green on May 2nd to promote Arbor Day events planned for Johnson. She also wants to know about the possibility of planting a tree somewhere on the Green. Or another option would be to plant one at the municipal building. Walter suggested planting a new Christmas tree on the Green as the one that is there now may not live. Steve said the village can dig a hole for it. Board members agreed that would be a good idea. They also agreed she could place a tent on the Green.

JSC is amending their CPG to go from 75kW to 150kW. Duncan asked the Public Service Board for clarification about how we are supposed to bill under the legislation just passed. The original legislation said we had to give them a credit for the difference between 20 cents and our retail rate and the new legislation says if you didn't meet the cap then the new rate is the difference between 19 cents and the retail rate, but it isn't clear if it kicks in January 1 or immediately. The solar redeveloper called Duncan today and said they agree to make it 19 cents and treat the whole thing as a unified project. They submitted a letter to the Public Service Board and Duncan submitted one saying we agree with their proposal.

Walter said he keeps getting asked what this costs everyone else in the village. If we go to the full 15%, what will it cost us? Duncan said he will try to see if VPPSA can work up estimates for us.

Steve and Duncan have talked more about the contingency plans in case we were to lose the sewer line on the Pearl St. Bridge. They concluded we can rent all the bypass pumping equipment directly from Xylem Pumps at less cost than the original plan.

Walter moved to sign the Capital Equipment Note, the Resolution of Capital Improvement Borrowing and the Non Arbitrage Certificate necessary for the MW&L transmission purchase, Ellis seconded, and the motion was passed.

To complete the MW&L purchase a bill of sale needs to be drawn up between MW&L and VOJW&L and there need to be quit claim deeds from MW&L to VOJW&L for 15% interest in easements. We are also working with MW&L to establish a cost for the primary metering needed for the interconnect and we are finalizing the Backup Service Agreement with GMP. Walter said he would like to see copies of the documents first before Duncan executes the purchase. Duncan agreed to send them out. He asked that each board member give him a positive response that the documents are okay. **Walter moved to authorize Duncan to sign the bill of sale and accept the quit claim deeds for the transfer from Morrisville Water & Light to Village of Johnson Water & Light after copies are sent to the trustees for review, David seconded and the motion was passed.**

Proxy for the Annual Meeting of Shareholders of VELCO needed to be assigned before the board meeting so, as per past years' actions, Duncan assigned the proxy to David Mullet, Barbara Grimes and David Hallquist.

A PACIF Scholarship Award for \$750 for 10 employees to attend a one-day chainsaw safety training has been granted.

Duncan sent letters to Otter Creek Engineering and Lamoureux & Dickinson about the crosswalks. OCE was very receptive to meeting with us. Roger Dickinson said they would review their files and get back to him. Duncan has been in contact with our attorneys and is hoping to get advice from them about our next steps. It is probably unrealistic that we can get 100% of replacement costs paid for by others. Even if we were successful in cost recovery it could easily cost us \$15-20K in legal fees.

VTrans is asking for a Master License Agreement for all crossings within the railroad right of way. For years, the railroad has billed the village \$72 annually for our rail crossings. Now VTrans wants \$350 per year and they want to charge us \$300 for preparing the documents.

Ellis asked who will get the money. Duncan said VTrans. He does not know what they will do with it. Walter said he is not willing to pay for document preparation. David asked what will happen if we say no. Duncan said he thinks they would tell us to move our facilities from their right of way. Walter said he thinks we probably have an easement anyway. Duncan said he thinks we do for some crossings but not for the most recent one, a water crossing. We agreed to get a Master License for that one, at a cost of \$200. Duncan takes exception to paying \$300 for document preparation. He talked to people from a couple of other municipalities who said their boards didn't want to pay that fee.

Walter moved to authorize Duncan to sign the Master License Agreement of Lamoille Valley Rail Trail/VTrans, refusing to pay the \$300 document preparation fee, and agreeing to the \$350 annual fee. David seconded and the motion was passed.

Duncan handed out copies of the VPPSA Annual Report.

Duncan has asked Eric and Gordy to consider a joint meeting to discuss a couple of issues, including the need to revise the CDL Drug and Alcohol Policy.

The required Consumer Confidence Report 2014 has been prepared and sent out.

Duncan gave the board copies of a letter from the Sites Management Section of ANR to the former owner of the Talc Mill regarding possible metals contamination on the former settling ponds, now the Rec Field. Since the town owns the land it will not affect the village unless it spills over into the joint owned lands. Next steps going forward will probably involve excavating out the worst of the contaminated soils. The selectboard feels the cheapest way to deal with the contaminated soil is probably to treat it on site. They are thinking of using the spot where the old sandpit is. The cost will be covered by the Petroleum Cleanup Fund.

Duncan submitted a site map to VPPSA for a solar site on the former Talc Mill property but he doubts it will be a viable site because there is not enough land area. He can't think of any other town or village land that would provide a suitable site. The old farm owned by JSC on 100C could possibly work. He could explore that with JSC.

Gordy asked how board members feel about posting meeting minutes. Walter said he is all in favor of transparency and putting everything out to the public. David agreed. Ellis and Gordy also agreed minutes should be posted on the website.

Gordy said it is getting harder for him to get out of work to get to meetings at 4:00. Would board members be willing to move the meeting time to 7:00? Steve said he could give Tom's report if it is hard for him to get here at that time. It was agreed to move the meeting time to 7:00, starting in May.

Walter moved that meeting minutes be posted on the town website, David seconded, and the motion was passed. Rosemary asked if that means the village will share the cost of web hosting. The town has been paying the whole cost. Walter said his motion does not include that.

Gordy moved to schedule meetings for the second Monday of each month at 7:00 p.m., Ellis seconded, and the motion was passed.

The selectboard authorized additional time for Lea to research drafting and revising ordinances in order to establish a restorative justice board. Initial data indicates the restorative justice board concept may not work for civil ordinances but Duncan thinks there is still a great need for redrafting town and village ordinances. He will revisit this with the selectboard on Monday.

Gordy said Rosemary had a suggestion about equipment we could buy to help get the annual report out in time. Rosemary said if we bought a folding machine then we could prepare the annual report in house and get it out in time to the voters. Walter said Rosemary should put together a proposal.

10. Adjourn

Ellis moved and Walter seconded to adjourn at 6:43 and the motion was passed.

Minutes submitted by Donna Griffiths