

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
MONDAY, JULY 9, 2018

Present:

Trustees: Gordon Smith, Walter Pomroy, Scott Meyer, Bob Sweetser

Others: Meredith Birkett, Rosemary Audibert, Troy Dolan, Arjay West, Phil Wilson, Jefferson Tolman, Dan Copley

Note: All votes taken are unanimous unless otherwise noted.

1. *Call to Order*

Gordy called the meeting to order at 6:01.

2. *Changes, Additions to Proposed Agenda*

Walter added an update on Larry's replacement and discussion of new legislation that means water and sewer fees can fall under the abatement process. Meredith added discussion about whether she should pursue grant funds that may be available to put towards the merger study, discussion about the stolen welcome sign at the west end of town, and the possibility of donating village labor to help install new banners for the college. (They offered to pay but she thought we could donate the time.) She also added an executive session for a personnel matter. Scott added discussion about poison parsnip and whether village employees know about it.

3. *Review and Approve Minutes of Trustee Meetings*

Walter moved to approve the minutes of June 4 and June 6, 2018, Scott seconded and the motion was passed.

4. *Treasurer's Report & Review and Approve Bills and Warrants / Budget Status / Action Items*

Rosemary said last year's tax rate was 0.8189. That would raise \$500 more than is needed this year. A tax rate of 0.1881 would raise very close to the amount needed. Walter moved to set the village tax rate at 0.1881 for the coming fiscal year, Bob seconded and the motion was passed.

Bob said he was approached about removing one of the Parker & Stearns structures to improve traffic visibility. He said he would bring it up to the board. Meredith said we could make that request to the owners.

Walter noted that water and sewer revenue are well below budget. Meredith said last year the college had a water leak and we didn't adjust our revenue figures too much compared to last year so she is not surprised we are a little low.

Walter asked about PILOT revenue. Rosemary said it will be about \$600 less than last year but still more than we budgeted.

5. *Utility Partners*

Jefferson Tolman and Dan Copley of Utility Partners introduced themselves. They said Utility Partners operates in 7 other communities in Vermont and about a dozen in New Hampshire as well as in some states in the southeast and one place in Alberta, Canada. Dan runs the Morrisville facility and is the project manager here in Johnson.

Scott asked Dan what he thinks of our plant. Dan said it's solid, though aged.

Scott asked if Utility Partners will do a capital improvement plan as part of our contract. Dan said he thinks they can address that through the asset management plan. They need to go through that plan and make adjustments. Meredith said last week the consultant who put information into the CUPSS program provided basic training on CUPSS. Next we need to go through their priority list and decide if we need to make adjustments.

There was discussion about the new permit. Dan said he feels the state took it easy on us compared to some other communities that had their requirements tightened down more. (*Phil Wilson arrived at 6:32.*)

Walter said we have been waiting for our big bond to get paid off while our plant has been aging. Now is the time to start making updates. We have been talking about updates for the River Road pump station but now some other needs have sucked up cash. He is hoping Utility Partners can be a good resource in helping us put together a good plan for the next 20 or 30 years.

Dan said the company that came in to deal with the recent issues looked at the whole SCADA system and what might need to be replaced sooner than later. Making some updates can cut costs.

Walter asked about the cupola. Dan said the question is whether everything under it is waterproof. He thinks everything can be exposed to the elements. Jefferson said most tanks are open, not covered.

Walter said he is taking the attitude that we need to be resilient. Probably we will have more flooding incidents. If Utility Partners has recommendations to make the plant more flood resilient he will be listening.

Gordy asked Troy how it has been working with Utility Partners on the distribution system. Troy said he has no complaints so far.

Meredith asked Dan to talk about the Highland Heights pumps. Dan said the 2 pumps alternate running. They have been clogging regularly. Troy said they used to be cleaned yearly and we had fewer problems then. Dan said one pump failed and wouldn't restart after cleaning. Submersibles aren't easily repaired. It would have cost \$5700 to get a new motor and it cost \$4700 to get a new pump. The new one will be a high velocity turbine pump. A grinder pump shreds things like rags and then the shredded material goes through the bar racks at the plant and ends up at the SBR where the shreds can wind back together. This pump will leave things whole to be caught in the bar racks at the plant. We can decide what to do with the old pump. Maybe we can send it out to see if it can be repaired. The new one should be here in the middle of this month. The pump station will be cleaned out when the pump is replaced.

Scott said we have a lot of vacant industrial buildings. There has been hope to get a brewery. Are we ready for something like that? Are there are steps we can take to protect the plant? Dan said we have the ability to make the brewery do whatever we want before they connect to the system. Issues can be handed but we have to be proactive and be involved in the design of their buildings so they can remove the high strength waste.

Walter said Tom and Steve used to take care of the distribution system to some extent. Now we are separating out distribution system responsibility. He wants to make sure the transition is going well. He wants to make sure Troy is getting some guidance. Dan said Steve knows what used to be done day-to-day. If Troy needs someone to help with distribution system work he has told him he can send someone. Walter suggested developing an operational manual telling all the things Troy should do, like inspecting grease traps. Meredith said they can sit down with Steve and make sure they are not missing anything.

6. *Phil Wilson – Vacant Trustee Position*

Phil Wilson said he has spent 3 or 4 years on the Planning Commission in Johnson. It has been a great experience. He works in government. He has worked for a small county government. He would like to be a trustee.

Walter asked where he would like to put his focus. Phil said he moved to Johnson because of the village with its restaurants and services. He wants to make sure we keep what we have and move the ball along a little.

Gordy said with Phil's background working with environmental issues he would like to see if Phil could step up to deal with some things that affect the trustees, maybe freeing up some of Meredith's time. Then he would be a big asset to the board.

Walter asked if Phil deals a lot with economic development. Phil said no; he helps farmers with issues like permitting and installing projects like manure pits and grazing systems.

Walter asked, in terms of conflicts of interest, what is Phil's plan in terms of the Planning Commission? Phil said his term expires next spring and thinks the Planning Commission is taking most of the summer off. He would have to figure out if he had time for both but he would probably look at doing this instead.

Walter said Phil's wife working for LCPC is a possible conflict of interest. How does he plan to address that? Phil said he thinks his wife would not work on any projects he would be involved with. He believes that is LCPC's policy. The village would probably work with other people from LCPC.

Gordy said he and his son met with Phil. His son said it would be nice to get someone from a younger generation on the board while Bob and Gordy are still on the board to pass on their experiences. When he was trying to get on the board he was given the advice that the best way to vote is by considering what is best for the village. All he asks if Phil comes on the board is that he be open minded and listen to both sides regarding issues like a merger.

Walter said many trustee board votes are 5-0. Sometimes there is compromise. Board members work toward a common goal of benefitting the people of the village. All board members have their own goals but at the end of the day the trustees have to keep the village running. And remain friends, added Bob. Gordy agreed. Scott said sometimes board members have to dig in their heels about their differences, but when they walk out of the door it's done and they are friendly. He would hate to lose that with new people.

Walter moved to appoint Phil Wilson to serve out the remainder of the year as a village trustee until the next village meeting, Scott seconded and the motion was passed.

Rosemary noted that there will be an Australian ballot vote on form based code on August 14, the same day as the primary.

Rosemary administered the oath of office to Phil and he joined the board as a member.

7. Water/Wastewater Report and Action Items

Dan said all wastewater samples were submitted and we met permit standards. There was one callout at the wastewater plant. A water pump bleed valve was broken. It was replaced the next day.

A Highland Heights pump station pump was pulled several times because it was plugged with rags. The last time it was inoperable due to a bad motor. A new pump has been ordered, as previously discussed. An electrician will be there to update old wiring when the new pump is installed.

Dan and Steve attended a meeting with Troy, Meredith and VT DEC for water system capacity evaluation.

VLCT did a safety walkthrough at the plant. Three small items were noted and fixed.

Johnson will be able to get Utility Partners pricing from Endyne Laboratories. That will save about \$80 to \$100 a month. We are looking into doing E. coli testing in-house for Morrisville and Johnson, which would save more money.

All water samples were negative. There was one callout for a tower communication error.

Utility Partners plans to paint the Clay Hill booster station and the water plant without contracting out. That will save some money.

Meredith said the state has issued the new permit for the wastewater treatment facility. It expires in 5 years and takes effect August 1. Dan said the permit requires us to do a couple of tests that cost about \$2K. The first is needed in 2019. There is another set of tests required that will cost about \$1000 over the 5 years.

Dan said he has started working on a sludge management plan. The sludge permit for the compost facility expired. Meredith said we don't need a permit if we are not composting; we just need a sludge management plan.

Dan said our permit also requires a phosphorus optimization plan. He will do that. (*Jefferson and Dan left at 7:14.*)

8. Foreman Report and Action Items

The crew completed the pole transfer and overhead primary tap to serve the Dollar General. The primary underground has been installed and terminated. A 200 amp overhead secondary service on 100C was transferred. A new 200 amp service on Collins Hill was energized. At the request of the town, street lights on 100C beyond the twin bridges and on Sinclair Road were disconnected.

The new bucket truck is expected to be delivered next week. Both digger and bucket trucks passed their yearly state inspections with no issues.

The crew completed various Dig Safes, monthly meter readings and disconnects.

All street and sidewalk sweeping has been completed. The crosswalks and all other painting within the village have been completed with the exception of Route 15. The state does that. Troy's crew is also willing to paint it. The state was unable to give a specific time when it would be done. They just said "midsummer." We would need a permit to do it and traffic control would cost \$1500-1800.

Bob said he would like crosswalk painting on Route 15 to be pushed forward. We don't have crosswalks and the summer is half over. Gordy agreed. Bob said safety is the most important thing. Walter asked if we can get help from our legislators. Meredith said she can reach out to them. Walter said he agrees it should be done soon, but he would suggest applying some political muscle first to see if we can get the state to do it and save some money. Or if they cannot do it soon, see if they will pay for traffic control.

Meredith said she got a complaint through Brian from Northern Highlights. When any large truck goes over the crosswalk by their building the whole building shakes. She and Troy checked it out. The whole crosswalk is falling apart. She thinks the time to fix it would be when Route 15 is repaved.

Bob said people on Railroad Street want a light at the intersection of Railroad Street and Route 15. Troy said it is difficult to see around the corner there.

Meredith said digging up the entire crosswalk and replacing it in a way that would last until paving would be a major project. Walter said we can't afford that.

The board agreed that Meredith should start by reaching out to legislators about getting the state to paint crosswalks but if it doesn't happen soon we should do it ourselves. Walter said if we do it we should then see what reimbursement we can get.

Troy said all hydrant flushing has been completed.

VLCT did an annual inspection of the shop and the lower storage building. We have not received the final report but verbally it was understood that there were no major violations.

Troy completed an estimate for Just Send it Solar LLC that reflects the cost of installing a voltage regulator near Foote Brook Road that should correct the voltage issues created by the array. He has been working with Alan Lehouillier on ordering the appropriate regulatory. He also made arrangements with Consolidated Communications to change the pole.

Bob asked about the lights that were disconnected on Sinclair and 100C. Troy said Brian Story asked him to take the lights that are paid for by the town out of service because the town doesn't want to pay the cost. They have been left in place and the wires were disconnected. Meredith said she thinks the annual cost is about \$750. Scott asked if we have had complaints since the lights

were disconnected. Meredith and Troy said it was just done last Thursday. Bob said he thinks it's a safety issue. Troy agreed.

Troy said Ben Waterman is moving forward with installation of a primary underground.

Troy made arrangements for oil sampling of substation transformers. They should be checked yearly for contamination.

Troy talked to NEPPA about enrolling Chan in apprenticeship training. He can test out of the first 2 years. He will be enrolled with Jeff next January. They can go to training together, which will lead to savings. Troy thinks the savings outweighs the potential problem of being short two employees at the same time. The training will last for a week.

Meredith said Brian asked if the village could paint a crosswalk where the rail trail crosses Railroad St. She thinks there is research to be done to ensure rail trail management supports that treatment. Gordy suggested agreeing to do the painting after Brian does that research. Walter said he wonders what would happen if we did the painting and someone still got hurt. He wants to make sure the town has done due diligence and gives us a letter stating we are legally protected.

Scott said town (and possibly village) trucks leaving the gravel pit are cutting the corner too tightly and grinding down the concrete there. Troy said that is only town trucks. The village doesn't use the gravel pit.

Meredith said she will make it clear that the village can do the crosswalk painting if the town can do the administrative legwork and verify that a crosswalk is the appropriate treatment.

Meredith said VLCT offered a free infrared electrical survey of the substation. It sounds like a great opportunity to see if anything is heating up and about to fail. She responded that we would welcome the opportunity. We just need to make sure the person going in has appropriate safety gear and training and is accompanied by a village employee.

Meredith asked if the board supports donating village time to the college to put up banners. Board members said yes.

Scott said the Department of Health has information about wild parsnip. He thinks employees need to be informed about it. He will send information to Meredith. The juice of the plant causes burns when it reacts to sunlight.

9. Village Manager's Report and Action Items

Meredith said she sent the draft contract with Desorcie for a new fire department rescue truck to our attorney last week but she has not yet received his comments. Arjay said past contracts used similar language. Meredith said she doesn't know that we have had an attorney review the contracts before.

Walter said he wonders if we will be affected by new tariffs. Steel and aluminum prices could go up. Arjay said Desorcie indicated that wouldn't affect the contract. He doesn't think it will affect the delivery date. Walter said he would ask the lawyer to see if they could come back and say the price is higher because the price of steel and aluminum is going up.

Arjay said after some adjustments and haggling the price in the contract is \$265,100. He thinks we are getting a lot for the money. The amount financed by the village will be \$235K. The donation of \$20K will be applied as a prepayment, as will the \$10,100 coming out of the fundraising account. We have a good relationship with the salesman. He is ready to place an order.

Walter moved and Bob seconded to authorize Meredith to sign the contract with Desorcie Emergency Products for purchase of a rescue vehicle, contingent on lawyer review of the contract. Gordy asked if board members feel it would be a conflict of interest for him to vote on this as he is a member of the fire department. Other board members indicated they did not feel it would be a conflict of interest. **The motion was passed.**

Arjay said the contract calls for payment in full on delivery, which will be approximately 10 months from now. For a previous truck we did a lease purchase with payments in arrears because we took delivery before we had enough cash in the savings account. The company we did that lease purchase with can offer a rate of 3.99% with payments in arrears. He thinks we can get a better rate locally as a municipality. Rate increases are forecast so he is looking for guidance. The payment structure in the capital plan is based on a 3.5% interest rate.

Walter said we won't get a bank to commit this far in advance. Arjay suggested that 3 or 4 months from now we could enter into a loan with payments due after we have the truck. Walter suggested that Arjay, Rosemary and Meredith work on getting a loan. Rosemary questioned whether a bank will loan money on a truck we haven't taken delivery on. Meredith said we can sit down with banks and explain the situation and try to get the best rate. She suggested setting up fact finding meetings toward the end of August. (*Bob left at 7:53.*)

Arjay said the Studio Center is having trouble with the sewer pipes serving the sculpture building. It goes into the service for the Red Mill building which then goes out to a manhole. The problem seems to be the long, flat run of the pipe. The Studio Center is considering putting in a sewage pump station with a grinder pump and a force main to the manhole on School Street. The pump station would be owned by the Studio Center. He suggested that the concept should be brought to the trustees with the knowledge of the ordinance and the village's desire for each building to have a single service line. Would the village entertain multiple buildings going into that pump station? The Studio Center might want to connect a future maintenance shop to the pump station as well.

Walter said there would need to be language in the deeds in case the properties ever split.

Arjay said there are 3 buildings that would potentially have lines going to the pump station, and then there would be one conveyance from the pump station to a manhole or main.

Walter said he feels that would be all right as long as it is clear that the line from the pump station is a lateral and as long as all the appropriate agreements are in place on the deed. The board agreed that the concept is acceptable. (*Arjay left at 8:07.*)

Meredith said Drew Fairbanks has submitted an application for municipal sewer service for a single family home he intends to build on his property off Sinclair Road. It is within the Town Sewer Service Area and the town has already given approval. He has paid his TSSA fee to the

town and has also paid the connection and capacity fees to the village. He is seeking preliminary approval and will then engage an engineer to complete the full design and obtain the needed state permits. **Walter moved to sign the preliminary permit approval for Drew Fairbanks' sewer service, Scott seconded and the motion was passed.**

Meredith said the town wanted to go out to bid for municipal building repairs rather than just automatically going with Stanley Wescom. We put it out to bid and no bids were received. The town voted on Friday to move forward with Stanley's estimate of \$46,500 for this year's work on the north facing and east facing walls. **Walter moved to hire Stanley Wescom to repair the exterior of the municipal building for \$45,600, to be shared with the town, Scott seconded, and the motion was passed.**

Meredith said Brian indicated the town would like to cease paying the electric bill for the East Johnson pump station. She indicated that she didn't think the village would like to take it on until the transfer of the East Johnson sewer line to the village is complete. Brian asked how to expedite the transfer. Meredith doesn't want to rush it. She wants to be thoughtful. She thinks there are important questions the town and village need to discuss. Currently requests for connection in the Town Sewer Service Area go to the town first. She wants to make sure they understand they will cede that control. There are questions about what the town allocation means. She thinks it would be good to have a dedicated meeting to discuss this. There will be associated legal fees.

Walter said the original village charter limits sewer to within the village lines. He would like the charter committee to address that but he feels we could not technically own the East Johnson sewer line until the voters approve a new charter. He feels we can't take it on until the legal question is resolved. The original charter is clear that we can only operate within the village limits. Meredith said she will discuss that with our attorney.

Meredith said Susan has been working with NEMRC to set up e-billing for our utility customers. This would allow customers to sign up to receive a bill by email instead of on paper. Meredith thinks that would lead to savings for us. There will be an insert in the August utility bills letting people know this option is available.

The college would like to have the Johnson State College signs on Main Street replaced with Northern Vermont University signs. The town has offered to install the signs if the village pays for them. The estimated cost is \$140. Walter said he is wondering why the college doesn't pay for them. Meredith said they indicated that Lyndonville paid for similar signs in Lyndonville. **Walter moved to pay for Northern Vermont University signs on Main Street, Phil seconded and the motion was passed.**

Meredith said she will be meeting with a representative from Community Health Services of the Lamoille Valley on July 7 to discuss the idea of a health clinic in Johnson. She thinks Brian is reaching out to Copley to have a separate conversation.

Vermont Transco is expecting to issue equity in December. VPSSA wants to get a sense of whether we would like to purchase the equity directly. **Walter moved to assign the units offered by Vermont Transco in December to VPPSA, Scott seconded and the motion was passed.**

VPPSA has recently entered into a partnership with Encore for the development of solar. They are working with a property owner in Johnson. They want to put in a 1 MW solar array. If built, it would likely be a PPA with VPPSA. Because the array is in Johnson's service territory we would be able to decide how much of the generation we would like, with the remaining offered to other VPPSA members. Meredith believes the RECs are included. We would have to do an interconnection study. It has to be on 3 phase. We would need to make upgrades.

The state anticipates that Volkswagen settlement funds will become available this summer. The legislature has directed that 15% of Vermont's portion of the settlement funds should be directed towards installing EV charging infrastructure. The total available funding for EV charging infrastructure in Vermont is expected to be \$2.4 million. Municipalities that put charging stations on their property can have them 100% funded. There is a 20% match if they are put on publicly accessible private property and a different match if they are on a worksite. We could get Tier 3 credits for this, which we need. VPPSA wants to hear if we would like to apply.

Walter said the way he read it the college would qualify for 100% funding. He thinks we should reach out to them. Meredith said if we can still get the Tier 3 credits if a station is on college property she is all for it. She would like us to get the credits. Walter said even if we don't, the college would still get something good. He thinks we should also inform other businesses. They may want charging stations for their employees.

Walter asked if Bobcats are going to be electric. Do we want to get one? Troy said he hasn't heard of any electric skid steers. He could do some research.

Meredith said the first round of grant applications is due the end of this month. She doesn't want to miss the opportunity by casting too wide a net.

Meredith said we got load data from VPPSA during the recent heat wave. She showed some graphs. We peaked on July 2. Vermont peaked the same day at 8:00 pm. We peaked an hour earlier. ISO New England peaked July 5. Our peak is still in winter and she doesn't think that is likely to change in the next few years. The ISO New England peak is always in summer. Our capacity costs are tied to our demand at the time of the ISO peak.

Meredith drafted an award letter for the Tech Group to be Larry's replacement. She is not sure if the letter has been sent yet.

Walter said there has been a law change. A Board of Civil Authority can now waive water and sewer fees as part of the abatement process. The village has no Board of Civil Authority. Everything comes to the trustees. But we should decide whether to address this. We should be prepared for someone to come in and ask us to waive water and sewer fees. When a building burned down the owner asked for abatement on their property taxes. Now someone in that situation could ask for abatement of water and sewer bills. We need to decide how we will handle that to be fair to everyone. He thinks we need to be proactive and decide on a policy.

Scott agreed. Meredith said she will do some research.

Meredith said there is a potential grant opportunity to help fund the merger study. Seth from LCPC sent information on nonprofit capacity building grants. The board agreed Meredith can pursue this grant opportunity.

Scott asked about the powerhouse building. Meredith said tomorrow they are sampling water at the well. She can ask when the rest of the results are going to come back.

10. Executive Session – Personnel Issue

Walter moved to enter executive session to discuss a personnel issue with Meredith and Troy remaining, Scott seconded, the motion was passed and the board entered executive session at 8:56. The board came out of executive session at 9:00.

11. Adjourn

It was moved and seconded to adjourn at 9:00 and the motion was passed.

Minutes submitted by Donna Griffiths