

JOHNSON SELECTBOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
MONDAY, JANUARY 22, 2018

Present:

Selectboard Members: Mike Dunham, Nat Kinney, Doug Molde, Kyle Nuse, Eric Osgood
Others: Brian Story, Cal Stanton, Jackie Stanton, Charles Gallanter, Ray Marsocci, Rick Aupperlee

Note: All votes taken are unanimous unless otherwise noted.

1. Call to Order

Eric called the meeting to order at 7:00.

2. Additions, Changes to Agenda

Eric noted that the call to order on the agenda mistakenly said “for selectboard and library trustees.” It should be only for the selectboard.

Brian said the agenda should include a flood preparation update.

3. Review Date of Upcoming Regular Meeting

The third Monday of February is President’s Day. So that staff members could have the whole day off, the board agreed to move the regular February meeting to February 20.

The board agreed to plan work session meetings for the first Monday of February and the second Monday if needed.

Doug asked if the regular February meeting is the one when we will have the hearing on form based code. Brian said yes. Doug said we should be careful because people are aware of our usual schedule and might not know about the date change.

4. Review Requested Transfer of Right of Way on 276 School Street

Brian said this was discussed on August 15, 2016 but it is not clear from the minutes which of the possibilities suggested the board decided to follow. Eric read from the minutes. At that meeting, Mike said he thought Bob Sweetser should pay any legal fees involved, while Doug suggested that Bob should be responsible for hiring the lawyer to draft the documents and we would be responsible for the cost of having our attorney review them.

Mike said he had sent Brian minutes from a meeting where Bob said he would pay all the fees.

Eric asked about the wording of the motion that was approved. Did it address who would pay for what?

Brian said we have talked about Bob paying “the fees.” He doesn’t think it’s clear that Bob will pay our lawyer’s fees and his own.

Mike said the deal was that there would be no cost to us. There are fees incurred to the town for giving him his wish of having the right of way removed. The least he could do is pay the

town's fees. There is no reason for the taxpayers to pay for those fees. We wouldn't have had those fees if Bob hadn't come to us.

Eric said he understands that Bob is paying the transfer fees, etc. Brian said that is correct.

Brian showed the board another discussion on the same topic in past minutes. Nat read it aloud. At that meeting, Bob said he would pay the lawyer fees for the transfer to be done. Brian said both suggestions were offered during the discussion but there was no motion following the discussion. Nat said he doesn't want Bob to feel we are moving the goal posts, but that statement in the minutes makes it clear that he brought up paying the legal fees. He has been very reasonable throughout this process. He submitted his legal documents to us in August 2017 and we still have not done our part.

Doug said if the board is going to vote on a motion to convey the right of way for no consideration he thinks that ought to be contingent on the transfer being approved by the voters, or the board should get permission from the voters first before taking action. A lot of people don't understand that attorney's fees means attorney's fees for both parties. He believes in paying our attorney because long term there is benefit to us to clear up things that will cost more money later. He is also fine with Mike's position. But he wants to get voter approval.

Mike said the town right of way belongs to the people of the town, so Doug is probably right that they should make the decision. Doug said there is a question as to whether transfer of this tiny interest requires approval from public like conveyance of property does. Nat said our lawyer didn't give us that advice and if that was going to be the process we should have told Bob that two years ago. Doug said if we want to give Bob good title we had better get permission of the voters.

Brian said Dave Barra's position is that we have to follow the proper process for a property transfer even though we are only transferring an interest in the property. The process is for us to publish and warn our intent and allow people to see what the agreement is that we are proposing. After it has been warned and people have had the opportunity to give input then the board can vote to go through with the transfer.

Eric said so we have to publish notice of the intent to transfer but there does not need to be a vote of the voters. The question for tonight is whether the board wants to pay the legal fees for our attorney, totaling \$49.50.

Brian said if the board wants him to he will warn a vote on the property transfer. Eric asked if there will be a hearing separate from the meeting where the board will vote. Doug said he believes we advertise and if there is no objection from the public then the board votes.

Mike said some people on the board thought we shouldn't let go of any town property when this discussion started. Eric said usually he is hesitant to give up town rights because then they are gone forever. In this situation it is hard to see where there is any value or ever could be any value to retaining the right of way. It just cuts down the side of Bob's property next to

his garage and goes along the river. We retain the right of way along the river. We are just giving up the part that goes up to School Street.

Doug moved that the board undertake to convey the right of way on Bob Sweetser's property and the right of refusal on sale of the property by quit claim deed for no consideration and to place a notice in the newspaper of our intention to do so. Mike asked why we want to give up our right of refusal on his property. **Kyle seconded the motion.** Doug said the reason is to facilitate turnover of the property. He has heard that having a right of first refusal reduces property value by 10-15%. (*Cal and Jackie Stanton arrived at 7:21.*) He thinks it is better for the property to continue as a residence than for someone to go through the process of offering it to the town.

Mike said it was sold that way by the Beards to give the town the right of first refusal, right? Eric said as he understands it, the property was deeded to Lois Beard out of property owned by Hubert and Florence Beard. Doug said because it was gifted within the family, Hubert and Florence retained strings on it. Bob got it through probate court upon Lois's death. It never went up for sale so the Beards never got to exercise their right of first refusal. Eric said now that the town owns the property the first of first refusal goes to the town.

Doug said rights of first refusal are often personal and don't pass to anyone other than the named person, but even if this right does transfer to the town he thinks the town would be better off to let it go. (*Charles Gallanter arrived at 7:23.*)

Eric said maybe the board should think about whether there could ever be a time in the future when the town might want right of first refusal for Bob's property, which is next to our swimming hole property.

Doug said he thinks we should have our lawyer look at the language and see whether the right of first refusal is personal or was conveyed to the town. **Doug withdrew his motion with Kyle's agreement.**

Nat said he thinks dragging this out is unfair to Bob and if there are any more attorney's fees we should pay them.

Kyle asked if we can warn a vote on this before the next meeting if we get word back from the lawyer. Brian said yes. He will follow up with Dave Barra.

5. ***Review Town Meeting Warning***

Brian said the draft warning he brought is missing two articles – one on purchase of the Jewett property for the light industrial park and one on form based code. Eric said Brian should talk to Dave Barra about how to identify the two articles that are non-binding. He suggested making the Jewett property article Article 10, the form based code one Article 11 and the Be-Longing for Justice one Article 12.

Nat moved to approve the town meeting warning as presented with the proposed changes, seconded by Doug.

Eric said it is within the board's right to refuse the Be-Longing for Justice article as brought in by petition because it is not germane to what we are able to accomplish on that day. But he respects the democratic process. There was a petition brought in with the required number of signatures and he wouldn't want to stand in the way of people expressing their opinions for or against the article so he supports having it in the warning.

Doug said he agrees with Eric. He thinks we need discussion.

Mike said he had read an interview with Jackie and Cal in which Jackie had said they were grieving after the presidential election. A lot of people grieved for 8 years under Obama and they didn't stand up every Tuesday night and carry on. If anyone had done that people might have called them racist or been disgusted. Another person interviewed said she felt as if democracy was dying. Where were these people when the IRS was weaponized against conservative groups? They had nothing to say about that. He agrees with the right to submit a petition. The group was told that the board didn't have to act on it. We have an opinion from our attorney that we don't have to act on it. What is it really going to accomplish? He thinks it is very divisive. He enjoyed last year's town meeting. Town meeting has the potential to be not as nice this year. He would rather see a meeting like last year's.

Nat said during the 8 years Obama was president people did protest and were noisy about their objections and vowed to try to block progress he tried to make. The proposed article can be divisive but there is nothing more divisive than the current commander-in-chief and his behavior. Nat said he was recently reminded of Martin Luther King's "Letter from Birmingham Jail" in which he said: *I have almost reached the regrettable conclusion that the Negro's great stumbling block in his stride toward freedom is not the White Citizen's Council-er or the Ku Klux Klanner, but the white moderate, who is more devoted to "order" than to justice; who prefers a negative peace which is the absence of tension to a positive peace which is the presence of justice; who constantly says: "I agree with you in the goal you seek, but I cannot agree with your methods of direct action"; who paternalistically believes he can set the timetable for another man's freedom; who lives by a mythical concept of time and who constantly advises the Negro to wait for a "more convenient season."* He feels President Trump's unadulterated racism, misogyny and xenophobia is horrible and wrong and he is happy to use any means he has to stand up in opposition to it.

The motion was passed with Mike opposed.

Doug asked Brian to draw Dave Barra's attention to distinguishing between the two advisory articles. One is advising President Trump and one is advising the board. He thinks the public needs to clearly understand. Eric said both articles are non-binding but there is a distinction. The voters have more ability to affect what happens with form based code. Brian should make sure Dave Barra understands that and gives us clear direction. *(Rick, Jackie, Cal and Ray left at 7:41. Kyle left the building shortly afterwards but continued to participate by phone.)*

Mike said at one time we talked about the possibility of a disclaimer on some articles saying they do not necessarily represent the board's opinion. Are we going to do that? Brian said the

citizens did circulate a petition with particular language. He is not sure what we can do about changing the language of the article. Eric said the selectboard is not taking a position for or against either petitioned article. Mike said the board did take a position on the Be-Longing for Justice article. Eric said no. He didn't take a position on the article. He didn't vote on it because of the content. He said we can say at the beginning of the discussion on either article raised by petition that they do not represent the position of the board.

Charles asked, there is a petition to talk about merging the town and village but no action will be taken on merging? And there is a non binding vote on form based code? Eric said yes.

Doug said on the merger article he would be willing to say that he would support hiring a consultant to look at potential for a merger. He thinks that is a useful position the board could take. Eric asked Doug if he is suggesting the board make an endorsement of that article. Doug said he thinks it would not be a bad idea to do that.

Mike said he doesn't want to endorse it. Nat asked why. Mike said he thinks the village will have more to gain than the town will. A merger would result in the town taking on more cost so he wouldn't support a town-village merger. But if the voters decide they want us to look into it he will not object.

Eric said the article is not about supporting a merger or not. It is about getting an unbiased outsider's view of whether a merger makes sense.

Mike said he was on the village trustee board for 8 years and even then he could see that a merger would be more beneficial for the village than for the town. He feels it is his responsibility as a selectboard member to look after the town, not the village.

Doug asked, could we support hiring a consultant? Mike said if the consultant can prove to him that a merger is not going to be an undue burden on the town he could change his mind.

Doug moved that the board take an official position endorsing Article 9, seconded by Kyle. The motion was passed by a roll call vote with Mike opposed and all other board members in favor.

6. Review Proposed 2018-2019 Budget

Charles said many people in Johnson are affected by what happens with Social Security. Social Security recipients are getting a 2% increase which is being taken away by Medicare increases. But assume Social Security recipients are actually getting a 2% increase. That's all they get and the town budget is going up 4%. Where do we get the money? The taxpayers have no place to go to get the money. He wants the board to bear that in mind. He would recommend eliminating certain items in the budget. There are items that probably can't be cut, like public safety, but he would recommend trying to get down to an increase that is not more than 2%. He commented that he feels Johnson's roads are the best in the county in terms of maintenance. Brian Krause does an excellent job.

Eric said Charles' comments don't fall on deaf ears. The board does look at places where cuts can be made. A lot is beyond our control. Public safety alone is about 26% of our budget

and almost all of it is beyond our control. The highway department and public safety together are about two thirds of our budget.

Charles it's the other third that he thinks the board should look at. Eric said it is very difficult to find where we can make cuts. Charles suggested looking at the rec committee budget and at what we are giving LCPC. LCPC has a million dollar budget and we give them \$1200. Why? Why isn't the state paying their whole bill? He feels LCPC is a little top heavy.

Eric said a lot of LCPC's income is grant generated. They manage grants. Charles said grants from the state. Eric said also private grants. He said for the amount we contribute we have gotten more than our share of bang for the buck in the past. We used to be totally dependent on them for getting grant funds and we still get a lot of grants through them.

Charles said we get support from them for initiatives the state feels are important. They come to us with things the state wants them to do for us and they want us to get on board with them. He believes in town government, not LCPC government.

Doug said LCPC came to the village with a grant opportunity related to Brownfields. The trustees could have said they were not interested but they said they were interested. Doug thinks the resulting Railroad Street Area Wide Plan will prove to be significant. The trustees just submitted a grant application for a Level 2 assessment of the powerhouse building. There is money from elsewhere coming to help this community. Hopefully the grant funding will ultimately lead to us getting Brownfield clearance for property we would be likely to have problems developing.

Charles said he feels there is no need for us to be funding LCPC. Why are we helping fund them when they get a million dollars from the state?

Doug said he views our contribution to LCPC as a way of showing we are interested in them. Charles said we have two members on their board.

Brian said the estimated change to the tax rate with the proposed budget is 3%. The amount we need to raise by taxes is going up 4.4%. Since our grand list also went up by \$98K that 4.4% increase results in a tax increase of 3%.

Eric said it appears that a \$100K home would see an increase of \$25. Brian said that is correct.

Brian said the figures he just gave do not take into account any changes to the grand list that may happen as a result of tax abatement.

Brian reviewed budgeted revenues. He said he feels confident leaving the amount budgeted for tax sale redemption income at zero. If we purchase more properties the best case is that we will sell what we purchase and cover our costs.

He simplified by combining tax interest for delinquent and current taxes on one line. He rounded down a bit because interest rates are low.

Income from fees is pretty much unchanged. We might see a slight reduction in liquor licenses if the space housing Wicked Wings doesn't get a new tenant.

State and federal income is staying pretty steady. He thinks it is safer to underestimate current use and PILOT payments because of the pressure the state is facing now to hold taxes steady while their expenses are increasing. He did increase PILOT a little, but not too much.

He thinks the state highway system grants amount is pretty accurate. It does not include the new Grants-in-Aid program for 2018-19 because we don't know the criteria yet.

Brian reduced overrun stone income. He thinks we are going to be producing less stone and we will have a little more trouble with what we are producing. In the past if we wanted a rockier or finer gravel we could go somewhere else in our pit but now we are running out of options so sometimes we will produce less of the type of gravel we currently want.

Nat asked what the leased land income is. Doug said when the state was divided up land was given to institutions like the state agriculture college, churches or schools. Those plots were conveyed by the institutions to someone who had a right to use the land as long as they made lease payments. It happened so long ago that the lease payments are too minimal to be of significance. We should get rid of some of them.

Brian said he would like to complete repairs at the Holcomb House apartments before considering rent increases.

Eric said last year we decided to start pulling down the reserve fund for assessors. We propose this year to take \$20K out of it, like last year. That will bring it down to \$40K at the end of 2018-19. We could put the \$40K into this budget and reduce taxes by that much. The danger is that this is the first time we have done a rolling reappraisal. The idea is that at the end of 4 years the town will all be reappraised. If that proves to work and we no longer have to do a one-shot town reappraisal, we won't need that fund. If it doesn't prove to work and we have depleted the whole fund there will be a \$100K hit to our budget in one year for reappraisal, which would be a significant impact.

There were no major changes to the library budget. For the rec committee, ski club revenue was increased a little to more realistically reflect how many kids are participating. Nat said both revenue and expense are increasing so the total amount spent is the same. Brian said most rec committee programs have slight increases. There is a decrease in soccer.

The Historical Society is adding some lines to its budget to help them keep track of what they are spending on the building and on Tuesday Night Live. We will see less revenue from the Historical Society, largely because of the change in when the Holcomb House will be paid off.

Total revenue is down about 1.5%. We are contributing a little less than last year from cash on hand at the end of year to reduce taxes. That brings the total revenue increase to 1.8%.

Brian reviewed expenses in the budget. He said we had discussed providing the next pay raise to employees July 1 and in the future providing pay raises on January 1 to correspond with increases in insurance contributions. So this upcoming year we have one and a half salary increases. He estimated the future salary increase as 3% so there is a total salary increase for the year of 4%, incorporating the 2.5% increase agreed to for joint employees starting July 1 and the estimated 3% future increase starting January 1. The increases are also reflected in holiday, sick and vacation time.

Brian budgeted a modest increase for animal control services. If we had to cut something back that would be a possible spot. We have not spent the full amount budgeted in the past, but our current constables have been doing a good job of increasing enforcement. To encourage them to continue in that vein he would like to budget to increase their hours somewhat. Their rate remains unchanged.

Insurance expenses are down a little. Planning Commission expenses are down a little.

Doug and Brian have been reviving the beautification committee. It is continuing to move ahead with projects. They think can contribute to getting a mural on the Parker and Stearns building and having landscaping done on the village green and they hope to use some additional funds for other visible projects.

Eric said the committee has spent \$158 to date. The 5-year average is \$378. Do we really need to budget \$4K? Doug said the committee is planning to contribute to the cost of the mural. He doesn't think the 5-year average is indicative of what will be spent next year. Eric said we have budgeted \$4K for a number of years and never come close to spending it. Brian said the committee has existing plans for the money.

Brian said he changed back to funding the general contingency fund from cash on hand based on direction from the board.

The skate park has increased funding for their staff position but decreased committee expenses so net expenses are down a little.

There is likely to be an increase for the Conservation Committee if their reserve fund is approved. Brian noted that the article on establishing a conservation reserve fund needs to be added to the warning. It was not on the draft warning that was approved. He read the proposed wording of that article. **Mike moved to add the proposed article on establishing a conservation reserve fund to the town meeting warning, seconded by Kyle.**

Brian said we would need to add \$200 to the budget if the article is approved. That amount is not in the budget now. Mike suggested putting the article on the conservation reserve fund before the budget article. Eric said the budget printed in the town report would not have that line item. He has never seen it done that way. Brian said he can direct Dave Barra to take a

closer look at the wording on that article. Doug suggested changing the wording of the article to establish a fund to be funded as a line item in future years instead of funding it with \$200 in 2018-19. **Mike and Kyle agreed to a friendly amendment to the motion stating that the conservation fund reserve article should be worded so as to establish a conservation reserve fund to be funded as a line item in future years. The motion was passed.**

Brian said we overspent this year on records preservation but he doesn't think that will be a regular occurrence.

Nat asked if the records and supplies line item can be decreased as we only spent \$60 the previous year. Brian said maybe we could decrease that line to \$750. He would need to talk to Rosemary or Jan about it. Eric said with Rosemary's input we cut it down to \$1250 from \$2000. He doesn't know why we didn't go further. Mike said he likes budgeting \$750 for that line.

Eric said election expense is up because we will have a midterm election.

Brian said we expect electricity costs to go down because of the agreement we signed with Green Lantern but because we have no experience on costs with that agreement in place he left that line item alone. If we are trying to trim the budget we could reduce it. Eric said savings were estimated to be \$1200 a year across all properties and this building is only a fraction of that.

Brian said he wants to budget to finish work on the outside of the municipal building over 3 years and then do repairs inside. He would like to move faster if we ever have the opportunity.

Mike said the library is a big money pit. Eric said when he first got on the board we didn't contribute anything to the library. They were self sufficient with their endowment and other income. They were getting more interest on their investments at that time. But their income from investments has decreased and we started contributing. Nat said the library is a huge asset to our community. Doug said he thinks we have proportionally more kids in our community than other towns in the area.

Brian said the rec committee is asking for a modest increase for the rec coordinator salary. Kyle asked for an update on filling that position. Her impression was that Heather Rodriguez was going to take it. What happened? Brian said for some time Heather was acting in a leadership position on the rec committee and we had expressed concern about having her as an employee if she was also in a leadership position, so her taking the coordinator position had to be put on hold. But she is still interested and the committee has appointed a new chair.

Overall expense for the rec committee is up 11.8%, which leads to a 9% increase in the amount to be raised by taxes.

The Historical Society is pretty close to level funded. They are going to start contributing to their building fund but they are reducing miscellaneous expenses. Tuesday Night Live

expenses are going up. Board members questioned what was being shown in one line item. Are they trying to transfer \$1000 into the building fund?

The overall increase for general government is 2.1%.

Highway department salaries and vacation are going up 20%. That includes an additional highway employee and the July 1 and January 1 pay increases. The addition of another employee reduces the amount we will be paying for seasonal work but doesn't eliminate it. Brian did not change our overtime expense.

Nat said he would like to delay hiring the fifth employee for another year. That would allow us to save \$50K. Eric asked if Nat thinks we will be better off next year. Nat said he thinks we will be in a similar position.

Brian said having a fifth employee will have a huge impact on our winter roads. We would likely be able to have two shifts most of the time. Two separate teams would provide more coverage throughout the day and more flexibility on when we use overtime. (He is not counting on using less overtime, though.) Roads would be more thoroughly maintained throughout the day. Sometimes now employees just have to go home and get rest no matter what the condition of the roads is. Eric said it safety would be improved.

Brian said the biggest impact will be on summer maintenance. Our requirements are going way up. We are in a pretty good spot compared to other towns but if we compare to the goals set by the state we aren't in a great position, though others are worse off than we are. The requirements for the Municipal Roads General Permit are quite demanding but there are still a few years before that is assessed.

Eric said if we eliminated the fifth person that would take about 2.5 cents off the tax rate, making the budget almost level funded.

Nat said he understands the issue with winter roads but we are operating bigger trucks than we have historically had, with the same amount of road, so we should be able to cover it. He feels the state requirements will have to change. No town will be able to meet them. It is satisfying to him that we are ahead of most other towns.

Mike said to a certain degree he agrees with Nat but then again we were going to start a new process with the new employee relating to a long term vision of changing for the better the way we do business with the road crew, so there are pros and cons. If we do not hire a fifth person now we just kick the can down the road. Eventually we will definitely need five employees. The question is whether we need a fifth employee now. He thinks he is leaning more toward what Nat suggests. If we eliminate the fifth employee we will basically have a level funded budget. We could tell voters that we were responsible with what we could control.

Kyle said she agrees with all that has been said. She likes the idea of taking advantage of having a senior person retiring and a new person coming in at the same time. That makes her lean more towards hiring a fifth employee this year.

Doug said he thinks our town public works department is a superior attribute of this town. The leadership of it is really good. He believes their quality of life will be better if they have a fifth employee. We have good people working hard and good equipment. He thinks the soft values of adding a fifth employee are hard to set off against the dollars, but he thinks now is the time to add a fifth employee.

Charles asked how many hours employees can work before they have to go home. Brian said they are exempt. Eric said we have no hard rule. During a blizzard a few years ago they worked 23 hours. Charles said where he worked management did not allow employees to work more than 12 hours. He hates to spend money but the safety issue would be his primary concern. He is really opposed to unfunded mandates. The state should fund what they are telling us to do. He feels the town should tell state not to give us an unfunded mandate. He would recommend that we stop paying \$2K per year to the state to maintain our roads and hire a fifth highway employee. Eric said the state is only making new stormwater requirements because the EPA is pushing it. Charles said he wouldn't worry about the EPA.

Eric said all the reasons mentioned are good, but we knew this day was coming. He thinks the time is right. He still supports adding a fifth employee.

Nat asked Brian's opinion. Brian said he supports having a fifth employee soon. We talk about how we are in good shape and ahead of others on compliance but we don't have the staff time to maintain the lead we have. In the future everyone else will catch up to us and then get past us. Even if MRGP requirements get softened we could be behind the eight ball by that time.

Eric said he hears 3 board members are leaning towards keeping the fifth highway employee in the budget and 2 are leaning against it but he hasn't heard anyone strongly advocate for either position. He thinks we should keep the fifth employee in the budget.

Brian said the uniforms line item went down a little because he moved boots into safety equipment. It does not represent a decrease overall.

There is not much change in buildings and grounds. The furnace in the town garage will need to be replaced possibly as early as 2019-2020.

The furnace recently went out in the cold storage building and there was a lot of damage to the pipes. Eric said the problem is that no one goes there. Brian said the building is heated to a low temperature. Mike suggested that the pipe be replaced with a different kind of pipe that is less easily damaged. Eric said his question is whether the building needs to be heated. Doug said he always thought the cold storage building was the least well used for its value. Nat said it is used to store a lot of rec equipment. He would want to ask about whether it needs heat.

Brian said he doesn't think we need to increase the amount budgeted for paving. We are going to try to do a few paving projects by spending from both this year's and next year's budgets. Some spending will be before July and some will be after.

Eric said it would be good if sometime Brian K. and Brian S. developed a plan for future paving needs and assessed how well we are on track to meeting them. We have done that in the past and usually it showed us that we have been struggling just maintaining the roads we currently have paved and have no opportunity to add more pavement. It would be nice to do that exercise and see if there are areas with high traffic volume that should be paved in the future.

Mike suggested trimming paving by \$50K. Eric asked which projects Brian K. and Brian S. are thinking of doing by combine this year's and next year's money. Brian said he would like to have Brian K. here to answer that. There will be a couple of different projects. Eric asked, the pavers will be here two different times? Brian said yes, at least two different times.

Eric said he feels if we looked at it we would find paving is underfunded. Brian said he thinks we have been underfunding for paving. Eric said when we have compared to other towns their line item for paving was always 50% more than ours.

Mike said he thinks we need a plan to get the problems on Railroad Street fixed.

Brian said one area we could cut is MRGP compliance. He put that line item in in an attempt to track more closely what MRGP was costing us but it's proving too difficult to determine which expenses wouldn't have existed if not for this compliance requirement. Eric suggested zeroing that line. Brian said we can do that for now. It will come back when we have to pay the permit fee but that is not for the 2018-19 year. That change results in a \$3K cut to the budget.

Brian said winter sand expense is up because we are running out in our gravel pit. Mike asked if there is any wiggle room in that item. Brian said it's an estimate. We are probably overestimating now. But we can't do without sand and we could end going over budget if the line item is reduced too much. Eric said the material from Nadeau's is better and the more we buy from them the longer our gravel pit will last. We can either pay now or pay later. Mike said based on the 5-year average there is no reason we couldn't reduce the line item. Eric said the 5-year average is from years when we were getting sand almost exclusively from our gravel pit.

Brian said the screener for the gravel pit is due for replacement in 2019-20. We were going to delay purchase of a replacement for a couple of years because it is working well and we don't want to buy another if won't have another gravel pit.

The board decided to cut another \$2K from the budget.

Brian budgeted for running boards for the two covered bridges and for contracted services to remove graffiti from bridges. Mike said he doesn't think we need to budget \$10K to remove graffiti. Brian said probably not, but it will be expensive. Nat said he thinks \$5K would be generous. Mike said someone could use a wand extension to clean without hanging over the water. Brian said \$10K is a pretty broad estimate. He thinks we could easily spend that much. If we wanted to do less he could probably get a little less done for less money. After some discussion the board decided to reduce the amount budgeted for bridge maintenance to \$7K.

Brian said he is continuing to raise the amount budgeted for equipment repairs. At the same time we are also raising the amount we are putting into the capital equipment reserve fund. We will put \$7K in this year. It will be the same amount for a few years. This will allow us to change the replacement schedule to the 8 years we desired. We said we would revisit the replacement schedule after we replace the next truck and decide on whether to use an 8 year or 10 year replacement schedule. Both schedules need the same contribution for the first year or two.

Mike asked about the policy on boots. How many pairs of boots do new employees get? Brian said they get one pair of safety rated boots. We don't pay the whole cost. We pay \$150.

Brian said highway expenses are up 6.5%. That is a substantial part of our increase. Eric said that is equal to about \$70K.

Charles asked if the capital fund will satisfy what Walter was complaining about last year. Brian said he doesn't think so. It should decrease the amount of money we are spending on parts and repairs. Eric said Walter's issue was the amount we have in the reserve fund. Brian said he also had an issue with the amount we spend on highway equipment. The increased cost should be partly offset by decreased maintenance and higher productivity. Eric said availability of equipment will also increase.

Brian said the Red Cross has asked for an increase. In the past when they have asked for an increase we have continued to give them the same amount. They don't ask in the same way many other groups do where they show where the additional money goes in their budget. They are asking more for a donation than for operating expenses.

Eric said the rules we set out for all groups are that the first time a contribution to a group gets in the budget the group has to raise a petition. If they want any increase they have to either raise another petition or come before the selectboard and ask for the money. The Red Cross has never done that. He feels we should be consistent. Doug feels we should leave the Red Cross contribution the same and we should send them a letter saying we are amenable to an increase but we have a process for requesting it. Brian said he will send them another note about that. He did remind them but he will try to remind them earlier next year. Eric said that's not our responsibility.

Brian said we talked about using \$100K of the cash on hand at the end of the 2017-18 budget year to reduce taxes and saving the remainder for the tax anticipation reserve fund, which is pretty severely underfunded.

Mike asked, there is no money hidden anyplace in the budget? Brian said no.

Brian said we can alter the amount we put into the tax anticipation reserve fund a little but he does want to contribute something to it.

Eric suggested a work session meeting at 6:00 on January 29 and the board agreed.

7. Flood Preparation Update

Brian said he is arranging for loan of a sandbag machine from the National Guard through the state. It should be here tomorrow morning. There will be some fee for using the machine. It will use our sand. We may have to buy some additional bags. The bags we are going to get are for municipal use. Probably it will be okay to use the ones we already had for private use. Use of the machine will cost about \$200. They might waive the fee but we can't count on it. Arjay has volunteers to run it.

Eric said we got 1500 Vermont Alert fliers delivered to Johnson. The postmaster will put one in every mailbox in Johnson tomorrow. That will cost us about \$200.

Eric and Brian went out with Roger Marcoux and looked at flood-prone areas. Roger will have his officers do hourly checks on the water near the sewer plant and call out the fire department if there is a change. Chris Brunelle from the Watershed Management Division was here today. His supervisor looked at the current situation. They feel we will have an ongoing situation here until spring here. We will be keeping a close eye on it until then.

Mike moved to authorize Eric to sign the lease for the sandbag machine on behalf of the town, Nat seconded and the motion was passed.

8. Executive Session to Discuss Correspondence with Town Attorney

Mike moved to go into executive session to discuss correspondence with the town's attorney, Nat seconded, the motion was passed and the board entered executive session at 10:00. The board came out of executive session at 10:09.

9. Adjourn

The meeting was adjourned at 10:10.