

JOHNSON VILLAGE TRUSTEE BOARD
ANNUAL VILLAGE MEETING MINUTES
JOHNSON ELEMENTARY SCHOOL
TUESDAY, MAY 15, 2018

Present:

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

Others: Eric Osgood, Rosemary Audibert, Meredith Birkett, about 50 members of the public

Eric Osgood called the meeting to order at 7:02. He asked those who were not registered voters in the village to sit at the side. He read the warning.

Article 1. Will the Village vote to adopt the Annual Report of the Auditors for the year ending December 31, 2017 as printed?

Katie Orost moved to adopt the annual report of the auditors and the motion was seconded and passed by a voice vote.

Article 2. Will the Village authorize its Trustees to appoint a Water and Light Commissioner? If not, to elect a Water & Light Commissioner for one year.

Cliff Hill moved to authorize the trustees to appoint a Water & Light Commissioner, Will Jennison seconded and the motion was passed by a voice vote.

Article 3. Will the Village vote to set the rate of compensation of its Officers and Employees? If not, to authorize its Trustees to set such salaries and wages.

Cliff Hill moved to authorize the trustees to set the rate of compensation of its Officers and Employees, Will Jennison seconded and the motion was passed by a voice vote.

Article 4. Will the Village vote a budget to meet the expenses and liabilities of the Village?

Gordy Smith moved to authorize a budget of \$405,351 and the motion was seconded and passed by a voice vote.

Article 5. Will the voters authorize the Trustees to borrow a sum of money not to exceed \$235,000 for a period not to exceed five years for the purchase of a Fire Department rescue truck, with repayment of financing costs payable from the Fire Department Large Equipment Capital Reserve Fund?

Will Jennison moved to authorize the Trustees to borrow a sum of money not to exceed \$235,000 for a period not to exceed five years for the purchase of a Fire Department rescue truck, with repayment of financing costs payable from the Fire Department Large Equipment Capital Reserve Fund and the motion was seconded.

Eric said he would let fire chief Arjay West, who is not a village resident, speak if there were no objections. There were none.

Kim Dunkley asked for clarification about what the article means. It talks about borrowing, then talks about getting money from the Large Equipment Capital Reserve Fund.

Gordy said the Large Equipment Capital Reserve Fund exists to prevent large spikes in taxes. He asked Arjay to explain further. Arjay said the fire department has this capital reserve fund to use for apparatus purchases. They put money into it annually. When it is time to buy a truck there is enough to make an annual loan payment but not enough balance to write a check for the whole purchase price of the truck. The village is asking the voters to approve taking out a 5-year loan. The payments to the loan will come out of the reserve fund.

Kim asked how much is in the fund and how much gets put in each year.

Meredith said the current balance is \$103K. Arjay said the contribution this year is \$55K. Every year the contribution is increased by a 2% inflationary factor. Meredith said that is to account for vehicles becoming more expensive over time.

A voter asked if the fire department is replacing an existing truck or adding one. Arjay said they are replacing an existing truck with a 14 year life cycle. The capital plan calls for it to be replaced in 2019. The fire department is asking for approval to secure financing. It will take 8-10 months to receive the truck and then they will start making payments.

A voter asked if the truck actually costs \$235K. Arjay said the preliminary design they have worked on has a cost ranging between \$240K and \$270K. For \$235K the fire department's goal of replacing the existing truck with some improvements could be achieved. This truck will have its lifespan changed from 14 to 16 years. The fire department feels that is reasonable with newer technologies. This truck's primary job is to move firefighters and carry equipment. The truck that would serve the department best in the future would have some add-ons. In particular they would like to increase the suspension package so the truck could carry heavier loads and have safer handling. They would like a PTO generator giving the option of plugging in equipment. They would like the truck to have the ability to light the scene. And they would like an electrical rewind for cords on hydraulic tools to reduce entanglement potential and better protect firefighters. With all those options the truck could cost \$270K. He feels that would be achievable with the \$235K from the capital plan, the donation received from Pomerleau and fund raising the firefighters are willing to do.

A voter said someone had told him that having good equipment can lower fire insurance costs. How can homeowners figure out whether this would impact fire insurance?

Meredith said she assumes if this is a replacement vehicle and it would not significantly change response times it wouldn't have a major impact. If response time were increased that might have more impact on fire insurance costs. She can do some research on that. But this truck will serve the firefighters better.

Arjay said our ISO rating is based on response time. The fire department wouldn't want to put into a service a truck that did not have at least equal capability to the one being replaced. If it were not equal, that would reduce our protection class. ISO is changing with new technologies so it would be reasonable to say that 10 or 15 years from now the standard might increase. This truck will let us keep up with the standard. It will be better than the current truck. ISO is an association of insurance company auditors. They rate fire protection and provide a scoring system. Agents issuing policies look at the score. This truck and the last tanker that was bought, which had a larger water supply, are the fire department's most recent opportunities to have our class increased, which would result in reduced premiums. It is possible that fire insurance costs will go down with this truck.

A voter asked if the town contributes to the cost.

Meredith said Belvidere, Waterville and Johnson towns contribute to the fire department budget.

The voter asked if their contribution goes toward purchase of the truck.

Arjay said the fire department presents to the 3 towns a contract for fire service which includes a contribution to the capital reserve fund. The village is not asking them to help write a check to the bank or help secure the loan but part of the funds that come in from the towns is moved to the capital reserve fund.

A voter said she didn't understand if the \$55K was the past year's contribution or if that amount is contributed every year. Meredith said the capital plan calls for a \$55K contribution this year. Money goes in every year and every year the amount going in has been growing.

Kim Dunkley asked if there are any grants available and if the sale of the old truck will help pay for the new one.

Arjay said they have tried in the past to get some federal grants for replacement of apparatus and have been denied. They don't give any reasons for denial. There is the potential to seek smaller grants for equipment. The fire department had planned that revenue from sale of the old truck would go into the reserve fund and boost the balance.

A voter asked if there is any site to help evaluate which truck is better. Arjay said the process the fire department has used is to write a description of needs for the truck and then invite two or three vendors (in this case, three) to try to meet our needs.

The motion was passed by a voice vote.

Article 6. Shall the Village participate in such a study approved by the Town voters on Town Meeting Day (Article 11) at a cost not to exceed \$4000.00, or one half of the cost, whichever is less, funded proportionately from each Village department, as deemed appropriate by the Trustees.

Kyle Nuse moved that the Village participate in such a study approved by the Town voters on Town Meeting Day (Article 11) at a cost not to exceed \$4000.00, or one half of the cost,

whichever is less, funded proportionately from each Village department, as deemed appropriate by the Trustees and the motion was seconded.

Cliff Hill asked what the \$4K is for. Eric said a petition was brought forward to the town by voters. Cliff said Hyde Park and Morrisville considered merging and it didn't work. He would want to check this out before spending money.

Will Jennison said this study is to decide if there is or isn't benefit to merging. Everyone here is already paying for that study as taxpayers in the town. If we vote yes we are paying for it again. The study will happen and we are already paying for it. He doesn't see why we should pay more to do it.

Lea Kilvadyova said she will happily vote to pay for the cost of a study, in part because it has been her experience that there are issues that pertain to the village and to the town that are not always resolved by mutual cooperation. She thinks it would be wise for the village to participate. The study is driven by the thought of figuring out if there is fiscal benefit to a merger. There may or may not be. Her understanding is that there have been no formal studies. It is very clear to her that both boards are trying to keep our taxes low. At the recent town meeting there was a vote to reduce the town budget by \$30K. The town has been trying to figure out how to manage that. On the village end, she sees there is an effort to contract management of the wastewater plant to an outside entity. She assumes that is driven by a desire to provide the most efficient service to taxpayers. She thinks we would be remiss in not exploring via the study another way to possibly find fiscal benefits.

Bob Sweetser said he wants to know what is going wrong that people want to change it and what benefits there will be if the village and town do merge. With level funding for the village budget, a great working crew and everything working so smoothly, why would anyone want to mix the town and village? Both are operating with the best efficiency.

Will Jennison asked, instead of spending more money to make this study impartial, why don't we appeal to the selectboard to hire people who are going to be impartial and not have an agenda? It shouldn't cost us more money to have elected officials do a fair study.

Lea said she could give two examples to address Bob's questions. There are issues for the town and village that both are not addressing adequately. The cost for removal of ice in the jam was borne solely by the town. The two municipalities haven't dealt equally with the same issue. When she worked for the town and village the village undertook several huge projects such as the Main Street project. They were accomplished but the burden of the maintenance is on the village, while all town residents derive benefit. She feels if we are to undertake further projects for the benefit of the community we need better collaboration between both municipalities so there is not an excessive burden on one.

Kim Dunkley said she has another example. When there were basement flooding issues involving both storm drains and water running off the road the town and village each said they didn't think the problem was theirs and no one wanted to help. She asked who came up with the \$8K cost figure for the study and what we get for that.

Gordy said he doesn't know where the \$4K comes from. The trustees have no idea. The trustees wanted to go out for an RFP. The trustees are just honoring what the selectboard is doing. He doesn't think anyone knows how long the study will take or how much it will cost. He thinks it's a waste of money. He thinks both groups have been doing well. Both managers are doing an excellent job. The electric department is doing an excellent job. He doesn't want to see the selectboard manage the electric department. Their budget is going up. He doesn't want to see the good work the trustees and village employees are doing subsidizing what the town is doing. When he and Bob were running for office they talked to face to face with about 80 people. Only one asked about a merger. The others all said they wanted to keep utilities running the way they are now. He doesn't want control of the electric department to go out of town or to the other board. Our electric utility has competitive rates. He listed rates from some other nearby utilities. Our rates are lower than many. We have excellent service. There are things we can do better with the town. There are ways to improve.

Jon Gregg said in principle he likes the idea of exploring cost savings but he is uncomfortable with the idea of entering into a contract with no idea of deliverables, no statement that there will be clear pluses and minuses in a written report. He wonders, as a village voter being taxed twice, does the village contribution have to be \$4K or nothing? Could we say we will contribute \$2K?

Eric said it would require an amendment to the motion on the floor.

Cliff Hill said the town isn't helping the village with street lights. They don't help with anything. Years ago the town and village worked together. Now the town doesn't want to help us.

Anne Mullings asked if there was any objections to her speaking. There was none.

Lea said she would like to speak to the cost of \$4K and how it was determined. As far as her memory, at town meeting the voters approved the article without any financial figure attached to it. A question was asked how much it might cost. The former town administrator and village manager prepared a cost estimate and scope of work of what might be part of the study. The estimate was \$8K. That was presented to the trustees along with a proposal for the village to consider a similar article with a financial cap of half the estimate. That is where the \$4K came from.

Anne Mullings said she is not sure but she doesn't think the selectboard was in favor of the study. The townspeople wanted to do it. There has never been an official study done, but she knows they have looked into it and there is no benefit to the town. Taxes will go up if the town and village merge. We will have to hire more people to do sidewalks. The electric department doesn't want to do sidewalks. Cuts will come from the highway budget. Village residents don't care. A merger will only make the town worse.

Will Jennison said the study will go through. It doesn't seem like anyone here can confirm the \$8K number. That is an estimate. We will spend \$4K toward an expense that doesn't have a cap. Do we want to spend when we are already paying for it and there is no cap? The town could spend more than \$4K in town tax dollars.

Kim Dunkley asked if it is true that there is no cap. Eric said he doesn't recall the wording of the town article.

A voter moved to call the question but there was no second so the motion died.

Peter Moynihan asked, was there a stipulation that the town would pay \$4K toward the study if the village agreed to pay \$4K? What if the village doesn't pay? Can the town pay for the entire study? Eric said that would be a decision of the selectboard.

A voter said as a new village resident it is crazy to her how people aren't getting along. She doesn't understand why the trustees and selectboard are not working together. Maybe that is more of a reason to merge. She is bogged by the discussion. We are all together, one community. She is shocked that this is so divided.

Phil Wilson said if village voters don't vote to contribute toward the cost of the study the whole \$8K will come from town tax dollars. If we don't pay out of village funds we will still pay the same amount. It doesn't double the cost if we pay for it. We are taxpayers for both village and town. Will Jennison said if the village pays \$4K it comes from a smaller number of taxpayers so we will be paying more.

Brian Story said the issue was brought to the selectboard as a petition. The selectboard did not have the option of editing the language on the petition. The trustees were presented with a similar option but not through a petition. The trustees chose to take up the issue but wanted to add caveats. Duncan Hastings prepared an estimate. Meredith said Duncan never presented his estimate to the trustees. She believes it was just on Front Porch Forum. Brian said the \$8K figure was from Duncan. That is how we arrived at \$4K each. The trustees chose to stick to that. We don't actually know how much it will cost. Duncan has experience so probably it is a good estimate but it is an estimate. We will put out a request for proposals and pick one that meets our needs for the lowest cost. Hopefully the cost will be less than \$8K. The motion is to pay \$4K or half the cost, whichever is less. The town is under obligation to conduct the study one way or the other.

Eric said he would recognize Mike Dunham if there was no objection. There was none.

Mike said he doesn't believe there is that much of a problem between the town and village. He was a village trustee for 8 years. They had looked into it. The trustees discussed many years ago the possibility of a town-village merger and concluded it would be to the advantage of the village and not the town. He agrees with Anne that it would not be advantageous to the town. The town would probably have to come up with \$200K from the get-go. If he were a village resident he would look into merging because it would be to the village's advantage but he doesn't think the town should support it.

Rick Aupperlee asked if the \$8K figure is a cap or if the cost could go higher. Gordy said if the article passes it is his opinion that the village expense would be limited to \$4K. Walter said we are voting to authorize the village to spend up to \$4K. If a proposal comes in for \$12K it is up to the selectboard to pay the rest.

Rick noted that the town is paying the village ten cents on the grand list. Is there any way to take the \$4K out of that amount we are already paying ourselves as town taxpayers?

Meredith said the ten cents on the grand list is intended to cover sidewalks and storm drains. The village spends well over \$110K per year on those. She doesn't think there is money to spare in that pot. It all goes to pay for those key functions.

Katie Orost said she is totally in favor of this study. The fact that some trustees are totally opposed to a study brings questions to her mind. We won't know the benefits or costs unless we get an outside opinion.

Robin Story said she and Brian moved here from a similar town/village situation with more animosity. She feels people in the village have political power and a voice. They can make their voices heard by the selectboard and trustees. She would worry if this trajectory of feeling there is no cooperation continued but we are not past the point of no return and people are making their voices heard.

Scott Meyer said for a \$200K home in the village we are looking at a cost of \$20 for this study. He would gladly pay that much to call the question.

Will said this article is not about whether or not we will have the study, just about whether we will pay twice. It is about how much we will pay.

Jon Gregg said he is philosophically in favor of a merger and getting the most use out of our dollars. He is not in favor of signing up for a study without knowing what we will get. He would like to vote to spend the \$4K but say it can't be spent until the trustees and selectboard have a firm proposal from a consultant. He is concerned that a consultant will go over what has been said for 30 years and end up with no idea which way to go. Before the money is spent he would like to be shown what we are getting for it.

Scott said typically we do an RFP before we do something like this to get an idea of cost and deliverables. It might be worthwhile to do an amendment asking for an RFP to be developed by the trustees and selectboard and the total cost capped at \$8K. That would take care of all the issues except double taxation.

Will Jennison moved and Jon Gregg seconded to amend the motion to specify that no money be spent by the village until the trustees have received a scope of work and price for the study.

Katie Orost read the article approved at town meeting. Regardless of what we say, that is what was approved. Has the selectboard done anything with the study yet? Eric said not yet.

It was moved and seconded to call the question.

Katie asked for clarification. Before the village pays we are requesting a scope of work and if we don't get it the town will pay the whole cost of the study? Will Jennison said yes.

The amendment was passed by a voice vote.

Will Jennison moved to call the question and the motion was seconded.

The amended motion was passed 19 to 16 by a show of hands.

Article 7. To do such other business as may properly be brought before this meeting.

Gordy said asked Tom Elwood to come forward. He said Tom was the wastewater and water operator for 16 years. He recently moved on to a different job. Gordy presented Tom with a gift card from the trustees. He said Steve Edgerley recently called Tom multiple times and asked for help with issues at the plant and Tom stopped in multiple times to try to help the village out. There was a round of applause for Tom.

Eric said if there was no objection he would give Dan Noyes the opportunity to speak if he had anything he wanted to say. Dan said he would be available to answer questions after the meeting.

Walter Pomeroy said he wants to remind anyone that the village has a revolving loan fund for home improvements, energy efficiency, etc. Details are on the town website. It is for homeowners and small businesses.

Walter said the trustees are going to form a charter committee. The village doesn't have a good charter and the trustees have decided to move forward to draft a good charter. In the near future they will put out a call for some citizens to participate in this committee. The charter will be the governing document for the village.

Peter Moynihan said this year there was a "meet the candidates" night, which he thought was a good idea. Trustees are now elected by Australian ballot. He wants to suggest another change – having the vote for trustees immediately after the annual village meeting or the next day rather than before the meeting.

Walter said that would be something to be addressed by the charter committee.

A voter asked if any prospective businesses are coming in to the former Bustin' Belly or Wicked Wings locations. Is the board actively looking for new businesses? No board members knew of any prospects.

Kyle Nuse asked if Dave Goddette is going to be moving. Dave said yes, he is. Kyle said she would strongly encourage the board to consider appointing one of the candidates who ran this year and came close to winning.

Bob Sweetser thanked everyone for the terrific turnout.

It was moved and seconded to adjourn at 8:14 and the motion was passed.

Minutes submitted by Donna Griffiths