

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
MONDAY, OCTOBER 11, 2017

Present:

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

Others: Meredith Birkett, Rosemary Audibert, Troy Dolan, Tom Elwood, Mark Baker, Angela Barton

Note: All votes taken are unanimous unless otherwise noted.

1. Call to Order

Gordy called the meeting to order at 6:04.

2. Changes, Additions to Proposed Agenda

Walter said he would like to discuss possibly including charter changes and a governance committee at the special meeting. He also asked to add discussion of a compost agitator.

Meredith added excavation priorities, a refrigeration unit, an APPA letter and an update on the Cole solar project.

3. Review and Approve Minutes of Trustee Meetings

Bob moved to approve the minutes of September 11, 2017 and September 27, 2017, Scott seconded and the motion was passed.

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

The board reviewed the budget status report. Walter asked if any renewable energy charges and fees have started to show up in what we are paying VPPSA. Meredith said we got our first invoice for having to purchase renewable energy credits as part of Tier 1 compliance. She thinks it was about \$5K. It is not something we budgeted for.

Rosemary said we should get our PILOT money by the end of October. Belvidere has only paid one installment for fire protection. She thinks we will send a reminder.

We got a promissory note for the \$56K CIG loan for the project we did on Route 15. The prime rate is 4.25% so our rate will be 2.25% for 5 years. Yearly payments will be 11,967.21. **Walter moved to authorize Gordy to sign the promissory note to the CIG fund on behalf of the wastewater department, Scott seconded and the motion was passed.**

Rosemary said we still need to collect 2.37% of taxes. That is slightly ahead of the past 2 years.

We have \$3,699.27 in uncollectable electric bills from 2014. All have been sent to a collection agency with no success. **Walter moved to write off the uncollectable electric department accounts receivable from 2014 in the list provided by Susan and the motion was seconded and passed.** Rosemary said we have an allowance of about \$5K a year for uncollectable accounts.

Gene Besaw sent a management representation letter dated December 31, 2015 and an understanding of services letter for 2016.

Walter moved to authorize Gordy to sign the management representation letter for the Village of Johnson audit for the year of 2015, Scott seconded and the motion was passed.

Walter moved to authorize Gordy to sign the understanding of services letter for the Village of Johnson audit for 2016, Bob seconded and the motion was passed.

Walter asked if they should send us an audit report for 2015 now that we have signed the management representation letter. Rosemary said yes. Walter said he wants to pay off the bill for the 2015 audit and only pay half of the 2016 bill until we get a draft report. The board agreed. Walter changed the amount on the bill the village had received and the board signed it.

5. *Mark Baker and Angela Barton – Revolving Loan Fund Request*

Meredith noted that some of the estimates Mark and Angela had provided were from contractors and some were Mark's estimates for bathroom work and interior painting. For interior painting, \$6400 of the \$7400 estimate was for Angela's labor. She thinks we should ask about that. It seems odd to pay the owner for their own labor. The total of the estimates for #83 (minus the interior painting amount) is \$32,100. They asked for \$40K. As far as she knows we didn't get an estimate for demolition of the other building.

Scott said he would rather have money go toward removing the blighted house first. Bob said what they requested is a lot of money to go to one person. He doesn't see them putting a lot of money into it. If we give them that much there are other people we won't be able to help. Walter said he feels high priorities are work on windows to improve energy efficiency and work on the chimney for safety code compliance. He also likes the idea of getting rid of the burned building.

Mark and Angela arrived at 6:34. Meredith asked if they had sent an estimate for demolition of the burned building. Mark said that is not a consideration right now. He will go about that at a separate time. They have had people look at the house and quite a few think it is savable. They are still up in the air about what to do with it. Either it will be made better or it will be torn down. Scott asked when the decision will occur. Mark said he doesn't know. Angela said they have been concentrating all their energy on the other house. Mark asked if there is a time the board would like to know by.

Scott said the board has been concerned about blighted buildings in our community. When there is village money being spent the village is really trying to take care of blighted buildings. Angela said they purchased the burned building to make sure it is taken care of and the property is appealing and safe. Scott said that is a high priority target for the board. When loaning out cash that is where his interest is. Mark said #83 also falls into the category of improving a blighted building. It was not as badly blighted, but they have improved it. It will take a substantial investment to recoup the burned house. It will need to be gutted entirely or they will need to spend \$10-12K to take it down to the foundation and have a hole. Putting a deck over the hole would probably be the safest.

Gordy asked if it would give more parking for the bed and breakfast if it is torn down. Mark said he thinks the existing parking is sufficient for 4 cars. If they did incorporate that house as another part of the bed and breakfast they might need 4 or 5 spaces and he thinks they could accommodate that.

Gordy asked, if form based code passes, will there be any restrictions on what Mark and Angela can do with their properties or is everything grandfathered? Walter said everything standing is grandfathered.

Mark asked what form based code is. Walter explained that it is the newest form of zoning. It gets away from uses and just describes the look of the exterior of the building. It deals with the size of the building, where the building has to be located on the lot, glazing, etc. It's very basic. Realistically anything already existing is grandfathered and as long as Mark and Angela are building on the same foundation he doesn't see any problem in doing almost anything they want.

Scott said he disagrees based on what he heard from the Planning Commission. If it's a substantial redo there can be restrictions. They couldn't build 3 stories high with tiny windows. Walter said they will be subject to the new code, yes, but they probably won't have to change much. If the idea is to build something similar to what is there now they should be fine. The building as it is now meets all the code requirements. Meredith said there is a parking requirement. Walter said not in the most recent version.

Walter said if Mark and Angela are thinking of restoring #75 they should look into the possibility of tax credits from the state due to the village center designation.

Mark said they have no solid information on when they will do anything with #75. If the board has a timeline they want them to meet they can use that in their planning and come back with more information in the future.

Walter said he agrees that dealing with the burned house is a high priority. There is a definite goal to help them with that property. They will have to come back with a plan and hopefully the money will still be there. If they asked for money tonight for demolition he would probably say yes.

Angela said they don't know for sure if they will demolish the building because it is a beautiful historical building. Mark said they may save money in the long run by gutting and repairing it rather than building new on that site.

Bob suggested a coat of paint just to make it look better. Tom asked if the roof is still open. Mark said yes.

Mark said they have three options. They can tear it down and secure it. They can tear it down and put up a two-bay garage and shop with an apartment above. Or they can gut and refurbish it and make it look like it should and include it as part of their bed and breakfast, either with access from the exterior or connected with a hallway to the other house, which is only about 14 feet away. Linking the properties presents some difficulties. They have to consider what it would do the potential to sell in the future.

Walter said when he looks at the business plan and how it fits into lending priorities, he doesn't really see it as job creation, so he doesn't see it meeting the criteria for lending for a small business, but he does see it meeting the criteria for buildings. He would be willing to loan money for windows and the chimney for energy efficiency and safety. We would probably lend for 5 years and 2 points less than prime, which is 2.25% now.

Angela asked, it wouldn't qualify as a small business even though it will possibly bring people into town to stay instead of staying in Morrisville? Mark said he can see having assistants running it day to day and cleaning it. He could see 2 part-time positions.

Gordy asked about amounts we have loaned out in the past. Rosemary said we loaned Chris \$30K. Gordy said that was the highest amount loaned. Walter said we have done a lot of \$5-10K loans. For the two items he would be willing to loan for, the cost would be at most \$17K. Gordy said that would leave money for others. Walter said he would add money to tear down the burned building now if they asked. Bob said he would go along with Walter's suggestion.

Scott asked if the stove they would like to install is for heat or cooking. Mark said heat. Scott asked if it would be in addition to a furnace. Mark said the furnace needs to be replaced. He doesn't think that is on the list they gave the board. It could easily be added.

Scott asked the cost to replace the furnace. Mark said anywhere from \$7500 to 10K. He needs duct work as well. The bathroom is an integral part of the bed and breakfast and that is in need of repair. Interior paint is essentially done. The porch needs to be addressed. It is sagging. The garage needs to be reinforced or torn down. He put things on the list that they felt were vital.

Scott said the estimate for windows and chimney is \$17,200 and if the loan amount went up to \$20K that could go toward a stove and installation. He thinks there is a concern about making sure we have money for other people. Walter said he doesn't see the village as a major source of remodeling funds. We loan money to do quick things. The window and chimney work is more like what we have given for in the past, for energy efficiency and code compliance. Scott said he proposes loaning \$20K. Walter said the estimates for windows and chimney add up to \$17,300. Scott said rounding up to \$20K would give some for the stove and furnace.

Walter asked if 5 years at 2.25% would work. Mark said yes. He asked if he can ask for a 10 year term. Walter said he would say no to that. Gordy said he would also say no.

Walter said he wants to have further discussion in executive session but probably the board will agree to a loan similar to what Scott suggested.

Scott said it is a priority to take care of blighted buildings. We can have another discussion about the burned building in the future. *(Mark and Angela left at 7:04.)*

6. WWTF Chief Operator Report and Action Items

Tom said all samples continue to meet high standards and the plant is running very well. He is asking to buy a refrigerated sampler we budgeted for. He has 3 quotes. He wants to get the least expensive of the three. He would really like to get the most expensive but it costs too much. We budgeted \$3K and we may have some other money we can use for it. The least expensive one he could find that would do the job costs \$4700. It has a removable sampler head that can be taken out to the field and could be used alone if the refrigerator broke down. The most expensive one costs \$6700. The one he wants to get needs to be installed in the UV room, which is not heated, but the tank keeps it somewhat warm and he only uses it once a month for one day in the cold months, so we may not need to worry that it will be too cold. The more expensive one is rated for minus 20 degrees. Tom has been packing samples in ice. At the last state inspection they mentioned he should get a refrigerator unit. It is a recommendation they don't enforce.

Meredith said we budgeted \$3K for this unit and \$2500 for the CPU and some other items. Tom didn't use all the budgeted amount for the CPU.

Walter asked how much time and effort this will save Tom and Steve. Tom said none. It just helps us meet state requirements for keeping samples at the required temperature. Tom does currently buy ice once a month 9 months out of the year for sampling.

Gordy said he wonders if it would be better to buy it next year when more money might be available. Tom said he would be willing to wait until next year for the more expensive model.

Scott asked about warranties. Tom said the most expensive one has a 2-year warranty. The others don't have warranties.

Scott said he would like us to get something that is rugged and will last and not have to worry about low temperatures in winter. Bob said the difference in cost between the least expensive and most expensive isn't that much. Scott said it is \$4362 vs. \$6300 and more expensive one has a warranty and a lower operating range.

Tom said there is no reason he can't wait until next year. Meredith proposed that the board revisit this a month or two from now. Scott said he would be more comfortable with the more expensive unit.

Tom said the E-DMR was filed. The WR-43 is available for review. There were no callouts for the wastewater plant.

The belt filter press is 21 years into its estimated 25 year life. It is starting to show its age. Tom is researching different technologies for replacement. We could save energy and reduce the amount of solids we have to pay to dispose of by using new technology. He would like permission to get vendors in here and get a comparison on how much energy we can save and what kind of solid reduction we could get. He thinks it might cost \$150K to \$200K to replace the unit.

Bob asked how long it takes to grease it. If we can do it in less time it might help the power bill. Tom said there would definitely be less maintenance with newer technology. Walter asked if Efficiency Vermont would possibly help. Tom said maybe. That's why he'd like a comparison to give them. When we were composting we didn't want our solids to be too dry. If we replaced the belt filter press we would probably have to add water if we wanted to compost our solids. Walter said if we don't compost here disposal costs will be lower if we reduce the weight of the solids. Scott asked if new technology will take care of the odor issue. Tom said it will help.

Walter said he feels Tom should start investigating belt filter press replacement and others agreed.

Tom said Troy's crew came over with a bucket truck and they changed all the filter elements on the blower. A short tour of the WWTF was given to a Johnson Elementary School 4th grade class.

Meredith, Tom and Steve all went to a class in Hyde Park on the upcoming state permit renewal for the WWTF. In 2008 we applied to renew our permit. All conditions were met for our application,

we paid the fee and we have been on administrative extensions since for TMDL for Lake Champlain. The state is just getting around to issuing permits. We will get one next July. Then we will have to update our emergency power and spill prevention plans and write a phosphorus optimization plan. We will have to do more sampling to write the phosphorus plan and it will take a lot of Tom's time to write that plan and update the other two. There could be major sampling changes with plan renewal. Some tests are expensive. They are requiring more testing than they used to.

Walter asked if they will still impose a lot of testing on us, even though we have a good plant. Meredith and Tom said yes. Tom said a lot of testing is being imposed because of TMDR and EPA, not because of how we have performed. We are in great shape; he just has to document the plan. Meredith said it sounds like we will be able to meet the phosphorus level but you get flagged when you get to 80% of the maximum level and then there are new requirements. Tom said it doesn't look like we are anywhere near the maximum level. They are changing our annual pounds. If we come within 80% of our annual pounds we have to have a reduction plan. Walter said he hates for us to have more requirements when there are plants in the state dumping raw sewage in the river. Tom said we are more like 9% than 80% now. Tom said there will be budget impacts of the new plans.

There were no collection system callouts. Both the Highland Heights lift station and the siphon chamber were cleaned with a Vactor unit. The new board was installed in the siphon and is working properly. We cleaned over 5000 feet of sewer main using a Vactor in a day and a half. We cleaned all the high grease areas. There is still a grease issue at the Studio Center.

Scott asked, are there mandatory grease traps? Tom said yes. Scott asked if businesses are maintaining them. Tom said not all are maintaining them as well as they should. We have an ordinance about grease. There is a question of what we do for enforcement. We can send them letters. To get their allocation from us they have to have a grease trap. He has let some existing businesses slide when they had under counter grease traps but most are outside tanks. Hartigan is always willing to show Tom their inspection reports, with the customer's permission.

Scott asked if we need to redo our ordinance. Meredith said she will look at it. Scott said grease in our lines is an ongoing issue.

Meredith said she thinks we have the power to send an invoice. Tom said he thinks we need to prepare for a brewery with an ordinance before we get one.

We witnessed cut and caps on the old Maplefields sewer lines. They put in a new Y.

Meredith said as part of the Maplefields project a small new tree was taken out. The Tree Board was upset. Maplefields agreed to replant a tree in consultation with the tree board.

All samples taken at the water plant were good. No deficiencies were found in the recent sanitary survey. We got a couple of recommendations. We need to send them a written response. They wanted a formal emergency power plan in the event that the Clay Hill pump station loses power. Tom has arranged with Johnson Farm and Garden to keep a generator for an emergency. He can easily write a plan that includes that.

Walter said he would like to know what it would cost to install and maintain a generator. Meredith said we did talk about purchasing a mobile generator. Walter said getting one from Johnson Farm and Garden sounds good but in an emergency, if everyone needs a generator, it may be hard to get. Tom said we can look into a stationary generator for that unit. A mobile generator could power all the lift stations. The state may accept not having a generator at the new River Road lift station if we have a mobile generator. Maybe we can share the cost between water and sewer.

Tom said we need to do some upgrading at the Katy Win booster station. The state wants us to design one booster station and connect all pump stations to that. But it serves only a few customers so we need to ask how much money we want to put into it. Meredith said we can say we will look at reasonable upgrades depending on use at that lift station.

There were no callouts at the water plant. Some hydrants were painted. We exercised the main valves at the intersection of Pearl and Main. We witnessed the cut and cap on the old Maplefields water service and the new service hookup. We removed the meter and horn assembly at the old town garage that was demolished. We witnessed the tapping of our 12-inch water main for a 6-inch sprinkler line for the Lamoille Valley Mental Health facility on 100C. Hydrant flushing is scheduled for October 25-27. Cabin Cove usage is back to normal after the leak there was fixed.

Meredith said at the last meeting we agreed to go back to VTrans about digging near the retaining wall on 100C. Meredith talked to Jim Cota and he doesn't see them paying for it. We need to decide if we want to do the excavation. Meredith is inclined to do it to make sure we have no leak. They are going to put in a new retaining wall right before the covered bridge.

Walter asked, won't it be easier to dig and do testing while they are tearing up the ground? Tom said they need to know where the line is. They want to drill and bore so finding the depth of the water line is probably a good idea. Scott asked, isn't that their obligation in Dig Safe? Troy said we never want to give a depth for Dig Safe. Tom said there is no tracer wire on that line so we can't find it with a metal detector. We have no marks. We can only tell them the general area where it is, which still fulfills our Dig Safe obligation. It is not on their right of way. They shouldn't be digging outside their right of way.

Tom said he had proposed digging where the sinkhole is to prove there isn't a leak so they can't say it ruined the wall.

Scott asked if there is a way to pressure test that line. Tom said if he had access for a pressure gauge he could do that. He doesn't have a leak that big anywhere. We would have 50-60% water loss if that line were leaking.

Walter said he feels we should do nothing and let the state dig. Meredith said we offered our staff to be on site on Friday when they do a test bore. Scott asked, legally don't they have to visually see the pipe before they dig? Tom said he doesn't know. Meredith said she thinks we will recommend that they hand dig within a certain distance of where we think the line is.

Tom said we have some curb stops that aren't working. Those are a priority for replacement. He wants to hire a contractor to have them dug. Is it okay to do that? The board said yes.

Scott asked, will we try to get some of our money back for the curb stops? Tom said the bar we are trying to get replaced was warranted but the labor is the significant cost.

7. Foreman Report and Action Items

Troy said his crew built a one pole line extension and completed a new service on Collins Hill Road. They completed the interconnection at Lehouillier solar array. Because of high voltage issues created from the array being put back on our system it is currently only operating at 50% capacity. Troy thinks the inverters are too big. Those issues are all on their end.

We had an outage on September 19 that affected 2 customers. The cause was a blown transformer fuse. Power was restored within an hour.

Right of way cutting has been started.

On September 27 there was a planned outage on Route 15 related to the Lehouillier solar array. It lasted 50 minutes and affected 26 customers.

The rubber gloves and sleeves were sent out for 3 month testing. There was a safety meeting this month on renewable energy source safety.

Walter asked if safety would be a major issue if we went ahead with the Cole project. Troy said he doesn't see as a big issue. We just need to be aware of protocols.

Troy's crew cleaned and pressure washed the municipal building. They worked with Tom and Steve to clean catch basins with Hartigan.

Troy ordered a transformer to serve the new Maplefields. He made an agreement with the Studio Center to split the cost of the removal of a large elm tree at 113 Lower Main East. The tree has been removed. Troy arranged for a contractor to pave the missing portion of sidewalk on Pearl Street. Meredith said we budgeted \$7K for that and the actual cost was much less. Troy said it was around \$750.

Troy said he has attempted to make contact with Green Lantern regarding their solar array on Gould Hill. He had made an agreement with them to provide year round access to our equipment if we allowed them to move the transformer from the roadside to a location closer to the array. They agreed, both verbally and through email, to build a gravel entry to the array that would be plowed in winter. The Orosts had an agreement with them to cover the access road with topsoil and not plow the access road during the winter. Troy will disconnect the array if there is not year round access. Meredith has emailed Green Lantern asking how they will resolve the problem. Our proposed solution is for them to move the transformer back nearer to the road as we originally wanted.

Walter asked if our whole system would be put at risk if we can't get access for maintenance. Troy said the issue is that the meter is way down in the field. He had an agreement with them to plow at least to the meter. The transformer is in the same location. He would prefer to have everything next to the road.

Meredith said both Katie Orost and Green Lantern have pushed for us to accept what they provide for readings. We haven't allowed that with any other customer. We have been firm that we will not do that.

The board agreed that this is a serious issue and that Green Lantern needs to either maintain the access road year round or move the transformer nearer to the road.

Troy hired our right of way contractor to cut the 3 phase line that feeds through the gulf last week. It required use of a bucket truck bigger than ours and traffic control.

Gordy asked what happened with our Vactor. Troy and Meredith said it is gone. We are out of the agreement. Morrisville and Hardwick are now the only ones that are part of it.

8. ***Village Manager's Report and Action Items***

Meredith said we need to increase the wastewater allocation for 36 VT Route 15 West Lot 2. She believes there was an error on our part. The owner found he didn't have enough allocation for what he wanted to do. He paid the additional fee. **Walter moved to grant preliminary and final approval for an increased wastewater allocation of 140 gpd for the Valley Ridge property at 36 VT Route 15 West Lot 2 to bring the total allocation to 560 gpd, Scott seconded and the motion was passed.**

The property at 1077 and 1079 100C is in the process of being sold. The current owners intend to move to a one bedroom apartment on the property after they sell. Arjay found that there is a shared sewer service line in existence that was never permitted. It has never been used but it is in the ground. They want to start using this connection. Meredith feels if they want to use it they should provide a declaration that they won't subdivide or that if they do the main house will be responsible for maintenance, like the one the Whittemores provided in a similar situation. They want to create a new one bedroom apartment and it was originally presented that they just needed to add a water meter but it turned out they didn't have a permit for the line. They want to tie into the sewer line for the existing garage. There are 3 buildings and one sewer line. Tom said he prefers a separate line for the new apartment because the line is already shared by two buildings. Scott said he agrees. Tom and Meredith suggested that we at least ask them to investigate options and see if it is possible to put in a separate line. With the Whittemore property we agreed that it wouldn't work to put in a separate line. The board agreed to deny the increased wastewater allocation for 1077 and 1079 VT Route 100C.

Meredith said Tom told the engineer on the fire suppression sprinkler system project at 120 VT Route 100C that he needed to get a permit for the sprinkler system but he forgot. Tom said we recently got a Dig Safe request but they had not gotten their permit. Meredith told them they could do the wet tap if Tom okayed the plans and was there to witness it and then they could do their permit application. She listed the conditions she feels should be on their permit. Walter asked if we are moving too fast. Tom said he thinks a 6-inch tap is okay and the conditions are sufficient. Troy said Nate felt comfortable with the quality of work that was being done. Meredith said we need to impress on them that they need a state permit and that Arjay must be comfortable with it as well as Tom. Tom said it passed his inspection. **Walter moved to grant preliminary and final approval for the installation of a fire suppression sprinkler system at 120 VT Route 100C and the associated 350 gallons per minute flow allocation, subject to the 12 conditions listed in Meredith's memo to the board, Scott seconded and the motion was passed.** (Tom left at 8:10.)

Transco's annual equity offer will occur in December. VPPSA needs to know by October 16 whether and how the village would like to participate. The yearly revenue would be \$14,500 if we pay cash. We have to decide if we want to have VPPSA do the purchase or buy directly. If we buy directly we would get the full \$14,500 in revenue every year. We need to decide whether we want to maximize revenue or cash in hand. **Walter moved to assign Johnson's Transco equity share to VPPSA, Scott seconded and the motion was passed.**

The board discussed where to hold the special village meeting for the vote on Australian ballot elections. The JES gym is tied up every night in November and the first week of December. Bob suggested a church. Walter suggested the college. Meredith said that is harder for those who are walking. Walter suggested having the meeting on December 4 in the municipal building. Gordy agreed. He doesn't think that many people will attend. Scott suggested putting out a statement that capacity might be tight so we are really looking for village voters to attend, not others. Walter said we can ask those who are not village residents to leave if the room is over capacity.

Walter asked if the board wants to bring up at the meeting the question of whether to continue pursuing getting a charter done right. Scott said he thinks we should take care of this first. Walter said he would be interested in telling people at the meeting that the trustees are interested in forming a governance committee and asking who would like to volunteer. Working on a charter will require Meredith's time and a lawyer's time so there will be budget impact. Is there commitment from the board?

Gordy said he wonders if adding that item will make more people come to the meeting so we might go over capacity. He asked if we can do it at a monthly meeting. Scott said he doesn't want to do it at this meeting. Walter said we could do it at the annual meeting.

Walter asked about the board's commitment to putting money in the budget for work on a charter. Gordy said he thinks it is better if the board takes the lead on that because it will be requested sooner or later.

Walter moved to schedule a special village meeting for the purpose of holding a public vote on the following question: Shall the legal voters of the Village of Johnson use the Australian ballot system to elect the village trustees, clerk, treasurer, tax collector, auditors, and president? Such meeting shall be at December 4 at 7:00 pm at the municipal offices. Scott seconded and the motion was passed.

Meredith said she just learned about the VT-ALERT Mass Notification system at the utility emergency preparedness conference. It is a state-run resource that allows an individual to sign up to be notified in an emergency. Do we want to share information on VT-ALERT on village social media and consider using the system if we have a public safety issue? Walter said he wonders if an emergency boil water notice could be shared on VT-ALERT. He feels we should use the system in case of floods. Meredith said if we wanted to put out notices of power outages we would have to decide the threshold for an outage serious enough to put out a notice. The board agreed to use the system and to notify the public about it using village social media.

Meredith shared the July and August Power Bill Summaries. She said our load is lower than projected so power supply costs are slightly lower than projected but costs per kWh are a little higher than expected. We are all right with financials. Meredith didn't budget for the loss of Maplefields. Scott asked if Maplefields usage will be higher when they are back on line. Troy said he thinks it will be more. They will have a bigger service.

Meredith said VPPSA wants to know of anything that will affect electric usage. Scott said Gilles Lehouillier knocked down some apartments. He heard a Dollar Store is coming to town. There is also something being put in by the Landmark Tavern. Troy and Meredith said that is storage units. Gordy said there will be no big electric usage for the storage units. Walter asked if Nadeau's is moving forward. Meredith said she will have to check. Walter said his advice to VPPSA would be to be conservative and not assume growth. People are getting more efficient. He doesn't see any big new customer.

Meredith shared the draft VPPSA budget. They are only projecting an \$86 dollar non power supply cost increase over last year. They added new columns for net metering and renewable energy standards. They project our cost in 2018 for renewable energy standards will be \$74.77. They will develop net metering software to help with billing and tracking allocation based on load share. Walter noted that operating costs are down and the two new areas are the reason the budget is increasing.

Meredith said they project a cost of about \$120K for the net metering software. They are also allocating VPPSA staff time to the software development project. There will be an annual cost associated with the net metering software if we elect to participate. She and Susan feel we need to work with VPPSA on this rather than developing software on our own. Hyde Park is getting new software for billing and they believe net metering can be rolled into that but all others think they will need the software VPPSA is developing.

Total renewable energy project expenses shown on the cover sheet are different from what is on the detail sheet. Meredith needs to ask about that. She thinks \$23K is the accurate number (\$11K for Tier 1, \$3500 for Tier 2, and \$9K for Tier 3.) Meredith will keep the board updated as the budget draft changes. There are real costs for the renewable energy standard. VPPSA is trying to avoid paying the penalty and coming up with other way to meet requirements like buying renewable energy credits, which costs less than paying the penalty.

For Tier 3 we need to decide if we want to participate in the pilot project, which is an EV program. The cost for us to participate would be \$9K. Meredith relayed to them that it didn't sound like the trustees were terribly interested. We will have a Tier 3 requirement and if Nadeau's or the Cole solar project don't move forward we will have to figure out another way to meet the requirement. She thinks we can have a more full conversation in November but she feels it might be in our best interest to start putting money aside for that requirement. There has been discussion at the VPPSA board level about making sure dealerships are participating in all service areas. It sounds like a lot of dealerships don't want to participate. We don't have any within our service territory.

VPPSA is trying to come up with a good option for small utilities joining together as a group to be able to use smart meters. VPPSA is talking to VELCO about using their network of fiber cables and having them be the repository for smart meter data coming in.

The American Public Power Association is looking for utilities to sign onto a letter in support of tax-exempt municipal bonds. We could sign on as a utility if we want to. Meredith will do so if the board has no concerns. Board members did not express any concerns.

Meredith said the engineer indicated the low end cost to do an impact study for the Cole solar project would be about \$25K. The developer said that was much more than they had ever paid for a system impact study. But the size of the array compared to our system size is larger than other projects they have been involved in. The developer and the Coles would like to see a more formal commitment from the board before agreeing to pay for the study. The board agreed that Meredith should tell them that if they can give us a formal proposal of ten cents or less the board will decide whether to make a more formal commitment.

There is a Green Mountain Byway information event on October 26. Meredith passed information on it to Johnson Works. She hopes one or two trustees can go. Board members can let her know if they are interested.

Walter moved to enter executive session to discuss contract terms with Meredith remaining, and then to discuss a personnel issue with the trustees only, Scott seconded, the motion was passed and the board entered executive session at 8:52. The board came out of executive session at 10:00.

Walter moved and Scott seconded to adopt the Workplace Agreement as drafted by the Village attorney regarding personnel issues and the motion was passed.

9. *Adjourn*

The meeting was adjourned at 10:05.

Minutes submitted by Donna Griffiths