

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
ELECTRONIC MEETING VIA ZOOM AND PHONE CALL-IN
MONDAY, MARCH 29, 2021

Present:

Trustees: Steve Hatfield, Will Jennison, Scott Meyer, Athena Park, BJ Putvain

Others: Meredith Dolan, Rosemary Audibert, Troy Dolan, Dan Copp, Arjay West, Eric Osgood, Kyle Nuse, Beth Foy, Diane Lehouiller, Sophia Berard, Joie Lehouillier, Brian Story, Shayne Spence, Gordy Smith, Lynda Hill, Lisa Crews, Jackie Stanton, Marla Emery

Note: All votes taken are unanimous unless otherwise noted.

1. Call to Order

Scott called the meeting to order at 6:02.

2. Changes, Additions to Proposed Agenda

Meredith said it was brought to her attention today that a real estate closing is scheduled for 1:00 on Wednesday and a village lien needs to be released by the board for that closing. She added discussion of scheduling a special meeting Wednesday morning to take care of that.

3. Introduction of Officials/Staff and Opening Comments

Village president Eric Osgood introduced himself and explained how members of the public could ask to be recognized and how people should conduct themselves when commenting. Board and staff members introduced themselves.

4. Review 2021 Village Ballot / Questions & Comments on 2021 Village Ballot

Article 1 is election of village officers. Meredith said election of officers will take place April 6th from 9:00 a.m. to 7:00 p.m. Voters are encouraged to drop off ballots in the drop box or mail them in rather than voting in person.

Article 2 is: *Will the Village vote to adopt the Annual Report of the Auditors for the year ending December 31, 2020?* Meredith reviewed events of 2020. Last year village elections were delayed. The annual meeting was pushed to June due to Covid. The board has been having remote Zoom meetings for about a year. The municipal office is closed to the public with staff working alternating schedules or working remotely. The village was unable to do the planned sidewalk project or repairs at the municipal building. There was quite a bit of turnover on the board of trustees during the past year. There are several interim trustees serving right now. The village completed final design and permitting for the Clay Hill sidewalk project, purchased air packs for the fire department, purchased a skid steer for the general department, substantially completed a stormwater master plan with a consultant, and got a food truck operating on the village green, which is something people in the community have been interested in for some time.

Covid impacts reduced revenue for the electric, sewer and water departments. There were also high levels of past due balances and unpaid bills. Extra time was spent reporting to the Public Service Department, the Public Utilities Commission and legislators every month on past due balances. Marla and Susan assisted customers with the VCAAP funding program set up by the state to help people pay past due utility bills. The village got a grant of over \$500K for an all-electric bucket truck, designed an upgrade for the River Road East pump station and had a successful bond vote for that project.

Article 3 is *Will the Village authorize its Trustees to appoint a Water and Light Commissioner for a term of one year?* Meredith said she has been appointed Water and Light Commissioner for the last 5 years, ever since she joined the village. This position is named in the village bylaws. She serves on the VPPSA board of directors. There aren't specific other duties for the Water and Light Commissioner. It is a position that exists mostly in name. She fills the role because it meshes with her actual job.

Eric read Article 4: *Will the Village authorize its Trustees to set the rate of compensation for Village officers and employees?* There were no questions on Article 4.

Article 5 is: *Will the Village vote a budget to meet the expenses and liabilities of the Village in the amount of 521,336, of which an estimated \$112,018 is to be raised by taxes?* Meredith said the general department budget has been virtually flat or decreasing in recent years. This year the trustees strived to level fund property taxes and still balance the general fund budget. They tried to prioritize support for essential services such as the fire department, sidewalk maintenance, municipal building repair and getting an engineer to advise on rehabilitation of the village garage, which has mold and other issues. The village was able to get design work done for the sidewalk project and construction on that project is currently out to bid and hopefully will take place this summer. The village had to reduce the budget for beautification and events compared to the past few years in order to level fund while costs in other areas are increasing. The budget includes \$2,000 for events and \$500 for beautification, which is less than the previous year. Meredith hopes the amount can be increased in future years.

Kyle Nuse said she was disappointed in the reduced funding for beautification and events. She encourages the trustees to make that a priority again in future years because we all win when our downtown looks beautiful and is an enjoyable place to be. The ripple effect from that is worth \$500 or \$1,000. It is important for people who live and have businesses here and for tourism and the creative economy.

Meredith said the village wants to keep working with Johnson Works and volunteers to try to stretch funding for beautification and events. The village applied for a grant for work at the village green and holiday decorations but was not successful.

Article 6 is a non-binding advisory article: *Shall the Trustees enter into discussion with the Town of Johnson Selectboard with regard to a possible merger of the Town and Village?* Meredith reviewed background information. At the 2018 annual village meeting the voters approved spending \$4,000 for study of the concept of a town village merger. That passed 19 to 16 by a floor vote. Then the town and village hired a consultant to complete a study. They received the final report in 2020. The report is included in the village annual report and is on the town website. Meredith encouraged voters to read the full report.

Kyle mentioned that the town voters voted in favor of entering into discussion with the trustees on a merger.

Diane Lehouiller said at recent trustee meetings a rate hike for the electric department has been mentioned. She thought it might be mentioned in the annual report that the trustees will be discussing this in the future. Meredith said it is a bit of an unknown. She doesn't think the village

has raised electric rates since 2010. Labor and benefits have gotten more expensive since then. There has been a loss of revenue due to net metering and businesses closing. With the pandemic, last year was a very challenging year. We are going to see how things look once we are on the other side of the pandemic and then start a discussion about whether a rate increase is needed. It is not something that will happen for sure but something the trustees definitely need to think about.

Diane asked if it is known how the \$360,000 that is coming to Johnson is going to be spent. Does it have to go to a certain department? Meredith said the trustees haven't had a chance to talk about it. She saw a spreadsheet from VPPSA that gave dollar amounts expected to be received by each municipality. She saw a figure of about \$360,000 for Johnson. Her understanding is that the town and village will each receive some funds. She thinks there is a formula based on population. She can't say how much the village will get. Her understanding is that the funding is much more flexible than previous stimulus packages. She believes the funds can be used for revenue replacement. Our three utilities had revenue substantially less than what was budgeted. She thinks we could use this money to make those funds whole. But it will be a long discussion among trustees how best to use those funds. VLCT advises being strategic and not rushing to use the funds. Hopefully we will have more clarity on the exact dollar figure and allowable uses in the next month or so.

Diane asked if the village has the money for the sidewalk construction project. Meredith said yes. There is money in the sidewalk reserve fund and the village got a grant from the state to pay for 50% of the cost. The village will be receiving bids in the next few weeks. She is hoping the cost will be within what the village can afford. The grant from the state expires at the end of this calendar year so the village is under pressure to get the project done this year.

Meredith said in 2021 the village is going to be doing an analysis of its sewer rates. The state required this as part of seeking construction funds for the pump station replacement project. We don't know if that means rates will go up or if the village will change its rate structure.

Diane said she wanted to reiterate what Kyle said about beautification. She thinks it is important to have money available so we can make the downtown a place where people want to come.

Kyle asked if Meredith has a breakdown of how much of the lost electric department revenue this year is due to NVU, how much is from lost businesses and how much is from unpaid bills. Meredith said the figure of about \$40K that she mentioned is reduced sales compared to what we budgeted. It does not include unpaid balances. She doesn't have that figure handy. She showed a spreadsheet with 2020 electric department budget and actual figures. For residential sales the village budgeted \$857K and billed \$948K. That was over budget because people were home more. For large commercial we budgeted \$303K and billed \$313K. For small commercial we budgeted \$173K and billed \$151K. The big difference between budget and actuals was for NVU. We budgeted \$589K and billed \$474K. For public authorities (town, village and school) we billed about \$13K less than what was budgeted.

Kyle said she is very worried about the electric department. Her feeling is that it will take a while for any of this to rebound. We have heard that the Studio Center will probably not reopen until 2022. She is anxious about recouping losses. It may take several years. Does the loss of revenue translate to a lesser need for lineworkers? Does it cut back on the amount of work they do?

Meredith said infrastructure doesn't change with reduced load. We still have the same amount of poles and wires and transformers that need attention. Unfortunately the reduced load does not translate into labor savings. We need to be strategic with whatever Covid relief amount we get, knowing that utilities took a hit. When funds come into the village her recommendation would be to strongly consider making the utilities whole as much as possible. The village can also look at rate increases. We will have to look at a suite of things to close the gap.

Kyle said she has been wondering about the taste of the village water. She cannot drink it because it tastes like a swimming pool. A plumber who was at her house said things were very corroded. He attributed it to minerals in the water. She is wondering why the water is so difficult to drink.

Dan Copp said we have extremely hard water in Johnson. At one point the village looked at a water softening system but he believes it was not considered because of the expense. Proper maintenance is important for water heaters, etc. to prevent buildup from the water hardness. The village is required by the state to chlorinate its water. We also have to remove manganese. To do that we have to use chlorine as an oxidizer so we add enough chlorine for manganese removal. The village water is chlorinated more than well water but that is required by the state. Our residual averages .35 to .45. State requirements do not allow us to go below a residual of .3.

Meredith asked Dan to talk about testing of the water. Dan said we test for chlorine, manganese and iron every day. We take twice monthly samples to test for coliform. We test what comes out of the plant before and after filtration.

Kyle asked where the water comes from. Dan said from a drilled well in the middle of a field at the end of Wescom Road.

Kyle said the amount of chlorine that needs to be put into the water worries her because it is known to cause cancers. If we have to put chlorine in to make the water safe but that creates its own potential public health problems, can we find a source of water that doesn't need so much chlorine? Dan said it would be very expensive to develop another source. Our chlorine residual is well within any health advisories and within state limits.

Will asked, any public water has to be chlorinated no matter the source, right? Dan said not necessarily. He knows of some small systems that are not chlorinated.

Will said the village put a lot of effort into finding a source that had enough water. We used to have an open source but there are potential hazards with that. A well is safer. The current well was pretty much the only option found that could provide the quantity needed.

Steve noted that he and his wife use a small filter on their kitchen sink that makes their water taste pretty decent. He thinks it cost under \$100. They have to replace the filters two or three times a year. Kyle said her family has filters all over their house because they are concerned about the health effects of years of chlorine exposure.

Kyle said about 3 weeks ago she sent out a link to the recent Xusana Davis lecture at NVU and asked the trustees and the selectboard to consider watching it together as a board and having a

discussion. In the lecture Davis gave interesting data about the future of our communities, which will include more women, non-binary people, and people of color. She talked about how we need to start being very proactive in being more welcoming and supportive of those people. Kyle thought it was important for our town and village officials to watch that and take the data seriously. She only heard back from BJ, who said he was going to mention it to the trustees. Meredith said she doesn't believe the trustees have had a regular meeting since Kyle sent the link. The next regular meeting, when the new board is in place, might be the best time to discuss it.

Lynda Hill said she is curious about what is happening with the Barrows House and the coffee shop. How are the finances going for that? Scott said he has no idea or any reason to know. Lynda asked, didn't the Tatros get funding from the village or town? Meredith said she thinks the town has been shepherding that funding project. She has no direct knowledge of where things stand. Eric asked Brian Story if he could talk about it. Brian said just today he helped submit the environmental review for the Barrows building. The historical review has been completed. Those are the hurdles that needed to be completed before construction could start. Lynda asked if there was any Act 250 issue. Brian said he is not aware of any. The reviews the town has assisted with have been completed.

Scott said a statement was made about chlorine being a carcinogen. The EPA, another federal organization and a professional association say it is not. It can form a carcinogen when mixed with biological material but that typically doesn't happen with well water.

Diane asked if the manganese levels have gone up in the past few years or if they have stayed the same. Dan said we have maintained about the same manganese level since he started 3 years ago. We are not chlorinating more than 3 years ago. He has looked back at past years before he got here and levels are in the same ballpark as in the past.

Kyle asked if there has been any discussion about fixing the sidewalk in front of Parker and Stearns. It is really rough. Meredith said she hasn't spoken to the Tatros about it. She can reach out to them.

Kyle said a New York State government health web page says chlorine can cause health issues such as asthma in kids and in pools it can lead to increased risk of cancer. Her point was that exposure day after day, week after week and year after year is an issue. Scott said the chemistry of pool water compared to drinking water is totally different.

Gordy thanked the board for the dedication in the village report. It meant a lot to him. He said he has enjoyed working with Rosemary through the years. Meredith is an optimist who has helped him to think positively. He hopes she will consider staying on. He thanked Scott for all he has done. He and Scott have had good talks. They have sometimes disagreed but always seem to find a way through it. Scott has done an excellent job as chair. It is a loss for the community that he is getting off the board. He welcomed Athena as a new face on the board and has enjoyed his short time working with her. He wishes she had stayed on and hopes someday she will come back to the board. He has known Will for some time. Will doesn't beat around the bush. Everyone knows where he stands and he tries to do his best for the village. He thanked Dan and Troy, who are the backbone of the village, for the work they do.

Eric said the recognition and dedication for Gordy in the village report was well deserved.

5. Discuss Community Project Ideas to Submit to Rep. Welch for Federal Funding Opportunity

Meredith said about a week and a half ago an email came from Representative Welch's office letting municipalities know that each congressman is being given the opportunity to include 10 community projects in a bill. His office is soliciting project ideas from municipalities. The selectboard had a special meeting to discuss project ideas and Brian talked to her about an idea that came from that meeting. The concept is to secure funding to allow the village and town to move or reconfigure municipal operations at the end of Railroad Street to allow for redevelopment options for more of that property. The village worked with LCPC to create the Railroad Street Area Wide plan, which looked at three parcels along Railroad Street that are prime for redevelopment. One of them is the former talc mill parcel. It was pointed out that it has a lot of potential for redevelopment because it is under municipal ownership and is adjacent to the rail trail. Having so much of that property devoted to municipal uses may not be using it to its best potential. Potentially we could get funding to do needed work to the municipal buildings there. The village garage has issues that need to be addressed in the short term. The town/village cold storage building is packed to the gills and also has problems. Perhaps we could reconfigure our space and free up space for other uses to bring vitality and money to the community.

The timeline for this opportunity is very short. Applications are due by the end of the day on Wednesday. She and Brian have been working on this, trying to get letters of support lined up. She also mentioned two other ideas to the trustees. The stormwater master plan identified a potential new project near the library to rebuild some of the line near the river and put in a new type of catchment system to purify water before it gets to the river. That project has been designed to the 30% level. She thought we could potentially seek funding for that. But stormwater projects will probably get their own pot of funding in the relief bill. Her recommendation, in the interest of time, is just to focus on the project VPPSA is proposing and the talc mill project.

Brian said there was a lot of interest at the selectboard meeting in finding a project that the town and village could cooperate on. Making improvements at the talc mill property is something we think is competitive and fits well. The area wide plan describes the highest and best use of that property as something other than what we are doing now, but there is no way we can move all town and village facilities out of that property in the time allotted. But moving from three buildings into two buildings seems doable and that would allow us to dedicate one of the three buildings to that higher use.

Meredith said in addition to the very short application timeline her understanding is that the project has to be completed by the end of September 2022, so it basically needs to be doable within a year. We have to work on the village garage anyway.

Meredith said VPPSA has asked us to support a project they are proposing. Johnson is one of 11 municipal members of VPPSA. Small utilities are getting pressure at the state level to implement smart meters, which are expensive. In the past a lot of bigger utilities were able to use ARRA funds to fund implementation of smart meters but that funding wasn't available to small municipal utilities. VPPSA is applying to Rep. Welch for funding, saying that we weren't able to take advantage of ARRA funding so we are seeking 50% funding for our smart meter project, which is what ARRA provided for larger utilities. She thinks the most recent cost estimate for smart meters for the village is about \$500K, so this could potentially save the village about \$250K. Her strong

recommendation would be to offer a letter of support for this, even though we would be somewhat competing with ourselves.

Will asked, there is no commitment to an actual smart meter project? Meredith said she doesn't think so. VPPSA is the applicant. She thinks if the Johnson elected not to proceed they could use the money that would have been used by Johnson to help support other members' projects. Will said at this point he couldn't support spending \$250K for smart meters. Meredith said VPPSA has talked about providing funding to member utilities for smart meters. Before signing the letter of support she can confirm that if we send a letter of support they are not requiring us to move forward with installing smart meters.

Kyle asked if Meredith could describe what smart meters do. Would they handle the job of reading meters instead of the crew needing to do it manually? Meredith said yes. They would likely use a radio frequency to send data to a central computer where it could be used to do billing. In some instances smart meters allow for remote connection and disconnection. The reason the state is pushing them is that they also allow for things like rates based on time of use. For instance, there could be lower rates for electrical vehicle owners who charge their vehicles at night. They provide more tools for us to do creative things with rates to incentivize or disincentivize certain things.

Kyle said it sounds like they will save some labor. Meredith was saying the state has been pushing them. Will the village have to convert at some point? Meredith said the state very much wants to see it happen. She thinks that without legislative action we would not be forced to convert, but there is very strong political pressure to do it. The state may require types of rates that it would be very difficult for us to implement without smart meters.

Kyle said the village might be foolish not to take the funding because the requirement to install smart meters will come down at some point and then the full cost load will be on the village. Meredith said VPPSA has selected a vendor. The next step they are working on is the business case, examining costs and benefits for each member. The reality is that in the short term converting to smart meters won't save us money. We read electric and water meters at the same time. It is very efficient. The time freed up with smart meters would not be enough to let us lose a position. It would just free up 10 hours a month to do something else, not lead to real cost savings. She is not anticipating that the study will show economic savings from smart meters. The benefit of smart meters may be more that it is the reality of where the industry is going.

BJ asked, we can spend for smart meters over a few years rather than all at once, right? Meredith said she thinks the funding could be spread over multiple years. There is the potential that VPPSA could provide the funding and we would make an annual payment to them. She thinks we would want to do as much of the implementation as possible all at once, not have a situation for where for a long period of time we had multiple types of meters.

Gordy said there are quite a few advantages of this type of metering. People who generate power will be able to tell how much they are generating at different times of day. People will be able to tell how much they are using it different times of day. Knowing when peak loads are will help the whole village keep peak loads down. The people in the office may often be able to do disconnects and reconnects. That can lead to labor savings. Smart meters are a very helpful tool for people who are generating power.

Will moved to support VPPSA's application for funding for smart meter installation if Meredith determines that this support does not mean we have to commit to installing smart meters, Steve seconded and the motion was passed.

Will moved and Steve seconded to direct Meredith to move forward with submission of a request to Rep. Welch for funding for the talc mill building reconfiguration project.

Shayne Spence said he is glad to see this moving forward. He hopes this situation is a lesson that having some big plans with firm numbers is helpful. Knowing that in the future there might be another situation where we have a short time to come up with a plan, it might behoove us to have a plan in place for our dream project.

Brian clarified that the project Meredith is discussing is in addition to the other projects that were discussed at the selectboard meeting. There are a couple of projects that town is pursuing on its own. A great deal of planning has already been completed for the light industrial park. But the select board felt we could apply for a couple of projects. This is one that does not have a lot of planning already completed. He wants to mention that we can identify these projects as scalable if we desire. As Shayne suggested, it would be nice if we had design documents ready for funding. Maybe we could state in our application that this is scalable down to planning documents. If they don't want to give us enough money to rebuild three buildings maybe they will give us a few thousand dollars to do an engineering study for that project and then it will be ready to take off the shelf the next time there is funding available.

Will said he believes his motion gives Meredith full scope to discuss that with Brian and include it in the application. Meredith said we have an immediate need for work on the village garage but there are many other things that need to be done on that site. That makes sense as a backup plan.

The motion was passed.

6. *Approval to Submit the CWSRF Construction Loan Application for the River Road Pump Station Replacement Project*

Meredith said she is ready to submit the loan application for the River Road pump station project and she needs to include the date when legislative approval to submit the application was given, so she needs motion giving that approval. **Will moved to approve submitting the CWSRF construction loan application for the River Road pump station project, Steve seconded and the motion was passed.**

7. *Scheduling of Special Meeting*

Meredith asked if at least three trustees would be available Wednesday morning around 9:00 for a special meeting of about 5 minutes to approve release of a lien on a piece of property. Steve, Scott and BJ said they could be available.

8. *Other Business*

Kim thanked Meredith and the trustees. She said she appreciated Athena's viewpoint. She suggested maybe Athena will think about coming back to the board at some point.

Kyle asked if Meredith could talk about what property the lien is on. Meredith said it is for 93 Riverview Drive. Kyle asked if that is in front of the Manchester property. Will said no, it is his property, the White House apartments. Meredith said Will will not be voting on releasing the lien.

It is a normal process when a property is being closed on and the lien is going to be paid for the village to release the lien. Will said it actually was paid several years ago.

Will thanked Athena and Scott for their contributions to the board.

Scott noted that the number of deaths from Covid is now up to 225. Johnson is up to 61 cases now. Data shows that it is in people under 40 or so where case numbers are skyrocketing. He suggested that those who know people in that age bracket should encourage them to do the right thing.

Scott thanks Gordy for his past leadership and for showing him how to be a trustee. He said it has been a pleasure having Athena on the trustee board. He has looked forward to her comments and her ability to speak out when she thought it was needed. He hopes she comes back to the board in the future. He thanked the other trustees and Meredith.

Meredith said Scott has been awesome to work with and helpful on the Covid team.

Kyle asked if there was a reason why Jena Gould-Hopkins was left off the list of people who served and were replaced in the village report. Meredith said she didn't even realize that had happened. She asked Rosemary if that could be changed in the online version and if BJ's name could be corrected from DJ. Rosemary said yes, she can fix those things in the online version. She apologized for the mistake.

Steve thanked Scott and Athena for their service and said he hopes Athena comes back when time allows.

Athena expressed gratitude to her fellow trustees, Meredith, Rosemary, Dan, Troy and the community. She has learned so much from being on the board.

7. ***Adjourn***

Will move to adjourn, Steve seconded, the motion was passed and the meeting was adjourned at 7:37.

Minutes submitted by Donna Griffiths