

JOHNSON VILLAGE TRUSTEE BOARD MEETING MINUTES
JOHNSON MUNICIPAL BUILDING
WEDNESDAY, MARCH 30, 2022

Present:

Trustees: Steve Hatfield, Diane Lehouiller, Will Jennison, BJ Putvain, Ken Tourangeau

Others: Rosemary Audibert, Eric Osgood, Susan Tinker (via Zoom), Lisa Crews, Kyle Nuse

Note: All votes taken are unanimous unless otherwise noted.

1. Call to Order

Will called the meeting to order at 6:02.

2. Review of Agenda and Any Adjustments, Changes, Additions

No changes to the agenda were needed.

3. Informational Meeting for the Annual Meeting on April 5, 2022

Members of the public were invited to ask questions on the budget. Kyle Nuse said she had some questions on the general department budget. She asked about Line 24, Electric Department - in Lieu of Taxes. What does that mean? Rosemary said the town pays this for lines inside village limits instead of paying taxes.

Kyle asked about Line 28, Reserve fund revenue. How is the reserve fund creating revenue? Rosemary said that is money that came out of the reserve fund for the sidewalk project.

Kyle asked about Line 40, Northern Vermont University Payment. She seems to recall that the \$6K was for the fire department. Is that why the college pays that every year? Rosemary said yes. She described where that shows up in the fire department budget.

Kyle said Line 65, Legal expenses, is the only place in all the budgets where she saw legal expenses. Rosemary said in the other budgets legal expense is under outside services. Kyle asked for examples of general department legal expenses. Will said questions about meetings. Rosemary said the sidewalk project.

Kyle asked why the actual miscellaneous expense figure for 2021 was so much higher than usual: \$17,352. Rosemary said that was an estimate for back pay and other employee expenses such as insurance. Kyle asked, wouldn't that come out of salaries and benefits? Eric Osgood asked what is meant by back pay. Will said the village had a dispute with an employee. The employee was put on leave, it went to arbitration, and the arbitrator said the employee had to get paid for the time they were released. Eric asked, it wouldn't be applied against the different departments, prorated? Rosemary said this line is where Meredith put the estimated amount. Will said this was a placeholder. We knew it was coming so we put the amount in miscellaneous expenses for now until it can be coded differently. Lisa asked, \$250 is an accurate estimate for this year? Will said yes.

Kyle asked why postage was so high in 2021. Rosemary said because of the cost of mailing two separate ballots.

Kyle said the total general government amount budgeted for 2022 is a lot less. It feels like a big swing in numbers. Rosemary said there will be no sidewalk project in 2022.

Kyle noted that Line 103, Operations & Maintenance Labor, is about a \$15K increase over actuals for 2021. Will said the increase over the amount budgeted for 2021 is smaller. Lisa asked, is that where the back pay amount in miscellaneous expenses is relevant? Rosemary said mostly, yes. Lisa said holiday and CPO is out of scope with other years. Rosemary said that is because of COVID and times when employees were sent home because they couldn't be in the garage. Lisa asked, will they be able to be in the garage in 2022? Will the repairs be done? Will said the village has an engineer working on a plan and employees are mostly outside anyway in the summer. The hope is that we will be able to do work on the building this year so it can be used more in winter.

Kyle said about \$10K is budgeted for sidewalks in Line 117. Which sidewalk will be worked on? Will said that line covers maintenance as well. Rosemary said it includes cleaning out storm drains. Kyle asked, nothing is budgeted for construction? Will said no.

Kyle said nothing has been put into the sidewalk fund for 4 or 5 years. Is there a reason for that? She seems to remember that part of the expectation behind the town giving the village ten cents on the grand list was that it would go toward sidewalk maintenance. Will said it also goes toward plowing, salting, sanding and repairs.

Kyle noted that the actual snow removal expense was low this year. Rosemary said there was an agreement between the town and village for salt. Will said the village swapped labor for salt. Rosemary said that may or may not happen next year.

Kyle asked what made the actual small equipment capital reserve fund expense go up so much. Rosemary said the fire department replaced all their air packs. Will said it was a budgeted replacement.

Kyle asked why there are no actuals for cash on hand. Rosemary said at the end of the year we had approximately \$25K and the board decided to reserve \$8K for the fire department for helmets. Will said the helmets are outside their lifespan. Rosemary said that leaves a balance of \$18K. Kyle said it appears the practice is not to include the actuals for those lines. Rosemary agreed.

Lisa Crews noted that Line 147, Interest on Loans, is zero. Did we pay all the loans back so we don't expect to owe any interest this year? Rosemary said she thinks interest on loans is included in Line 165.

Kyle asked if the Community Improvement Grant is the revolving loan fund. Rosemary said yes. Kyle said nothing has been loaned out for a while. Rosemary said no one has asked for 3 or 4 years.

Kyle asked about the \$12,736 budgeted for water department capital reserve fund revenue for 2021. Will said the pump for the village water supply is aging and a new pump has been

ordered. If the pump goes down and we have to reconnect to the Nadeau well we will need a no drink order so we wanted a backup pump. Kyle asked if there is a plan to secure another reservoir. Will said it is not on the trustees' agenda currently. We are having no issues with the current source other than minerals. It meets all USDA regulations. With the Nadeau well connected to the village system it would have just been a flip of a switch to start using that well, but now that we are disconnecting from the Nadeau well if we start using it again we will have to have a no drink order. Getting the current well took 10 years and was quite expensive. A lot of areas have already been explored.

Kyle asked about Line 18 in the water department budget, Miscellaneous Income. It was in the \$10K range in 2021 and for 2022 it is around \$59K. Rosemary said that represents USDA grant funds and ARPA money used to make up the deficit. We may not need to use the whole amount.

Kyle asked why Line 38 of the water budget, Office Expense, has gone up so much from 2018 to now. Rosemary said she thinks in 2018 or 2019 the water and sewer departments started to pay rent to the general department and that was included in Office Expense.

Kyle asked who or what is represented by Line 46 of the water budget, Outside/Contracted Services. Diane said Meredith told the board that was fees for her and for the garage engineer.

Kyle said Line 68 of the water budget, Outside/Contracted Services under Plant Operations Expense, looks like it is always underfunded. Will said he thinks the figure is probably Dan's best guess as to what will be needed.

Kyle said she noticed that there was no 2021 actual for Line 86 Equipment Fuels And Oils. Rosemary said the water department doesn't own any trucks. Kyle said this line has been used in the past. Rosemary said the outside contractors the village currently uses bought the truck the village owned.

Kyle said in the wastewater budget about \$57K was budgeted for Reserve Fund for 2021 but the actual was zero. Rosemary and Will said that was for the cupola work which has not been done. Will said we could not get anyone to bid on the job and it is not beneficial to do it while material costs are so high.

Kyle asked about Line 19 in the wastewater budget, Miscellaneous Revenue. Rosemary said that is ARPA money.

Kyle asked what Loan Proceeds means. Rosemary said we are getting a loan for the River Road pump station work.

Kyle asked if Line 50 in the wastewater budget, Contracted Outside Services, represents Meredith's time. Rosemary said yes, and the consultant for the garage.

Kyle asked about Line 73 under Plant Operations Expense, Outside/Contracted Service. Rosemary said that is the contract for sewer plant operation. Will said Dan is not an employee of the village. Kyle asked if 2018 is when the village switched from having an employee to contracting for services. Rosemary said that happened in the middle of that year.

Kyle asked what Line 83, Collection System Maintenance, represents. Will said that is for cleaning sewer lines. The trap before the Gihon River has to be cleaned a couple of times a year.

Kyle asked what Merchandising & Jobbing means in Line 6 in the electric department budget. And why is \$45K budgeted for 2022? Rosemary said that is for services provided by the village electric department. There is a big project at Jolley – new charging stations going in. There are quite a few jobs to be done this year.

Kyle asked about Line 7 in the electric department budget, Deferred Revenue. Rosemary said years ago Comcast paid for upgrades on 100C. We have done part of the project and there is still more to do.

Kyle asked why a large amount was budgeted for Line 15 of the electric department budget, Misc Revenue, in 2021 and nothing is budgeted for this year. The trustees and Rosemary did not know the answer.

Kyle asked about Line 50, Project 10 Charges. Rosemary said that is part of our power purchase, a peaker plant in Swanton that comes on when there is really high demand. Will said we are part investors in that project. When it gets turned on it is paid peak load charges. Through VPPSA we participate in that project.

Kyle asked about Line 82, Substation Maintenance Contracted. The amount budgeted for 2022 is \$15K but there have been no actual expenses for the last couple of years. Will said there are upgrades for the substation that need to be done and have been put off. Troy was thinking of moving forward this year. It is a pretty big project and will need more than just our employees.

Kyle asked about Line 85, Tree Trimming Labor. Does the village crew help the town crew with ash trees? Will said he thinks they help by contributing the village chipper and some labor.

Kyle asked why the amount budgeted for customer records and collection is so high for 2022. Will said the amount needing to be collected will be out of the ordinary now that COVID relief is no longer available. People got behind on their bills.

Kyle asked what Stores Expense Labor is. Rosemary said she thinks that is inventory the electric department has at the garage.

Kyle asked why Line 109 of the electric department budget, Outside Services, is budgeted so high this year. Will and Rosemary said because of the village garage. Will said that line also covers classes and safety equipment testing.

Kyle asked why budget and actuals for 2021 were so different for Line 119, Sick, Vacation, Holiday. Will said because of the garage issues and COVID. Lisa asked for more clarification, noting that actuals were around double what was budgeted. Will fixing the building really resolve these expense issues if COVID goes by the wayside? Will said employees have CTO (Combined Time Off.) Whenever they take a day off for sick leave, vacation or holiday it goes in this category. Lisa said it seems like CTO is becoming a liability to us. Ken said employees have just been taking more of it. Will said through the contract with the unions they get so much time off allocated and they may take more in one year than in past years. They have a bank. Lisa said she feels if we have a lot of people banking a lot of time maybe the system needs to be revisited. Will said there is a cap. Rosemary said most of this was for non-work hours due to COVID and the garage. Will said numbers shouldn't peak like that again unless there is another pandemic. Lisa asked, so the expense is directly related to the pandemic and the garage? Will said yes.

Kyle asked about the high actual expense in 2021 for Line 128, Miscellaneous Administrative Expense. Rosemary said that is the estimate for back pay. Will said it is for the same employee discussed previously.

Kyle asked if the board could say how each department landed in the end and how much taxes are going to be raised. Will said if Article 6 passes taxes will go up 28%. Otherwise the budget is level funded. There were deficits in the water, sewer and electric budgets. The village will be looking at rate increases. There will be no increase to the general budget.

Lisa said a lot of the revenue used to keep the level funding is based on ARPA money. It sounds like that money is not a sure thing yet. How confident are we about this cash flow? Rosemary said we have that money already.

Will reviewed all the articles on the annual meeting warning and invited the public to ask questions about any of them.

Lisa asked about the treasurer to be elected. Is that a trustee member? What does the treasurer do? Rosemary said she is the treasurer.

Steve asked, did two of our auditors resign? Rosemary said Jo-Ann Benford's term is up and one auditor has been gone for quite some time. Steve asked how many auditors we need. Rosemary said we are supposed to have three. Lisa asked what the auditors do. Rosemary said they audit the books. They come in once a year and look at them. Steve asked if they are supposed to be CPA's. Rosemary said not for this job. Lisa asked if they are cross checking directors' orders with what is in the system. Rosemary said yes.

Kyle asked how the village manager search is going. Will said he would say it looks promising at this point.

Lisa said we are voting on what could potentially mean hiring for an economic and community development position. How much of Meredith's time was supposed to be spent on that? Will that be part of the new village manager's role? Will said it will be. The trustees will speak to anyone who is hired and find out about their experience with writing grants. He doesn't think there will be a set percentage of time for that work. It will be more a matter of the squeaky wheel getting the grease. Lisa asked if the manager would be working in tandem with the economic development person. Will said if there is someone whose sole job is doing economic development he doesn't know how much time the manager will put toward that. Rosemary said some of the money Article 6 is asking about could also be used for matches grants require. Kyle said she remembers Meredith saying she didn't have as much time for community and economic development work as maybe she would have liked. Ken said she got a lot of grants in her tenure here.

Eric said years ago the town and village had a shared administrator position and a dedicated person for economic development and then the town and village positions were split up. At the town level it has always seemed to him that what we lost out on was the economic development portion. The new position was to be a certain percentage administrator work and a certain percentage economic development, but economic development always lost out. There are always enough fires that come up and the administrator is focused on day to day work, never looking at the long term. We know about \$15 million came into the town and village when we had Lea Kilvadyova in that position. Does that mean it all came because of her? Probably not, but he is confident we would not have gotten nearly as much without her work. And we are still seeing some of what she did. She got projects ready for when money became available. He thinks we are missing that now – a person making projects ready to pull off the shelf when there is funding. He saw comments on Front Porch Forum about Article 6. Yes, it is correct that village residents would be paying more for this. But of that \$15 million Lea brought into the community, the majority went to the village. The village will benefit the most from community and economic development. Village residents ought to be appreciative that people outside the village are willing to support this because they see it as a benefit for the whole community. He hopes Article 6 passes. The town has \$40K, but that wouldn't go very far. It certainly would not go far toward hiring someone. A lot of people think we could contract out for grant writing and grant administration. A lot of people can do that work. LCPC can do that. But a person of Lea's caliber who makes projects ready and works with funding sources is a different kind of role. We have empty storefronts on Main Street. We have lost Manchester Lumber and Parker & Stearns. That affects the village more than the town because those businesses were utility ratepayers. He is still cautiously optimistic about the Jewett property. If this position helped move the needle on that, half of it is in the village and it would lead to a gain on the village grand list. And everyone on that property will be a power, water and sewer customer.

Ken noted the dedication of the village annual report to Meredith Dolan. She did great service for the town. He thanked Rosemary for providing information and thanked Will for the trustee report he wrote for the annual report.

Diane said Dan Copp was unable to be here tonight so she asked him to write up some information about how people can help maintain the sewer plant. She read what he had written:

There are many things users of the Johnson Wastewater System can do to help reduce operating costs and help the environment at the same time. Just because a label says it is flushable, like FLUSHABLE wipes, does NOT mean they are treatable at the plant. Things like wipes clog sewer lines and pumps. We then have to manually pull the pumps and unclog them. This costs manpower and causes potential issues because the pumps are no longer operating properly.

*Examples of WHAT NOT TO FLUSH~~it may seem evident, **but** we see combs, dishcloths, underwear, medicine bottles, big vegetable chunks and needles! And once daily, we get dog poop in a plastic bag. That type of material gets caught in the rack and must be extracted by hand. We have to wear personal protective equipment to remove those materials and to protect ourselves. NOTHING should ever be flushed down the toilet besides what should be. And ONLY organic matter should ever go down the sink.*

We cannot treat inorganic matter. It costs money and time to separate any inorganic matter. Nothing toxic should be sent down the sewer. Toxic chemicals and petroleum products can damage the biological process at the plant.

Please be conscious of what goes down the drain to keep the wastewater plant operating properly and our environment healthy~~and keep our workers safe and healthy.

If you have questions, please feel free to call Dan at 802.635.2951.

Eric said it would be nice if that information could get pushed out. He suggested maybe someone could go to the school to educate kids on this.

4. ***Executive Session – Contract for Outside Services***

Ken moved and BJ seconded to enter executive session to discuss a contract with Dolan Municipal & Utility Consulting, LLC for outside services as allowed under 1 V.S.A. § 313(a)(1)(a). Will said those invited are the trustees and Rosemary. **The motion was passed and the board entered executive session at 7:06.** The board came out of executive session at 7:37.

Ken moved and BJ seconded to accept the proposed contract with Dolan Municipal & Utility Consulting, LLC, with the condition that itemized billing, in-person training and a one-month progress report on Nate Brigham's training are added to the contract, contingent on review by the village lawyer, and to authorize the board chair to sign the contract.

Kyle asked, the trustees are hiring Troy to train Nate? Will said he is being hired to do estimates and supervise projects for the next 6 months and to train Nate in the job he did as foreman so Nate can see if he can do the foreman position.

Kyle asked what the hourly rate is. Troy said \$80 per hour. Kyle asked, is he only working with Nate? Will said no. We have several projects in play and he will continue to see those jobs to completion as well as train Nate, serve as VPPSA rep and do state required paperwork and safety reports.

Kyle said Troy told the paper that he needed to resign his position with the village to protect the safety and wellbeing of himself and his family. She doesn't understand the rationale. He couldn't work as foreman because he felt threatened but now he is saying he can come back and work for \$80/hr as a consultant and not feel threatened? BJ said the board is not here to consider his story or how he feels, just to consider how to keep the village going. Kyle said this feels concerning. It feels like a scam. She can't believe this decision. Diane said it is temporary. Kyle said it negates Troy's entire story.

The motion was passed.

5. ***Adjourn***

Ken moved and BJ seconded to adjourn at 7:42 and the motion was passed.

Minutes submitted by Donna Griffiths