

JOHNSON SELECTBOARD/VILLAGE TRUSTEE BOARD MEETING MINUTES  
JOHNSON MUNICIPAL BUILDING  
WEDNESDAY, NOVEMBER 9, 2022

**Present:**

Selectboard Members: Beth Foy, Duncan Hastings, Eric Osgood, Eben Patch, Mark Woodward

Village Trustees: Steve Hatfield, Diane Lehouiller, BJ Putvain, Ken Tourangeau

Others: Brian Story, Erik Bailey, Rosemary Audibert, Marla Emery, Lydia Putvain, Jason Whitehill

**Trustees Absent:** Lynda Hill

**Note: All votes taken are unanimous unless otherwise noted.**

**1. Call to Order / Review of Agenda and Any Adjustments, Changes and Additions**

Beth called the selectboard to order at 7:00. Steve called the trustees to order at 7:00. At Duncan's request, it was agreed to add a request from the Historical Society to display a historic weathervane in the municipal building.

**2. Review and Select Candidates for Fuel Purchases**

Brian said we got one bid in writing from Fred's Energy. He spoke to our current suppliers, Brosseau and Corse, and they are interesting in continuing to supply us, but did not submit anything in writing. Fred's can supply propane, fuel oil and diesel.

Eben asked if our current suppliers are doing a rack plus price. Brian said yes. Eben asked if we know what the plus is. Rosemary said she thinks the last price we got for heating oil was about \$4.59. She thinks the price was the same for heating oil and diesel.

Steve asked if there is any difference in service or reliability. Brian said we don't have experience with Fred's. We have had no issues with Brosseau and Corse.

Steve asked if it would be reasonable to ask Brosseau and Corse to submit something in writing within a couple of days. Eric said that should have been done before this meeting. Duncan said since our request for bids had a fixed date the only way to get other bids would be to reject the bid received.

Eric said it sounds like heating fuel is about 30 cents a gallon more expensive with our current supplier. It would be interesting to know how our current propane price matches up with what Fred's is offering. Ken said the propane price offered by Fred seems good compared to what he pays. Since propane is cheaper than heating fuel he thinks we should consider switching our furnaces over to be able to use propane. The propane price has not fluctuated as much as the fuel oil price in the last 30 years.

Eben noted that that the contract offered by Fred's includes a fee if we do not use at least 80% of the amount specified on the contract. Ken said that is only the case for propane. Beth said we need to know our annual propane usage. Eben said the fee is only if we go with the rack plus price. Duncan said they based their bid on Brian's numbers in the RFP. Beth asked if we got our actual usage from the current supplier. Brian said he would want to double check on that.

Duncan asked if we found out whether Corse owns any of our tanks, particularly underground tanks. Brian said he doesn't know if we own the tanks.

Eric said he would feel comfortable going with Fred's. His only caution is the question of whether there will be any cost for switching tanks. Erik said the new supplier typically puts their tank on site before the old supplier retrieves theirs. The old supplier has to give you credit for what is left in the tank. Marla said it is common for companies to swap ownership of a tank if the tank passes inspection. Sometimes there is a small fee to change owners. Mark said since our current companies did not bother to give us bids he would go with Fred's for all three contracts. Beth said her only concern is that the Fred's contract gives us a specified number of gallons to buy. She would like confirmation of the actual gallons used for the calendar year. She wants to make sure we would not be significantly under the target amount and have to pay an extra fee. Ken said Fred's mentioned a \$1.50 charge for using less than a certain amount of heating fuel or diesel, but does not have any gallon amount we have to purchase to avoid that charge. Brian said he expects they would want to set a number before they agreed to the contract. Erik said different pricing is shown for off-road diesel and heating oil even though they are the same product. Duncan suggested maybe those are two different pricing options. Duncan said he would guess that if we did not meet the amount shown in our RFP they would try to apply the \$1.50 charge. Erik said if we want to bet that the price might go down a fixed fee above rack price is one option. Beth said they do show 500 gallons in one place as an amount of fuel oil we have to use. Duncan said he doesn't think they will use that amount; he thinks they will use what is in the RFP.

Duncan said there is a certain attraction to the idea of a fixed price but he doesn't know if the price of fuel oil will go down over the next year. But 30 cents above rack price seems a little high to him. He thinks that is considerably more than the current price. Mark said we need to know that. Mark said he likes the idea of a percentage over the rack price vs. a fixed price. A company will set the fixed price high to ensure they don't lose much money. But he doesn't know what we are paying over rack now with Brosseau. Eben said he wants more information. Rosemary and Lydia went to look up information about the current suppliers' prices and the board agreed to come back to this discussion later.

### **3. Memorandum of Understanding for Jointly Owned Buildings**

Brian said he made the updates previously requested to the MOU. He added a definition section that defines Maintenance and Improvement as "Any work done to a building that does not alter its use or result in a known reduction in value" and Use as "The purpose for which the building is dedicated to at the time of signing this agreement." He added a Statement of Agreement: "The Town and Village agree that actions which require the demolition or substantial change in use or value for any jointly owned building will require the consent of both the Town and Village." He also added "use" to the list of things that can be decided on by the village for the village garage and the town for the town garage.

Ken asked, if the town decides to turn its garage into a store, that means the town needs permission from the village? Brian said yes. Any actions that require demolition or substantial change in use or value require consent of the town and village. We can argue about what substantial means but changing the garage into a store would pretty clearly be substantial. Ken suggested that maybe the word substantial should be removed since there could be arguments about the definition and it should say that any change from current use requires consent of both town and village.

Mark said that really ties us in. If one entity decides to make any minor change then they would have to deal with the other. Ken said someone else's substantial could be different from his. Eben said there could be a number of minor changes over time, none of which would be substantial in

itself, but which over time could lead to a substantial change in use. Eric asked, if we currently have three tandems and we decide to go to two, is that a change in use? Ken said no because the town garage is currently a garage. Brian said if we had one less vehicle he would not call that a substantial change in use but it would alter the function of the building. Ken said a different number of vehicles would not change the use.

Brian said he thinks it is impossible for us to write a document that will cover every possible scenario. We have to have some faith that everyone here is acting in good faith. We are not lawyers and he doesn't think we want to hire lawyers to write this. He thinks we should accept that it will be imperfect. Beth asked if the trustees or selectboard want a legally written document. Duncan asked if she means that we would draft it and have legal review. Beth said either that or we could ask a lawyer to write it. Duncan said he would be more inclined to have legal review than to have a lawyer draft it. Eric agreed. Mark said he is fine with the way it is written. He doesn't want legal review. Eben said he doesn't want legal review. Steve said he doesn't want to spend money on this. Beth said she doesn't want legal review on the document but she thinks including substantial use matters. Just referring to use does not give either of us any flexibility. She thinks that puts us at risk of more conflict, not less. She would like to understand whether substantial use is something that has a generally understood meaning in agreements.

Eric said the town garage section says the town is 100% responsible for the maintenance and improvement of the town garage and decisions on building maintenance, improvements, and use will only require the affirmative vote of the selectboard. So if we say in the Statement of Agreement that any change in use requires consent of both town and village, that would not be consistent. There would be a conflict between those two areas of the MOU. The way it reads now he thinks either town or village can have a change in use as long as it is not substantial. Beth said the language for each of the buildings says that decisions on use just need a vote of the board in charge of that building.

Duncan said to address Eben's point we could say "incremental or substantial change in use." He thinks Eben's point was that if we change the use 10% each year it could completely change over time.

Mark said he doesn't care what the village does with the village garage. Ken said he doesn't care if Mark cares.

Duncan said he thinks the intent of the Statement of Agreement is to prevent one entity or the other from devaluing the total property. He thinks it creates a higher bar if we take out substantial. If it only refers to change in use we could say that the village putting in a closet is a change in use. Ken said that is not a change in use. Beth said if we are using the town garage to store vehicles and not supplies and then we decide to also use it to store bags of sand we are now using it for more than the current use so that is a change, but not a substantial change. BJ said he doesn't look at that as a change of use. Changing what is kept in it is not a change of use. If it was made into a food shelf, that would be a change. Beth said it depends on how you define change. Eric said if we take out substantial then a change in use would include everything, including minor changes. Leaving substantial means only major changes would be included. Erik said it would be a change of use if the town wanted to store something like rec equipment in the building and not just highway department equipment. BJ said that would not be a change of use. If it is still used as a garage, that

is not a change. Mark said he thinks BJ is arguing very successfully for use of the word substantial with what he is saying.

Brian said the word substantial is meant to apply to both use and value. If we take it out, it means any change, no matter how small, in use or value. Steve asked, don't we only care about downward change in value? Brian said the wording now does not indicate only downward change but we could adjust it. Beth she thinks we would also need to know about a substantial increase in value to be sure we are properly covering the building with insurance. There are ramifications if the value changes in either direction. Brian said that was the intent – that any substantial change in value would need approval by both boards. Mark asked if it has to be a majority of each board. Beth said yes.

**BJ moved to authorize the chair of the village trustee board to sign the Memorandum of Understanding between the Town of Johnson & Village of Johnson on Responsibility for Jointly Owned Buildings as presented, Diane seconded and the motion was passed 3-1 with Ken opposed.**

**Eric moved to adopt the Memorandum of Understanding between the Town of Johnson & Village of Johnson on Responsibility for Jointly Owned Buildings as presented and to authorize the selectboard chair to sign it, Duncan seconded and the motion was passed.**

4. ***Review and Select Candidates for Fuel Purchases (continued)***

Lydia gave the most recent propane price from Corse. She said their service fee is only \$7. They also have a safety fee. Marla said some companies have fees on their contracts and some don't. There can be a considerable difference with regard to fees. For the last delivery from Brosseau of oil and diesel fuel the cost was \$5.47. The cost in October was \$4.27. Corse has a better price for propane than Fred's. Ken asked, but they wouldn't commit to that price? Eben asked if it would be possible to reach out to Brosseau and Corse and find out what their rack plus price is and then each board could make a decision at its own meeting about who to contract with. Eben suggested also reaching out to Fred's to see if they can offer a rack plus price on propane. Beth said we should also ask about fees. Duncan said if we are talking to Fred's we should also ask why they offered both a percent above rack price and a fixed price for the same product.

Erik said he will get the current rack over price from Fred's and Corse and find out whether they will honor that for at least a year and get our actual usage for the past 12 months from Corse. Brian said he will get information on prices and fees from Brosseau and Fred's and clarify why Fred's offered two methods of pricing for the same product.

**Eben moved to allow the trustees to select a propane supplier for town and village with the town agreeing to pay its fair share for propane from the supplier picked by the village, Mark seconded and the motion was passed**

**Ken moved to allow the town to contract for oil and diesel for the upcoming year with the village agreeing to pay its fair share for oil and diesel from the supplier chosen. The motion was seconded and passed.**

5. ***Website Overhaul Planning***

The board had been sent information on website development costs from website hosting bids. Brian said we previously put out an RFP just for web hosting but some of those who submitted bids also included pricing for a new website with their bids so we had some data on what a new website

might cost. Beth said at the last joint meeting there was discussion about whether we were interested in proceeding with a website overhaul. The boards asked administrators to find the costs that had been presented before. We are not looking for a new web host right now. We are reviewing website development cost figures to decide whether we have an appetite for building a new website.

Eben said we don't need a new website host. If we went to a new host along with getting a new website the cost might be more. This information gives us ballpark price figures, but without samples. Erik said Ecopixel does Waterbury's website.

Brian said we don't have the money in our current budget for a new website but if we want one that could inform budget discussion for next year. We could ask the person who currently hosts and maintains our website for a quote. He would imagine that would be less than the other quotes we have. Beth said that person basically just recreated the website we already had so the current website is not a representation of her work. Lydia said Elisa Clancy, the current web host, is absolutely wonderful. She is very informative and communicative. Lydia would like to advocate for her. Lydia did training with her on the Historical Society website and Elisa showed her some of her other websites. They were all very different but easy to read. She is sure we could get a list of them in order to get an idea of what she could do. Duncan asked if we have a contract that ties us to 3 years with her. Brian said he believes it is auto renewing but he would have to look. Beth said at the time we signed a contract with her we were thinking of it as temporary. She would be shocked if we signed a contract that locked us in for long. Eben said we are only ever locked in for a year.

Eric asked if there is anyone who is happy with the current website and would like to keep it. Eben said yes and no. It is cumbersome and not a great representation of the town but it is not costing a lot of money. If some of these vendors do not allow us to keep the same host, switching hosts could be an additional expense.

Lydia said she thinks if we are going to spend money on a website overhaul there would need to be significant improvements such as being able to submit utility applications through the website. It would be helpful if there were an election page on the website too.

Eben said before we go much further with discussing possible website improvements each board needs to decide whether they can carry the cost in their next year's budget.

BJ asked, if one person builds a website, can another company host it? Beth said they could. It depends on the technology they use. Brian said he thinks most, if not all, of the people who have offered redesigns have their own content management systems and would not host someone else's website. The website would be easier to maintain if we used a more advanced content management system, but do we generate that much content that we really need it?

#### **6. *Employee Compensation Discussion***

Brian showed a spreadsheet with healthcare options and costs. Healthcare costs have risen pretty substantially. We had estimated an 8% increase in the budget but the Blue Cross Blue Shield cost increase is 12%. If we leave everything unchanged the town will be about \$1500 over budget for all non-bargaining unit employees. Eben asked if the 8% increase that was budgeted was off last year's actual number or last year's budgeted number. Insurance went down last year. Duncan asked we are only adding the 8% increase for half a year, right? Brian said yes. The amount budgeted for

2023 was based on an 8% increase from actual 2022 numbers, which had declined from 2021. We will be over budget by about \$1500 if we keep everything the same.

Erik had prepared some comparisons with other towns based on the most recent VLCT Compensation and Benefits Survey. BJ said most other towns have a higher employer contribution. Eben said we should remember that this is only insurance and he thinks this is a poor representation of what is being contributed. He fact-checked one or two of the other towns earlier today. Underhill does pay 100% of the Gold, but it is a high deductible plan, which is considerably cheaper than the 90% Johnson pays for a non-high deductible plan. Beth said with a high deductible plan the employee is paying a lot out of pocket.

Duncan asked if he is right that the town and village offer a dollar amount that the employee can apply to any plan they choose. Erik said that is correct. He and Sue pay more to be on the Platinum plan. Duncan said when he was an employee he chose a high deductible plan and took the unused part of the employer contribution and put it into a health savings plan. There is a fair amount of flexibility in the way the benefit is currently offered.

There was consensus among both boards that board members are comfortable accepting the unbudgeted cost increase rather than passing on an increase in cost to employees. It was agreed to continue to contribute the same percentage of the same plan.

Jason asked if there might be any substantial change to the amount an employee can get if they opt out of the health insurance benefit. There could be a good cost savings to the town if more employees took health insurance somewhere else. Brian said currently we pay 50% of the single person contribution. There had been discussion before about basing the buyout amount on what insurance the person would qualify for. He had misgivings at the time but he has since spoken to other towns that do it. He is more comfortable with it if other towns are doing it. He previously did not like the idea of tying any compensation to an employee's marital or family status. Duncan said it is not Brian's decision, but the boards. Brian agreed. Jason said he takes the family plan, which costs \$28K. If the buyout were larger he would probably opt out. Duncan said in the past, before the current buyout amount was set, there was no compensation if you opted out of insurance. Beth said that is the way it is in all companies she has worked for. Lydia said at the time there was no buyout compensation maybe the employer contribution was 100%.

Eric said he has always felt uncomfortable asking what insurance an employee would be qualified for because of HIPAA rules. Maybe we can ask them to tell us if they are married or have a family but he is uncomfortable about it. Beth said he thinks we would have to do it based on their tax filing. Eric said he thinks it is straightforward the way it is. He wouldn't want to change it. He would prefer to continue to contribute half of what we would pay for a single plan and employees will not have to tell us if they are married or not. Duncan said they will have to show proof that they are covered somewhere else.

Eric said what Jason is pointing out is that there are people who are on family plans and have access to policies through their spouses that are not as good. The amount of money we currently offer for buyout is not enough to make them change to their spouse's insurance. If we want to save money on more plans we would need to restructure our buyout offering.

Eben said he would be uncomfortable forcing people to prove they were married or have children if they want us to give them a bigger buyout. He thinks if we want to give employees more we would have to give a higher percentage of the single plan. Some people choose not to get married and the town would be denying them money because of their choice. Whatever is done needs to be fair and consistent, not based on life choices. Jason said what he is suggesting is increasing the percentage of the single person plan that is used for the buyout. That would pique the interest of people who have a family plan and potentially save the town money. Duncan said he thinks we can talk about that in budgeting. Eben said boards could decide that on their own, though it would be good to agree on it jointly. Eric said it is good if all employees in both town and village have the same benefits.

Brian said last year we gave a 6% increase to all non-bargaining unit employees and we had estimated a 3% increase this year for the town. We actually had budgeted a little more than we are currently spending. Eben asked if that is because of the fifth employee. Brian said no, that is a bargaining unit employee. He thinks it is mostly because of our rec employee.

Erik had made up a cost of living fact sheet. He said he used the national CPI number but the New England number is 7.4. Beth said she is worried that if we use CPI as our guide every time we give raises we will have peaks and valleys. She thinks trend lines are the way to think about everything in budgeting. She likes to see where the trend is headed to make budget decisions. We are in a spike now and she thinks we need to think carefully about how we flatten out that spike. She doesn't love the idea of using 7.4 as a percentage increase this year. She does like the idea of supporting employees but she would rather use a lower figure this year and next year if CPI is a low number she would want to give an increase that was higher than CPI. She wants us to consider how we can avoid spikes and valleys.

Eben said in another conversation there was mention of using the previous year's CPI as a percentage increase. If we did that we would know what to budget for. The increase employees got would lag behind when CPI was rising and also when it was falling so employees would not be harmed. Eric said he likes that idea. It is fair to employees. They will get cost of living increases, though maybe late, and it keeps us from being hit with a shortfall.

Beth said our customer is the taxpayers. We need to ask how we can be fair to our taxpayers while supporting employees. She personally feels it is fairest to the taxpayer to flatten the impact as much as possible so taxes are predictable. Duncan said it is always difficult balancing the needs of taxpayers and employees. Some taxpayers are not getting cost of living increases and are not wealthy and a lot of them look at municipal employees as well compensated. BJ said employees who are not in the union do not have the power to negotiate. We can't go by what some other people in the community are getting. To get employees we need good compensation. He likes Eben's idea.

Erik's fact sheet showed a 4.6% federal employee raise. Erik said the proposed military raise is the same percentage but Congress has a say in that and there is talk of increasing it to match the Social Security cost of living increase.

Eben said he fully agrees with being fair and protecting the taxpayers. The difference between a 1% raise and a 6% raise is one penny. We are not talking about a big swing in tax rates. Supporting employees is very important. All other costs are going up. Erik said it is a competitive market now

for employees. Eben said the difference in out-of-pocket costs for the town and village for 6% versus 1% raises for all employees is just shy of \$20,000. It would be less than that for the town because we don't pay 100% of the salary for all employees. What he is proposing would be a day late but not a dollar short because while raises would lag behind a rising CPI they would also lag behind a falling CPI. If we used that method of deciding on increases this conversation would be short every year. He doesn't think with the cost of everything going up that the town can afford much more than a 4.5% increase this year but if we agreed to budget 7% next year employees would get caught up. BJ asked, what if we budgeted last year's 5.4% increase to start now with the new method? He asked if 5.4 last year was the national or New England number. Erik said that was the national number. BJ said in the future we can use the New England number. Erik said he likes that idea. It would be hard to give an increase equal to the current CPI this year but if we use last year's CPI and plan to use this year's 7.4 figure next year, he likes that. Mark suggested looking up last year's New England figure. Beth looked it up. She said the New England annual average from 2020 to 2021 was 3.6. That is different from the number we used last year. The 12 months ending August 2022 was 7.3 and at the end of September it was 7.4.

BJ suggested using 5.4% for the increase. Eben suggested 6%. Lydia said she would need at least a 5.5% raise to break even with her new contribution to health insurance. Her paycheck might go down if she does not get that much.

Beth said we can't codify a method of deciding on raises for the future because we won't have the same boards in the future.

Eben asked, if we give a 6% increase, how does that compare to what we budgeted? Brian said we would be a little less than \$2000 over budget.

**Eben moved to give Rosemary and Susan a 6% increase in pay and to keep the current employer health insurance contribution of an amount equal to 90% of the Blue Cross Blue Shield Gold plan, Eric seconded and the motion was passed.**

**Ken moved to give Rosemary and Susan a 6% increase in pay and to keep the current employer health insurance contribution of an amount equal to 90% of the Blue Cross Blue Shield Gold plan, BJ seconded and the motion was passed.**

Beth recommended that Erik and Brian put in their calendars for a year from now that they should pull the minutes from this date to show the boards.

**Eben moved to give non-bargaining unit town employees a 6% increase in pay and to keep the current employer health insurance contribution of an amount equal to 90% of the Blue Cross Blue Shield Gold plan and the motion was seconded and passed.**

**BJ moved to give non-bargaining unit town employees a 6% increase in pay and to keep the current employer health insurance contribution of an amount equal to 90% of the Blue Cross Blue Shield Gold plan, Ken seconded and the motion was passed.**

7. ***Request to Display Weathervane in Municipal Building***

Duncan said there is a historic weathervane that the Historical Society would like to display in the atrium of the municipal building. It is very old. It is probably 10 to 12 ft tall and has a vane probably 3 ft long. **Ken moved and Steve seconded to allow the Historical Society to place a**



**historic weathervane in the foyer of the municipal building. The motion was passed.** Eben said he would rather see it and know more about it before voting. Eric asked if it would sit on the floor. Duncan said it would need some kind of mount. He was thinking of a big stump, probably tied to the wall. Eben asked if Duncan can bring more information to the next selectboard meeting.

8. ***Other Business***

Eben said last year selectboard members paid for a holiday party for all employees. This year he would like to continue that with the village trustees paying a portion of the cost as well. Beth said it wasn't a budgeted item. Board members contributed individually. The trustees agreed that this year they will contribute half the cost.

9. ***Adjourn***

Ken moved to adjourn, BJ seconded and the motion was passed at 9:29. The selectboard adjourned at 9:29.

*Minutes submitted by Donna Griffiths*

UNAPPROVED