

JOHNSON SELECTBOARD MEETING MINUTES
VERMONT STATE UNIVERSITY – JOHNSON
THE ELLSWORTH ROOM, WILLEY LIBRARY
MONDAY, JANUARY 22, 2024

Present: Selectboard members: Beth Foy, Duncan Hastings, Eben Patch, Shayne Spence, Mark Woodward

Others: Tom Galinat, Rosemary Audibert, Jeanne Engel, Kelly Vandorn

Note: All votes taken are unanimous unless otherwise noted.

1. Call to Order

Beth called the meeting to order at 6:03.

2. Consider Additions or Adjustments and Approving Agenda

Duncan said he has an item that probably could be added to the next meeting agenda. We got a copy of the dilapidated building report and he would like to agenda scheduling a public hearing in which the board would make a determination as to whether a public nuisance exists. We also need to designate issuing officials to the Municipal Ordinance Bureau. Rosemary said she gave the names of the constables to the state and they gave them numbers to use when issuing municipal complaints. Duncan said he thinks the dilapidated building hearing could be part of a regular selectboard meeting. Beth agreed.

3. Selectboard Issues and Concerns

Duncan said he was approached by a member of the public who asked when we thought committees would be able to use space in the municipal building. They are having a hard time scheduling meetings in other locations. If we could think about that, it would be good. Beth said we also told the college we would try to figure something out for February 1. Tom suggested the selectboard could meet upstairs in the municipal building like the village does. Duncan asked if there are security issues with people having access to what is on employees' desks. Tom said an employee would need to be first in and last out. Rosemary suggested barriers could be put up. Shayne asked if it would interrupt the workflow of employees. Rosemary said no; everyone is gone by 6:00. Beth said the issue with committee meetings is that there is no employee there to ensure security. Tom suggested that he and Rosemary make a plan and come back to the board with it.

Eben suggested the second floor of the mill house as a possible meeting space. Jeanne Engel said the library has space. Some committees are meeting there now. Shayne asked if internet speeds are fast enough to support live streaming. Jeanne said she would think so, but she is not sure. Duncan said the legislature is entertaining a bill that would require a remote connection for selectboard meetings. Shayne said the way he read that legislation it would also require the ability for people watching remotely to participate. Tom suggested we could purchase an Owl 360° camera and a projector that could be connected to a laptop.

Beth asked Tom to follow up on the library and municipal building use. She said it sounds like the committee could reach out to Jeanne.

Beth said she and Tom have been talking with the state to get clarification on the buyout process. The state has funding for buyouts in the 100-year floodplain. The application process could begin for any of those buyouts. The other process does not currently have funding. That would be a state

process. Anyone who wants a buyout has to reach out to the town and the town initiates the buyout with the state. There are three properties that come to mind that have reached out to the town that we need to follow up on. We thought the state was going to follow up with people who submitted forms expressing interest to determine which buyouts could proceed, but that does not seem to be happening. They just sent information packets to the people. She thinks we should reach out to each person and see if they are still interested. People who are interested just have to reach out to us and Vermont Emergency Management will help with the application. Tom said Cambridge already has four buyout applications in process. He is working with them to learn about the process. Mark asked what the deadlines are. Tom said he doesn't think there is a deadline. Duncan said he thinks funding will be first come first served. Beth said there is a FEMA deadline to initiate a buyout. It is something like 2 years. One of the buyout funds is not currently funded. Tom said there is a bill on the floor that would provide funding.

Duncan said the original plan was that the town could opt to have the state act on its behalf to secure appraisals, etc. Beth said we can still do that. Duncan asked if there is any action we need to take to make that happen. Beth said it doesn't sound like it. We just initiate the application and then the state will guide us. Eben said he thinks the state has backed off on the idea that they will take care of everything. Now they are saying the town will take care of it and they will help.

Tom said his goal is to get a process together with an action plan by the end of the week. Beth reiterated that anything outside of the FEMA special flood hazard area is not currently funded.

4. *Municipal Building and Library Repair and Mitigation Bid Review and Possible Award*

Tom said we got two bids before 4:00 p.m. today – one from Dale Tatro LLC and the other from Brian Raulinaitis's business, Valley Restoration. The selectboard should select a bid if possible and also delegate a selectboard member to work with Tom and our attorney to develop a contract. The attorney work is covered by FEMA. The bid from Dale Tatro is less by about \$17,000. Tatro also included a bond value and bond certificate, which is a requirement of our contract. Valley Restoration did not, so we have only one eligible bid. The cost to the town for the municipal building work after FEMA reimbursement would be \$41,325. That represents 12.5% of the total. If total damage in the state hits a certain level the FEMA reimbursement level will change and we will only have to pay 7.5%. There is about \$11,000 that is not covered by FEMA because it is above the level they will pay. The cost to the town for the library work is \$30,256. The total cost to the town for both is \$71,581. We had previously asked everyone to do a 5% budget reduction based on an estimated total cost of \$121,000 and this is less than that.

Eben asked if we have received reimbursement for trash disposal yet. Tom said no. Eben said we also have road damage costs.

Beth asked what our total expense would be if we only have to pay 7.5%.

Rosemary asked if this includes insurance reimbursement. Tom said the insurance reimbursement only reduces the amount FEMA pays, not our match.

Duncan asked if FEMA is okay with us only having one bid. Tom said he thinks a motion to accept the bid should be contingent on FEMA approval. Duncan asked if Historic Preservation has okayed the library work. Tom said no. It is not clear whether the state has not acted or if our FEMA representative has not reached out to them. Duncan said because of the age of the library it requires

a historic preservation analysis, which is done through the state Historic Preservation office. Tom said FEMA submits the request for the analysis to the state. Mark asked if we need to talk to Welch or Sanders. Tom said if anyone has contacts he thinks it is time to push. Mark asked if Cambridge and Morrisville are in the same boat. Tom said he can check. Duncan asked, if we accept the bid contingent on things like Historic Preservation permission, could we move forward with the municipal building piece? Tom said he thinks so.

Duncan moved and Mark seconded to approve the bid from Dale Tatro Construction LLC for library and municipal building repairs and mitigation in the amount of \$242,050 for the library and \$242,600 for the municipal building, contingent on approval from FEMA, the state Division for Historic Preservation and the town's attorney.

Duncan said Beth's question about our cost if FEMA reimbursement is increased was a good one. It would be nice to know what our ultimate cost would be in that situation. Eben said we should plan on paying 12.5% because that is our maximum liability. Tom said at 12.5% our cost will be around \$72,000 and at 7.5% our cost will be \$36,348.78.

Tom said the bid shows the cost to replace to pre-flood conditions. We get that much for mitigation in addition to what we get for repairs, which means there is about \$11,000 left that FEMA won't cover. Duncan and Tom pointed out that the amount we will be paying to get a flood barrier, floodgates and elevated mechanicals at the municipal building is a good deal.

The motion was passed.

The board agreed that Duncan should work with Tim and the attorney on a contract.

5. ***Full Review and Approval of the Budget***

Eben noted that the salary increase for the library was not the same as the increase for town employees. Tom said Stacey Waterman gave a number of 7.4%. That was before the selectboard moved to give employees a 6.4% increase. Eben said since he has been on the board the library has given the same increase as the town. He asked if the library is okay with that. That would give an increase of 6.4% for the first 6 months and then for the 6 months starting January 1 the increase would be based on the November New England CPI – 2.5% for the rest of FY25. Tom said that averages to a 3.4% increase over the whole fiscal year. Jeanne said the library normally just goes along with the town. Rosemary agreed that is what has been done in the past. Beth said it sounds like Tom just needs to update Stacey. Tom said he would like to make that change to the budget tomorrow, not now. He doesn't want to rush it. He would like to have Rosemary review it. Duncan said he would like someone to go through the budget with a fine toothed comb.

Eben asked if we know our contracted amount for fuel and propane. Tom said he does not know it without looking at the contract. That situation will probably change soon. The contract is for an annual amount of fuel that doesn't equal our annual usage because not all buildings were included on it. (*Jeanne and Kelly left at 6:55.*) Eben said he thinks the numbers budgeted for fuel are high. He suggested lowering the municipal office and Holcomb house numbers by \$1,000 each to \$5,500. The board agreed to that.

Duncan suggested changing the amount of surplus applied to reduce taxes. He said we have neglected the tax anticipation reserve fund for several years now. By definition it can have a maximum of 10% of the budget, so \$25,000 more could go into it.

Eben asked if Tom got clarity on whether we can use the tax anticipation fund to cover cash flow. Tom said he did not check on that.

It was agreed to add \$110,000 of surplus to the budget, divided equally between the tax anticipation reserve fund and the grant match reserve fund.

Duncan and Eben recommended budgeting for an increase to Tom's salary. Eben suggested budgeting for the same increase other employees are getting. He said we can make the final decision on whether to give an increase later but we should budget for it. The board agreed to budget for a pay increase in Tom's second 6 months.

One line in Tom's spreadsheet showed a tax rate increase of 2.6% and another showed an increase of 2.765%. Duncan said he can't remember why the two lines are not the same.

Duncan moved to approve the FY25 budget with the changes discussed tonight, contingent on final review by office staff. Board members agreed that a review by Susan would be good if she has the time. **Eben seconded and the motion was passed.**

6. *Approval of the Warning for Town Meeting 2024*

The board reviewed the draft town meeting warning. Beth noted a typo in the first paragraph. For Article 10 she suggested changing the wording to "dedicated budget line" instead of "dedicated line." Duncan pointed out that there should be a space in "year end."

The board agreed to add the proposed article asking the voters to restrict the constables' powers and duties so that they are not able to do law enforcement.

Board members said it had already been agreed not to include an article exempting NEMS from property tax so that article can be removed.

Eben noted that Article 10 refers to establishing a reserve for paving and maintenance of highways. What if we wanted to use this reserve funds for paving a parking lot? Rosemary said she would think that would come out of the buildings and grounds reserve fund. Beth suggested that maybe buildings and grounds should be added to the list of funding sources for this reserve fund. Duncan suggested modifying the language from "paving and maintenance of highways" to "paving maintenance." The board agreed to that.

Beth asked if we want to add another budget line for funding the reserve fund. Eben said he is not in favor of that. Tom said his understanding is that the wording in the article about where it will be funded from is only relevant in the first year. After that the selectboard has the authority to decide how to fund it. The selectboard can put unexpended funds into any reserve fund. Eben said he doesn't want to add buildings and grounds as a funding source because the selectboard has the authority to propose to the voters where to put any surplus and we could propose putting surplus from buildings and grounds into this fund.

Article 11 is put in as a result of a petition. It asks the voters to authorize having a preliminary merger plan prepared. Eben said we need a way to fund that. His proposal is to add an article. Duncan said his thought was to add an article asking if the voters will approve money to fund the merger report. The money doesn't have to be tax dollars. It could be ARPA funds or something else. And he suggests making it contingent upon the village voters approving a similar article to Article 10 at the village annual meeting.

Tom suggested that the article ask if the voters will approve \$75,000 to be raised in taxes for the purpose of a merger study. Mark asked, can't we use ARPA money? Tom said we could but then we would be taking it away from something else. Duncan said he doesn't want the article to explicitly refer to ARPA money. If we get the EDA grant we will have excess ARPA funds but if we don't the ARPA funds are committed to the industrial park.

Eben said he got a cost estimate of \$62,500 from CGR with an additional \$7,500 per public meeting so \$75,000 seems like a good figure. Shayne asked if we could reduce the amount in the article to \$50,000 with the expectation that the village will approve paying some of the cost. Rosemary said she would not assume that the village would approve paying for half the cost. Duncan said the village grand list is 25% of the town's grand list. The village population is 38% of the total town population. He described what proportion of the fire department budget is paid by the village vs. the town. He would be okay with a contribution of 25 or 30% from the village. Eben said if the town fully funded the study the tax increase would be over 3%, which is larger than what we intended.

The board discussed asking the voters to approve spending \$60,000 for the merger plan. Duncan said he contacted Alan Gould of MRI and he suggested budgeting at least \$50,000 when Duncan asked him for a ballpark figure for a merger plan.

Eben moved to approve the warning with the amendments made tonight and with the exact budget amount to be filled in once it is known. He listed the changes the board had agreed upon: corrections to spelling errors, removal of Article 8 with Article 9 becoming Article 8, Article 10 becoming Article 9 and referring to establishing a reserve fund for paving maintenance, Article 11 becoming Article 10, and a new article added as Article 11 asking "Shall the voters of the Town of Johnson authorize the town to raise, appropriate and expend \$60,000 for the purposes of Article 10, contingent on the voters of the Village of Johnson approving an article similar to Article 10?"

Duncan seconded and the motion was passed.

Eben said he needs clarity on whether we need an article on the tax anticipation fund. Duncan said we could decide that the article establishing the tax anticipation fund is broad enough to allow it to be used for cash flow. Rosemary said that has always been our interpretation of it. Tom said if we are wrong then we can just refund the account later.

7. *Adjourn*

The meeting was adjourned at 8:31.