

JOHNSON VILLAGE TRUSTEE BOARD  
ANNUAL VILLAGE MEETING MINUTES  
JOHNSON MUNICIPAL BUILDING  
TUESDAY, APRIL 2, 2024

**Present:**

Trustees: GiGi Beach, Steve Hatfield, Lynda Hill, BJ Putvain, Ken Tourangeau

Others: Eric Osgood, Rosemary Audibert, Erik Bailey, about 35 other people

Eric Osgood called the meeting to order at 7:34. He read the warning. He reminded the voters that Articles 1 and 2 were to be voted by Australian ballot. He said if there were no objections he would recognize the village manager, the village clerk, the water and light foreman and the fire chief, who are not village residents. There were no objections.

**Article 3. Will the Village vote to adopt the Annual Report of the Auditors for the year ending December 31, 2023 as printed?**

Scott Meyer moved to adopt the Annual Report of the Auditors for the year ending December 31, 2023 as printed and the motion was seconded.

Lynda Hill said the village report was dedicated to George Pearlman. She thanked him for everything he has done for community. He was a trustee for many years. George said it was a great honor serving on the village trustee board. Eric said the dedication is well-deserved.

Village manager Erik Bailey said Lynda Hill is ending her tenure on the trustee board tonight. She has done a lot of great things for the village. He presented her with flowers to recognize her for a job well done.

BJ Putvain said the village trustees would like to recognize Erik Bailey for his efforts during the July 2023 flood. He was instrumental in managing the emergency situation with the village crew and office staff and he has been determined in his efforts to obtain funding for the village.

The motion was passed by a voice vote.

**Article 4. Will the Village authorize its Trustees to appoint a Water and Light Commissioner? If not, to elect a Water & Light Commissioner for one year.**

Will Jennison moved to authorize the trustees to appoint a Water & Light Commissioner and the motion was seconded.

Jon Gregg asked why the Water & Light Commissioner is elected for only one year. Ken Tourangeau said that is the way it has been in the past and the board has continued it. For the past 5 years the Water & Light Commissioner has been the village manager.

The motion was passed by a voice vote.

**Article 5. Will the Village authorize its Trustees to set the rate of compensation of its Officers and Employees?**

Will Jennison moved and Gordy Smith seconded to authorize the trustees to set the rate of compensation of its Officers and Employees. The motion was passed by a voice vote.

**Article 6. Will the Village vote a budget to meet the expenses and liabilities of the Village?**

Will Jennison moved and Scott Meyer seconded to authorize a budget of \$442,514 to meet the expenses and liabilities of the Village.

Walter Pomroy said he had previously put forth some suggestions about crosswalks on Main Street. We now know the state is going to repave Main Street this year. The paint on the crosswalks lasts a couple of months and then they are dangerous for the rest of the year. When he was on the trustee board the board had thought of waiting until the time when Main Street was being paved to do something with the crosswalks. Are crosswalks being addressed as part of this summer's paving project?

Erik Bailey said they are being addressed. He tried to get 3 extra crosswalks and got approval for 1. He tried to get flashing light crosswalks. The state would not do that but they agreed to gated crosswalks – crosswalks with signs facing both ways on both sides. That makes them more visible. He believes there is some treatment to the sign post too.

Walter said what slows drivers down is having something painted across the road. We still have the opportunity to work with the contractors to do dyed pavement that would have a distinct color difference. If we are going to have a walkable, livable downtown we need to improve the situation as much as possible.

Board members said the state denied dyed pavement. Walter said he believes the state is not following its own guidelines as per statute. Did they deny it or just not agree to pay for it? Erik said they will just do standard crosswalk delineation. And they won't allow flashing lights even if we pay for them. Walter asked if we can we do dyed pavement if we pay for it. Erik said he will see if they will allow it. The village has money put away for sidewalks that could be used.

Ken said the village crew paints the crosswalks. It has to be a certain temperature for it to be done, so it is hard to do it in early spring or late fall. Walter said that is why we need a permanent solution.

Kyle Nuse said she has concerns around the cold spring, which is one of the village's most used assets. She sees \$800 in the budget for it. She thinks that is mostly to pay for pump maintenance. The cold spring area needs a lot of repair. It is really pitted and people can trip easily. It looks bad. She is hoping that because it is such a used asset and a destination for people who live in and outside this town that more attention can be given to it. What is the plan for repairing the cold spring?

Ken said there are issues with providing water that is not tested so the board has been wary of doing a lot with the cold spring. The board has heard her and can choose to take this up.

Lisa Crews asked why the holiday and CTO pay lines have been zeroed out when in the past about \$70K per year has been budgeted for those lines. Erik said this year he combined those amounts with the rest of the salaries.

Darrell Wescom said he worked on paving in Stowe. Stowe controlled everything the contractors did – striping, signs, etc. Why don't we have that kind of pull? Ken said the difference is that Stowe took over that road from the state. They control their Main Street. The village and town don't control Johnson's Main Street. It is a state road.

Kyle said that is a good point. We can control our Main Street if we come up with the money to pay the state. We can turn it into a Class 2 town highway. Then we could choose to put banners across it as Stowe does. Ken said that is up to the town, not the village.

The motion was passed by a voice vote.

**Article 7. Shall the voters authorize the Village of Johnson Electric Department to borrow to refinance short-term debt, and support cash flow in an amount not to exceed \$330,000.00 to be financed over a period not to exceed 5 years?**

Will Jennison moved and Scott Meyer seconded to authorize the Village of Johnson Electric Department to borrow to refinance short-term debt, and support cash flow in an amount not to exceed \$330,000.00 to be financed over a period not to exceed 5 years.

Scott Meyer asked to be educated on this. Erik Bailey said this is short term help for a problem that was 5 plus years in the making. The electric department budget was deficit funded for several years without rates being raised. Last year the village had to take out a one-year \$200K loan to cover expenses. He put in a rate case this past year with the Public Utility Commission. They allowed a smaller increase than what we asked for. We need to pay back that one-year loan. The board is also including a \$100K cushion to make sure there is not a deficit again. We need to dig out from 5 years of not asking for a rate case when we should have. He will be asking for one again this year to make sure we get back on a good footing. The flooding in July was also a factor.

Scott said we have 9 homes that will be razed due to flooding and a state university campus that is not going full throttle. What is the plan for a decrease in rates coming in? Erik said the rate case will take into account the drop in use. But there are also businesses coming in that use more energy. There is a growing operation that is using enough energy to more than offset the houses that will be gone. The college is another question. The rate case is based on current use at the college, which is reduced from what it used to be. We are hoping it isn't further reduced.

Will Jennison asked, the village needs \$200K to take care of debt from last year and an additional \$130K to cover shortfalls this year? Erik said yes. The 7% rate increase we got is short of what we asked for. We can expect a shortage of funds, especially with the reduction in usage. He is going for another rate case this year.

Will asked if Erik anticipates a \$100K revenue shortage. Erik said probably half that. He noted that the plan is to borrow \$300K. The additional \$30K is for interest.

Will asked when the village anticipates taking out the loan. Erik said we need to have it in place before October. Will said that gives time to see what the rest of the year looks like. It may turn out that less of a cushion is needed.

Kim Dunkley asked how the village plans to pay back the loan. Erik said we will have to raise rates. The increase we just got was not enough. He is going for another one. He said the village trustees control water and sewer rates. We are able to forecast cost and raise rates as necessary. That is not the case with electric rates. They are regulated by the Public Utility Commission. An increase requires several months of building a rate case and having them review it. This year they approved smaller increases than electric departments requested for all but one rate case.

Lisa Crews asked what will happen if we don't borrow this money. Erik said the electric department could possibly go bankrupt. Lisa asked what would happen then. Will Jennison said village residents would pay Vermont Electric Coop rates from then on. Erik noted that even with the rate increase village electric rates are still below Green Mountain Power or Vermont Electric Coop rates.

Lisa asked if the village is going to incrementally increase rates so we don't need to borrow money again in 5 years. Erik said yes. .

The motion was passed by a voice vote.

**Article 1. To elect Village Officers as required by Australian ballot.**

- President for a term of one year**
- Trustee for a term of three years**
- Trustee for a term of two years**
- Collector of Taxes for a term of one year**
- Auditor for a term of three years**
- Auditor for a term of two years (balance of a three-year term)**

The Australian ballot results were read. A total of 55 people voted. Eric Osgood was elected president with 16 write-in votes. GiGi Beach was elected trustee for a 3-year term with 36 votes. Will Jennison was elected trustee for a 2-year term with 32 write-in votes. Rosemary Audibert was elected collector of taxes with 16 write-in votes.

**Article 2. Shall the Village borrow a sum not to exceed one hundred and forty thousand dollars (\$140,000.00) by the issuance of notes for a term not to exceed twelve years for the purchase of a late model used 4x4 bucket truck for the Electric Department?**

The article passed 37-16.

**Article 8. Will the voters of the Village of Johnson authorize their Board of Trustees to prepare (or have prepared) and act upon a Preliminary Plan for Merger with the Town of Johnson in accordance with the provisions set forth in Title 24, VSA, Chapter 49?**

Eric said people have asked him why this article could not be passed over because the town voted down a similar article. The village is a completely separate entity. This was a legally presented article and the trustees had no choice but to present it. He cannot skip over it. He talked to town moderator Dave Williams who compared it to a marriage proposal. One party may propose and the other may decline but that does not prevent a later proposal from either party. The cleanest way to deal with the article would be with a motion and a second to put it on the floor and then people could vote for or against it. After it is on the floor there can also be a motion to postpone the vote indefinitely. That would have the same effect as voting it down.

Will Jennison moved and Scott Meyer seconded to authorize the Board of Trustees to prepare (or have prepared) and act upon a Preliminary Plan for Merger with the Town of Johnson in accordance with the provisions set forth in Title 24, VSA, Chapter 49.

Will Jennison moved and Scott Meyer seconded an amendment to postpone the vote indefinitely.

Kim Dunkley asked if anything could happen as a result of voting yes on the article. Eric said the way Dave Williams explained it to him the question would get bounced back to the town and they could decline.

Scott asked what it means to postpone the vote indefinitely. Eric said it basically just kills the motion. Lynda Hill asked how it gets brought back. Eric said it does not. There would have to be a new petition.

The motion to postpone the vote indefinitely passed by a standing vote.

**Article 9. To do such other business as may properly be brought before this meeting.**

Will Jennison moved to adjourn, Scott Meyer seconded, the motion was passed by a voice vote and the meeting was adjourned at 8:20.

*Minutes submitted by Donna Griffiths*