

**Minutes
Board of Selectmen
Special Meeting
Tuesday, May 20, 2003**

The Town of St. Johnsbury Board of Selectmen held a Special Selectboard meeting on Tuesday, May 20, 2003 beginning at 4:00p.m. in the Board Room of the Municipal Building.

SelectBoard Members Present: Chairperson Gabriel Handy, Elwin Cross, Reginald Wakeham, and Dale Urie.

SelectBoard Members Absent/Excused: Bryon Quatrini

Others Present: Bruce Corrette, Leonard Hychalk, Gary Leach (Leach Engineering), Rollo Lowe, Kim Achilles (Caledonian-Record), Joel Schwartz (Director of Community & Economic Development) and Mike Welch (Town Manager).

- 1) **Breezy Hill Road – Sewer Line Extension** - The Town Manager informed the Board of Selectmen that Gary Leach, Leach Engineering, had prepared some preliminary estimates on the costs associated with the extension of sewer line on Breezy Hill Road. The Town Manager stated that a sewer line extension in this area was considered, as one of several sewer projects, by voters in 1987 – and was defeated. The Manager stated that based on the information gathered by Mr. Leach – there is an opportunity for the Town to take advantage of up to 75% USDA Grant financing for this project. In order for the USDA funds to be set aside for St. Johnsbury – Town voters would need to consider a bond vote before June 30, 2003.

Gary Leach outlined his conceptual plan for the Board of Selectmen. Leach estimated that the total cost of the project would be approximately \$1,000,000. 75% of this amount could come from a USDA Grant under the REAP designation – and the remaining 25% could come from a USDA Loan. Leach estimated a loan repayment amount of \$15,200 per year for 30 years at 4.5%.

Leach informed SelectBoard members that soil conditions in this area of Breezy Hill make treating waste with individual private septic systems very difficult. Leach estimated that approximately 77 homes in this area that are on private septic systems now, would eventually hook-up to the municipal system. Leach said that based on soil conditions, and a history of failed septic systems – this area could be classified as a Health Hazard.

Reg Wakeham asked what was pushing this issue now. The Manager stated that there has been a recent subdivision application for Breezy Hill that proposed using a community septic system, maintained by a “homeowner’s association.”

The Manager said that some members of the Planning Commission, and Town personnel, have raised concerns about this type of waste treatment and asked what alternatives there may be for extending the sewer onto Breezy Hill. The Manager said that this is not a new issue in the community – and that he wanted to make sure that the Selectmen had an opportunity to discuss this concept, and provide the voters with an opportunity to decide whether or not this is a project that the Town should pursue. Reg Wakeham said that this type of extension should not be paid for by the current users of the system – it needs to be determined how costs associated with the 25% local share will be recovered from new users.

Gary Leach said that there are numerous ways to finance the local share – including a sewer assessment on properties even if they do not hook-up to the system. All of these options would need to be examined as part of the development of the project. Leach said that the information that he has prepared is very preliminary. If the voters approve a bond vote then detailed plans would need to be developed, and rights-of-way and easements determined.

Leonard Hychalk asked the board to find out from people who live in this area how they feel about the possibility of being required to connect to a municipal sewer line, or pay for a sewer bond. Members of the Board agreed that it would be a good idea to survey homeowners in the Breezy Hill area. Mr. Hychalk stated that he is not aware of very many septic related problems with existing septic systems in the Breezy Hill area.

Gib Handy asked about the cost estimate of \$1,000,000 and suggested that the Board may want to consider increasing this amount – especially if construction does not occur within the next couple of years.

The Board of Selectmen considered a Public Necessity Resolution. Following discussion, it was moved by Dale Urie seconded by Elwin Cross and voted (4-0) to approve the Public Necessity Resolution (a copy included with these minutes) regarding the financing of \$1,250,000 in improvements for a Breezy Hill Road Sewer Extension, with an estimated local share of \$312,500.

Following discussion it was moved by Dale Urie, seconded by Reginald Wakeham, and voted (4-0) to Warn a Bond Vote in the amount of \$1,250,000, with an estimated local share of \$312,500 to allow the voters to consider the extension of a sewer line on Breezy Hill Road. Said Bond Vote to be scheduled on Tuesday, June 24, 2003 – with a Public Informational Meeting scheduled for Monday, June 16, 2003 at 7:00p.m. in the Board Room of the Municipal Building.

2) Other Business:

Tax Sale Process – Delinquent Tax Collection: Town Clerk and Treasurer Sandy P. Grenier was present to request that the Board of Selectmen continue to use the same process as was used for the Tax Sale that was held in September, 2002.

The following is an excerpt from the Board of Selectmens' Minutes of May 13, 2002 (as recorded in Selectmens' Minutes Book #10, at pages 281-284).

"Delinquent Tax and Utility Bills - Sandra Grenier

A committee consisting of Town Clerk Sandra Grenier, Town Manager Mike Welch, and Selectmen Gabriel Handy and Bryon Quatrini, had met to formulate a plan to move forward on resolving delinquent tax and utility bills, and initiate tax sales. Suggest a formula establishing tax sale properties which would include at least two years of delinquency, or \$3,000 past due (either taxes or utilities); the highest amounts will be on the first list of tax sale properties, with the list to be updated every 30 days by reviewing the highest ten +/- properties, and new properties moving up the list as previous properties are eliminated. Agreements must be made by May 28 for the properties currently on the list, agreement to stipulate one of the following: (1) pay in full; (2) pay to bring current agreement up to date; (3) negotiate a plan with 50% down and balance due before November 22. Interest on all balances will continue to accrue. The motion was made and seconded (Handy/Quatrini) to go forward with the tax sale as prepared. The Sale would start with any one with two or more years of delinquency of taxes or utilities. The highest delinquent accounts first and working down the list to the lowest. Any changes in this plan shall be brought to the Selectboard on an individual basis. The motion passed unanimously. All banks and mortgage holders will receive a notice of the pending tax sale. In the event of an actual sale, the town would receive only what is owed. The remainder would go to the property owner(s) and/or lien holder."

Following discussion – it was moved by Reginald Wakeham, seconded by Dale Urie, and voted (4-0) to authorize the Town Clerk and Treasurer, and the Tax Collector, to proceed with settling Delinquent Tax and Utility accounts using the same criteria that has been previously established by the Board of Selectmen.

Community Development Block Grant Resolutions – The St. Johnsbury Board of Selectmen considered and signed Grant Agreement Resolutions designating the Town Manager as the responsible party for VCDP activities related to the Athenaeum Accessibility Grant (0052-01-AM), and the Bay Street Area Planning Grant (0052-02-PG).

NVDA Business Resource Center Subordination Agreement - As Administrator of the St. Johnsbury Revolving Loan Fund, the St. Johnsbury Board of Selectmen agreed to subordinate its security interests, a mortgage on land at the St. Johnsbury/Lyndon Industrial Park, to the Passumpsic Savings Bank so that the bank could provide interim financing to NVDA for the Business Resource Center. Joel Schwartz noted that the Subordination is in the amount of \$50,000, not \$75,000, since the Town did receive \$25,000 from NVDA for using some of the land. It was moved by Reginald Wakeham, seconded by Elwin Cross, and voted to approve and sign the subordination agreement.

Having no further business or requests, it was moved by Elwin Cross, seconded by Reginald Wakeham, and voted to adjourn at approximately 4:45p.m.

Respectfully submitted;

Michael A. Welch
Town Manager