

**MINUTES  
ST. JOHNSBURY SELECTBOARD  
MONDAY, JUNE 9, 2008**

The St. Johnsbury SelectBoard held their regularly scheduled meeting on Monday, June 9, 2008 beginning at 6:30p.m. in the Board Room of the Municipal Building.

**SelectBoard Members Present:** Chairperson Bryon Quatrini, Gary Reis, Jim Rust, Daniel Kimbell, and Jean Hall Wheeler.

**SITE VISIT @ 6:00 PM** – Prior to the regular meeting, the SelectBoard conducted a site visit to 44 Brunelle Street. All SelectBoard members and Michael Welch were present; the homeowner was unable to attend. No action was taken.

**WATER/SEWER RATE DISCUSSION @ 6:30 PM** – All of the high water users (so-called) on the St. Johnsbury Water System were advised of this meeting to discuss and address what the proposed new rates would do to their billing. Those in attendance included: All SelectBoard members, Town Manager Michael Welch, Secretary Ida Rainville, Water/sewer Superintendent Dan Scott, Bob Dufresne, Richard and Kathleen Martel, Larry Sharer, David Redmond, Susan Aiken, Charles Bjorklund, Diane Beck, John Goodrich, Jerry Rowe, Bernard Timson, Gary Lunderville, Martha Hanson, Bill Merrow, Ray LaBounty, Taylor Reed of the Caledonian Record and the Channel 7 TV crew. Andy Fisher and Joel Schwartz arrived later for the regular meeting.

Town Manager Mike Welch summarized the work done by the Finance Committee that started in 2007 with specific goals for the water system. First, to improve the equity in water usage rates. Currently the cost per gallon is highest for the lowest users, with the cost per gallon decreasing as the amount of usage increases. After studying rates from other water systems, the Committee suggested a gradual transition, increasing rates gradually over the period of one year by each quarterly bill. Secondly, it was noted that the Town must raise money to finance new equipment and do upgrades to the system, keeping up with technology. The basic rate structure has not been addressed adequately on a year-to-year basis, and there has not been a Capital improvement budget prepared for upgrading contingencies in the water/sewer department as there has been (for instance) in the Highway and Fire Departments. Infrastructure improvements like water tanks need to be addressed now, along with other long-term plans. The review has been continuing for several months, with the increase in rates for the past year just beginning to be reflected in the current income for the department. The Finance Committee had suggested reviewing rates twice a year, perhaps January and July, but Mike Welch pointed out that an entire year needs to be covered because of billing going out on a quarterly basis.

One new alternative suggested by Bob Dufresne was to reduce rate blocks from 4 to 2. The Committee will review this suggestion. Chairman Bryon Quatrini indicated that all high water users had been invited to attend this meeting and he asked for input from them. Daniel Kimbell said that the Board needs to keep in mind the budget structure for companies so they can budget for future years.

John Goodrich, VP and General Manager of Weidmann Industries on Route 5 in St. Johnsbury, and identified as (probably) the highest water usage location, spoke to the fact that the proposed increases will make approximately \$50,000 difference in their annual budget.

The history of the company's location was partly due to the availability of water. Over the past 25 years EHV Weidmann has paid out approximately \$250 Million in wages, considering themselves a benefit to the community. They employ 280 people with an annual payroll of \$30 - \$40 Million and they want to remain in the area. Mr. Goodrich went on to say that he understands the need for the increase in cost and the need to improve infrastructure and keep up with technology. He only asked that the Board be fair in its consideration of increased rates.

Ray LaBounty indicated he was supportive of the increases and understands the need, but feels the Town was not clear on full costs and how it might affect future rates when the question was put to the Voters. Charles Bjorklund, co-manager of Colonial Apartments, wanted to know how this change in rates would affect the tenants, because eventually a higher rate will affect their rent. Daniel Kimbell pointed out that single home owners had been bearing the brunt of the cost in dollars per unit, and this increase will equalize payments from apartment dwellers, who will end up paying closer to what a one-unit building would be. The new rates should be more equitable to all users. Current rates do not meet the expenses. Ray LaBounty asked if there is surplus in other departments could it be used for water/sewer? It was explained that there is not surplus, rather reserves for capital expenditures in other departments. Using it for water/sewer would create the same problem for other departments, plus the fact that the water/sewer system is funded by the users, not by the whole town as other departments would be. Ray suggested the Board needs a more solid plan to put before the voters before asking for more money.

Daniel Kimbell reminded the assembly that to upgrade everything that needs to be done in the water department would require \$45 Million. A breakdown to just what must be accomplished in the near future cuts that to \$16 Million in the next 2 – 3 years. Mike Welch explained that the Town had expected up to 75% from USDA grants, but that has been reduced to 60%, so it leaves the requirements unpredictable.

Mike Welch indicated the water department is running 10% under necessary funds to support the department; sewer department is -26%. These figures do not reflect the new rates, and they hope the new rates will put the department on more of an even keel. John Goodrich asked if the repairs and upgrades will help reduce future costs? Mike Welch said yes, but not known how much. Upgrades should at the very least stop some of the leakage. Bob Dufresne indicated that approximately 1/2 of the water produced from the water filter plant is not accounted for. Dan Scott said he did not believe it was water leaks so much as poor measurements. He indicated his department is pretty well aware of leaks when they occur and tries to keep up with repair. Dan Scott felt that it's more a matter of resolving where the unaccounted water is going.

Bob Dufresne suggested that a new paint job on the existing storages tanks would be more expensive than replacing them with low maintenance tanks that will not require painting in the future. Phase I will be tank replacement.

Gary Reis said the Town is suffering now from years of deferred capital maintenance. Bryon Quatrini suggested they defer a decision on some of the recommendations from the revised report from Bob Dufresne until the Board and the Finance Committee has had time to review.

**REGULAR MEETING:**

Chairman Bryon Quatrini called the regular board meeting to Order at 7:00p.m. and led the Pledge.

**PUBLIC COMMENT -** Chairman Quatrini asked if there was any public comment on items not listed on the Agenda.

Bernard Timson asked if there was anything further on the possible agreement with CALEX about the issue of First Response, to stop the Fire Department from going out on every call to reduce their expenses, or to share First Response duties with CALEX. He was told nothing concrete had been done yet.

Diane Beck asked about the change in personnel in the Town Clerk’s office, whether the new job opening had been posted for interested parties to apply and how it would affect the budget. Town Manager Mike Welch responded with the reasoning behind hiring Larry Sharer to take Jeannette Farmer’s place was because of previous experience in the office; Mike indicated there would be no increase in staff, only a replacement, and at a lower rate so the budget will not increase. The only perceived increase in budget would be some minor overlap in training.

**MINUTES** – It was moved by Gary Reis, seconded by Daniel Kimbell, and voted (5-0) to approve the Minutes from the regular board meetings held on May 27, 2008.

**EXPENDITURE WARRANTS** – Members of the Board reviewed, approved and signed expenditure warrants as follows:

Grant Fund –	#2078 – 2083	\$ 7,459.20
	#2084 – 2087	\$ 12,644.69
General Fund -	#57994 – 58085	\$137,488.81
	#58086 – 58120	\$ 88,123.30

**TREE CITY USA – ANDY FISHER** – Andy Fisher, long time co-chair of the Tree Branch of the Beautification Committee, and Deputy Tree Warden, announced he was resigning his positions but promised to stay on as a consultant and would be available to offer assistance. Andy proudly presented the certificate for “Tree City USA” for the fourth year in a row to Gary Reis as a representative of the Town. He extended his appreciation to the Board for their generous support of the Beautification Committee and Tree Branch, to Town Manager Mike Welch and all the Town Employees, especially the Water/Sewer Department who were always willing to assist the Beautification Committee with projects, and the Highway Department for assisting with the pruning and clean up. He also recognized Tree Warden Jeff Briggs and former County Forester Steve Slayton for their assistance to the Town, and Frank Landry (5-year Tree Branch member), John Horvatich (6 years) and Bud Burke (2 years). Andy reported that this year the Town had raised the most matching funds so far to date in the amount of \$18,000.

On behalf of the SelectBoard and the Town, Bryon Quatrini expressed his appreciation for Andy’s service to the Town.

**FIRE DEPARTMENT UPDATE** – Gary Reis reported from the Fire Department building committee. The traffic engineer reported that the traffic could be pre-empted at Hastings Street and Railroad Street, and a warning signal installed at the top of Hastings Street. The final dollar figure is still uncertain, but probably \$3 to \$3.5 Million. The committee proposes to take the project before the Development Review Board in July. Gary reported that the committee has met with Chief Ruggles and other firefighters and reviewed all modes of construction, trying to zero in on a cost. He projects a closer figure will be available in July. Bernard Timson asked if it was prudent to get a building permit in place before having the funds approved for building. Gary Reis replied that the Committee felt it better to have the permit to build in the event the funds become available, rather than having the funds voted available, and being unable to acquire a permit to build. Site approval has to come first.

**CAPITAL IMPROVEMENT PLAN** – Mike Welch reported that the Capital Improvement Plan needs to focus on its purpose and let the taxpayers know what is planned for the future. He suggested the Finance Committee re-visit the Plan, hand it off to the Planning Commission for review, and then return to the SelectBoard, with suggestions of focus for the plan.

**FAIRPOINT COMMUNICATION PERMIT APP.** – Mike Welch reported that Larry Gadapee needs to be consulted on this point and asked that it be tabled until the Board has Larry's input.

**WORKSHOP – DRB, SELECTBOARD, PLANNING COMMISSION** – Mike Welch laid out the agenda for the scheduled joint workshop between the three entities. The workshop should address the Town Plan and status of suggestions, and the review of all site plans by the DRB. Should this process be re-visited? Mike proposed this workshop could be held quarterly with other issues to be addressed. The Futures Project? How State policy will directly affect municipal government? Bryon Quatrini suggested they hold the first meeting to “see where it goes”. Ask people going through the permit process their opinion.

Jim Rust questioned the attendance of board members DRB and Planning Boards. He indicated there were several people interested in serving on the board, but some do not seem to be making the effort to participate and attend meetings. Is this an issue for some? If so, perhaps membership should be re-visited.

**MANAGER'S REPORT** – Mike Welch reminded Bryon Quatrini and Jean Hall Wheeler of a W/S grievance meeting set for Thursday, June 11 at 7:00 a.m.

A revised addendum was sent to Carolyn Lockyer about the re-appraisal. Mike had received a marked-up copy of the proposed addendum back from Carolyn and scheduled a meeting with her, Peter Whitney and John Westinghouse the following week. Mike also explained that there is not a penalty assessed by State for the Town not having the re-appraisal done in a certain period of time; rather the “penalty” is in the form of an increased tax rate from the State because the common level of appraisal has fallen below 80% for the Town, which means the State will assess a higher rate to try to equalize the taxes per property.

Mike Welch indicated that after the meeting with Carolyn Lockyer on Thursday he hopes she will be able to move forward. The Town feels that more than 50-60% of properties need to be done in order to effect a complete reappraisal.

On a motion by Gary Reis, seconded by Daniel Kimbell, the Board voted (5-0) to send a letter of appreciation to Andy Fisher, and return the hat and pin to him that was presented for “Tree City USA”. Jean Hall Wheeler suggested a plaque somewhere in town to recognize Andy’s work in establishing trees throughout the town. Fred Mold Park was deemed a possible location.

Daniel Kimbell offered congratulations to the Town for the turn-out and fund raising at Relay for Life. Bryon Quatrini asked if there was any further business. Hearing none, a motion to adjourn was made by Gary Reis and seconded by Daniel Kimbell at 7:35.

Respectfully submitted,

Ida Rainville  
Executive Secretary