

**MINUTES
ST. JOHNSBURY SELECTBOARD
MONDAY, DECEMBER 22, 2008**

The St. Johnsbury SelectBoard held their regular SelectBoard meeting on Monday, December 22, 2008 beginning at 7:00p.m. in the Board Room of the Municipal Building.

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

Others Present: Sandy Grenier, Troy Ruggles, Albert Dunn, Bob South, Amy South, Jon Beck, Diane Beck, Jim Wuertele, Pat Jauch, Wanda Senter, L.J. Stewart, Susan Pulsifer, Jo Guertin, Beth Champagne, KATV, and Town Manager Mike Welch.

Chairperson Quatrini called the meeting to order with the pledge at approximately 7:00p.m.

PUBLIC COMMENT – Chairperson Quatrini asked if anyone had public comments regarding any item not appearing on the Agenda. There were no Public Comments.

MINUTES – It was moved by Gary Reis, seconded by Daniel Kimbell, and unanimously voted (5-0) to approve the Minutes, as presented, for the SelectBoard meetings held on December 15, 2008, and on December 17, 2008.

ENERGY DESCENT ACTION PLAN – Jim Wuertele was present to inform the Board about some of the information he obtained at a recent energy conference. Mr. Wuertele said that he would like to see St. Johnsbury become a “transition town”. Mr. Wuertele explained that this is a grass roots effort. Beth Champagne said that Montpelier has been very active in this effort – organizing by neighborhoods. She provided Board members with a copy of The Bridge newspaper that includes information about this. Beth said that Portland, Maine is another transitional town. Mr. Wuertele said that transitional towns are not reactive, but proactive. Mr. Wuertele said that this is very different from the traditional governmental role of reacting to situations. Mr. Wuertele said he would like to get information out to the public through the Town website. Chairperson Quatrini suggested that Mr. Wuertele work with the Town Manager to process information for the Town website.

CALEDONIA ANIMAL RESCUE – CATS – L.J Stewart informed the Board that there is a feral cat problem in St. Johnsbury, and she wanted to solicit the Board’s assistance. Ms. Stewart said that 2 fertile cats can produce 400,000 cats in seven years. Ms. Stewart said that CARE uses Trap/Neuter/Replace for feral cats. She said that the animals can survive, but neutering them helps to control population growth. Ms. Stewart said that they would like to request assistance from the Town in the form of space, money, crates, helping to get information out to the public. Ms. Stewart said it costs

about \$99 per cat for Trap/Neuter/Replace. Ms. Stewart said that this is a real problem in the community. Jo Guertin supported the statements made by Ms. Stewart. The Manager stated that he had reduced the Animal Control budget for 2009 due to the fact that the Town has not been paying a provider for cat services. The Manager indicated that if the Board was of a mind to support CARE's effort financially, then the budget for Animal Control would need to be increased. Bryon Quatrini suggested working with the Town on the construction of animal crates through the Work Camp. Bryon said that people in the community may also be willing to donate these if they were aware of the problem. Ms. Stewart said that rabies is also a concern. She said all dogs and cats are supposed to have rabies shots – and this is not happening in this area. She said that this is a health issue for the community. Jean Hall Wheeler suggested that the LI welding class may be able to assist in terms of crate construction. Ms. Stewart said that the Town of Brandon has a very good community program established for cats – and representatives from that community have indicated that they are willing to provide information to St. Johnsbury on how the program was initiated.

2009 MUNICIPAL BUDGET DISCUSSION - Finance Committee Chairperson Daniel Kimbell reported that the St. Johnsbury Finance Committee reviewed all of the budget recommendations that were discussed by the SelectBoard on December 17, 2008. Members of the Committee reviewed revenue projections, and year-end balance projections provided by the Town Manager. Daniel Kimbell said that based on the amendments discussed – the Finance Committee supports the budget as outlined in the December 18, 2008 draft document. Daniel Kimbell said that he would like to review the 5% pay reduction included in the draft for the Town Manager and the Town Clerk. SelectBoard member Kimbell said that he would like the SelectBoard to consider treating these positions the same as the other department heads, and not impose a 5% salary reduction. Gary Reis said that he did not disagree with SelectBoard Member Kimbell – however, SelectBoard Member Reis said that it is important that the Board, and the top administrators, show a personal commitment to keeping municipal operating costs in line. SelectBoard member Reis suggested that maintaining the salaries for the Town Manager and the Town Clerk at the 2008 level would be a cut for these positions – as pension and health insurance contributions will increase. The Manager said that in preparing the 2009 budget he left the salary for Joel Schwartz, Economic & Community Development Director, at the 2008 level as well.

Daniel Kimbell said that based on the current municipal budget draft:

The Municipal Budgets are as follows for the General Fund, Highway Fund, and Special Services Fund (Police – former St. Johnsbury Village area).

	Expense Budget <u>Approved 2008</u>	Expense Budget <u>Proposed 2009</u>	Variance	%
General Fund	\$2,333,598	\$2,377,275	\$43,677	1.87%
Highway Fund	\$1,997,565	\$2,085,545	\$86,980	4.35%
Special Services	\$1,054,600	\$1,076,480	\$21,880	2.07%

The estimated Property Taxes required to fully fund these proposed budgets are:

	<u>Approved 2008</u>	<u>Estimated 2009</u>	<u>Variance</u>	<u>%</u>
General Fund	\$1,826,513	\$1,800,175	(\$ 26,338)	(1.44%)
Voted Appropriations				
Estimated	\$ 340,754	\$ 328,000	(\$ 12,752)	(3.745)
Highway Fund	\$1,749,420	\$1,850,545	\$101,125	5.6%
Town Tax Est.	\$3,916,685	\$3,978,720	\$ 62,035	1.6%
Special Services (SS)	\$ 991,532	\$1,022,280	\$ 30,748	3.1%
Town & SS Tax Est.	\$4,908,217	\$5,001,000	\$ 92,783	1.89%

Daniel Kimbell said that the Finance Committee has scheduled another meeting for Thursday, January 29th to continue planning for future municipal expenditure proposals, and to review potential for increasing municipal revenue sources. Chairperson Quatrini said that he felt that it is very important for the community to develop a comprehensive 3-5 year spending plan that is sustainable.

Albert Dunn asked members of the Board about the Community Center. Bryon Quatrini said that it is under review currently to determine the cost of upgrading the building. More decisions will be made when the results of that report are available. Albert Dunn asked permission to work on a project that would not cost the taxpayers anything, but would solve a lot of problems. Chairperson Quatrini suggested that Mr. Dunn work with the Town Manager to discuss his proposal.

Following discussion, it was moved by Gary Reis, seconded by Daniel Kimbell, and unanimously voted (5-0), to approve the 2009 Municipal Budget as stated in the December 18, 2009 budget draft, with the provision that salaries for the Town Manager, Town Clerk, and Director of Economic & Community Development be maintained at the 2008 rate. Mr. Reis stated that his motion includes SelectBoard acceptance of all of the recommendations discussed at the December 17, 2008 SelectBoard meeting as follows:

GENERAL FUND:

Department Heads take a 2.5% Pay raise (instead of 3.5% approved for the Fire Union) to cover increase to 12% employee health insurance contribution and, 1% employee pension contribution.

Lister's Office Clerk – currently budgeted at 30 hours per week – position eliminated after July 1, 2009. Work load for this position to be taken up by Town Clerk Office Staff, following completion of reappraisal.

Town Clerk Office Clerk – Current 20 hour per week position eliminated from Town Clerk’s Office. Eliminate contract services of \$12,000 for cleaning of municipal building. This ½ time position will take on responsibility for cleaning municipal building and Pomerleau Building – retaining this full-time position. Personnel cost for cleaning to be budgeted in Municipal Building and Pomerleau Building.

Reappraisal Fund – Reduce by \$10,000. Retain reserves of \$53,000.

Fire Department Equipment for Reserve Fund – reduce by \$30,000.

Merit Pay – Eliminate Merit Pay for Fire Department employees in 2009 - \$5,000

HIGHWAY FUND:

Consolidation of Water/Sewer Superintendent and Highway Superintendent into new Public Works Director position effective July 1, 2009.

Department Head 2.5% Adjustment.

Merit Pay – Eliminate - \$7,500

Highway Equipment for Reserve – Reduce by \$20,000

Engineering – Reduce by \$5,000

Contractual Services – Reduce by \$25,000

Eliminate Winter Part-time Position – Effective after July 1, 2009.

Eliminate 1 Full-Time Highway Department Position – Effective July 1, 2009.

SPECIAL SERVICES FUND:

Department Head 2.5% Adjustment.

Special Services Equipment Reserve reduce to \$15,000.

The Manager requested that the SelectBoard set wage adjustments, pension contribution, and health insurance contributions for those non-union employees who are not department heads. Following discussion, it was moved by Gary Reis, seconded by Daniel Kimbell, and unanimously voted (5-0), to set wages and benefit rates for non-union employees, who are not department heads, as 3.5% wage increase; a 1% employee contribution to Pension Plan, and an increase to 12% employee premium participation in

the health insurance plan. These are the same benefits agreed to with the Firefighter's Union for 2009.

WATER SYSTEM IMPROVEMENT PROJECTS – 09 VOTER CONSIDERATION:

The Manager reviewed two (2) articles for the Board to consider relative to continuation of the Water System Improvement projects, and Combined Sewer Overflow work. The Manager stated that the primary reason to move forward with voter articles for March, 2009 is for the community to be in the best possible position for USDA Grant Funding, and/or Economic Stimulus Funding for infrastructure improvements, should these funds become available. The Manager stated that these projects represent construction work that is ready to bid, or can be ready to bid in the very near future.

The Manager stated that he has worked with Robert Dufresne, Paul Giuliani (bond counsel), and USDA representatives to develop these proposed articles for discussion.

ARTICLE ____ . Shall the Town of St. Johnsbury apply all or a part of the water system improvement bonded indebtedness authorized on March 4, 2008 as matching funds in order to maximize the receipt of construction grants-in-aid for such improvements?

<i>Item Description</i>	<i>Estimated Cost</i>
<i>Construction:</i>	
<i>Contract 2008-4 Airport Hill Road Tank</i>	<i>\$1,200,000</i>
<i>Contract 2008-6 HP Water Main and PRV Vaults</i>	<i>\$600,000</i>
<i>16-inch Cleaning and Lining Overcliff to Eastern Ave</i>	<i>\$175,000</i>
<i>Subtotal Construction</i>	<i>\$1,975,000</i>
<i>Contingencies including inflation at 15%</i>	<i>\$296,250.00</i>
<i>Engineering at 20%</i>	<i>\$395,000.0</i>
<i>Project Development at 5%</i>	<i>\$98,750</i>
<i>Total Project Cost</i>	<i>\$2,765,000</i>

\$3,000,000 – 75% Grant = \$750,000 USDA Loan = 40 Year Payback = \$33,113 (3.125%)

Bond Vote:

Shall general obligation bonds or other indebtedness of the Town of St. Johnsbury in an amount not to exceed \$3,750,000.00 be issued expressly conditioned upon the Town's receipt of no less than \$11,250,000 in the form of construction grants in aid for the purpose of financing the Town's share of making infrastructure improvements as at an estimated total cost of \$15,000,000.00?

West Side Improvements – Water/Sewer/Storm Sewer/Sidewalk (one side)/Roadway. Project would not advance without 75% Grant Funding.

The Manager said that over the next few weeks, he would develop operational cost estimates and budget impacts for these proposals.

The Manager stated that the Board does not need to make any decisions at this meeting – but, he wanted to get the information on the table so that Board members can fully consider these options.

MANAGER’S REPORT:

Report of Doings – Members of the SelectBoard reviewed and signed the Report of Doing for the Subdivision amendment approved at the last regular Board meeting.

January Schedule – Members of the SelectBoard agreed to maintain the current SelectBoard meeting schedule – planning to meet each Monday evening in January. The next Board meeting will be held on Monday, January 5, 2009 at 7:00p.m. in the Board Room.

Expenditure Warrants – Members of the Board reviewed, approved, and signed municipal expenditure warrants as follows:

General Fund	60805 – 60805	\$235.15
	60806 – 60867	\$407,911.31
	60868 – 60868	\$111.83
Grant Fund	2148 – 2149	\$1,310.00

OTHER BUSINESS – None

Having no further business or requests, it was moved by Gary Reis, seconded by Jean Hall Wheeler, and unanimously voted (5-0) to adjourn at approximately 8:05p.m.

Respectfully submitted;

Mike Welch, Town Manager