

MINUTES
ST. JOHNSBURY SELECTBOARD
MONDAY, JANUARY 11, 2010

The St. Johnsbury SelectBoard held their Regular SelectBoard Meeting on Monday, January 11, 2010 beginning at 7:00p.m. in the Board Room of the Municipal building.

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

Others Present: Sandra P. Grenier, Will Rivers, Albert Dunn, Jim Rust, Brian Christman, Troy Ruggles, Danny Scott, Tim Angell, Jim Wuertele, Steve Smith, Mary Smith, Bernie Timson, Diane Beck, Jon Beck, John Nutbrown, Representative Bob South, Senator Jane Kitchel, Senator Matt Choate (by speakerphone), Joel Schwartz, Ray LaBounty, Nancy Cohen, Jay Wood, KATV-7, Charles Bjorklund, and Mike Welch.

Chairperson Kimbell called the meeting to order with the Pledge at approximately 7:00p.m.

PUBLIC COMMENT: Albert Dunn expressed appreciation to the SelectBoard for the assistance provided by Town Departments for First Night 2010.

MINUTES - It was moved by Jean Hall Wheeler, seconded by Jim Rust, and unanimously voted to approve the Minutes, as printed, for the meeting held on December 28, 2009 and January 4, 2010.

EXPENDITURE WARRANTS - Members of the Board reviewed, approved, and signed expenditure warrants:

General Fund	63596 – 64641	\$22,753.63
	63642 – 63663	\$307,815.22
Grant Fund	2231 – 2232	\$ 590.48

LEGISLATIVE DELEGATION – PRIORITIES – Members of the local legislative delegation, Senator Jane Kitchel, Representative Bob South and Representative Gary Reis were present at the meeting. Senator Matt Choate was available by speakerphone. Senator Jane Kitchel said that the Interstate Weight Bill has been voted and she expects quick action on the bill. Senator Jane Kitchel said that all commodities will be treated equally under the bill. There is a 12-month federal pilot program, the period began when the federal bill was signed in mid-December. Senator Kitchel said that she serves on the Appropriations Committee and this will be another difficult year in terms of reducing state spending as a result of a projected \$150,000,000 revenue shortfall. Senator Kitchel

said that funding for the State employee retirement fund and the teacher retirement fund will be reviewed by legislature. Senator Kitchel said that in terms of transportation there will be pressure to bond for transportation projects. Senator Kitchel said that last year gas and diesel taxes were raised. Senator Kitchel said that relative to Health Care people are paying attention to the federal health care programs being proposed, and the effects of any approved legislation. Senator Kitchel said that she is waiting to receive additional information about Vermont Yankee relative to relicensing. Senator Kitchel responded to questions.

Senator Matt Choate, available by speakerphone, said that the state budget is a big concern for all of us. Senator Choate said meeting the \$150,000,000 funding gap will present a significant challenge. Senator Choate said that recently a consulting group had identified \$38,000,000 in potential savings. Senator Choate said that he is still waiting for information on Vermont Yankee regarding safety and decommissioning. Senator Choate said he is concerned about financing of Vermont Yankee as it is highly debt financed. Senator Choate said that he will continue to enhance and support local food initiatives. Senator Choate said that he is concerned about the dairy industry in Vermont. Nancy Cohen suggested that they consider looking at a managed quota system for existing dairy farms. Senator Choate said he would like to discuss that concept further. Senator Choate said that economic development in Vermont has to be a priority, and some of the remaining ARRA funds should be committed to economic development. Bryon Quatrini stressed the importance of maintaining the existing jobs that we have in Vermont. Senator Choate responded to questions.

Representative Robert South said that he serves on the General, Housing & Military Affairs Committee. Representative South said that 1400 of our neighbors and co-workers will be deployed to Afghanistan. Robert South said that support for the troops at the state level will include funds for the Guard Helpline. Representative South said that there will be consideration given to licensing requirements for electricians working on single family homes. Representative South said his committee will also be considering a bill relative to rent-to-own agreements for mobile homes. Representative South said that last session he and Senator Matt Choate developed a listing of approximately \$80 million in savings in the general fund budget. Representative South said that he would continue to review areas for budget reductions with Senator Choate. Representative South said that discussions on the budget will be the priority. Albert Dunn asked about Act 250. Bob South Act 250 needs to be looked at but the budget is the priority. Nancy Cohen asked if the legislature has ever looked at the hole that exists without regional planning in Vermont. Senator Kitchel said that there are regional planning organizations in Vermont and that regional planning for the Northeast Kingdom is coordinated through the Northeastern Vermont Development Association. SelectBoard member Jim Rust advised Nancy Cohen that she may want to take a look at Senate Bill 238 dealing with coordinated land use planning among various level of government.

Representative Gary Reis said that he serves on the House Corrections and Institutions Committee looking at the provision of services for people who are functionally impaired. Representative Reis said that closer scrutiny will be paid to the Capital Bill.

Representative Reis used the example of \$350,000 that was included in the bill for the Boardwalk in Newport. Representative Reis said that the State Health Lab is a long way from being state of the art. Representative Reis said that the Committee is looking at a joint effort with the Town of Colchester for a new state health lab. Representative Reis said that bonding is not the answer for all of the state capital expenditures. Representative Reis said that he is in favor of spending capital money on projects that will create jobs in the near-term. Representative Reis said that he fully supports keeping Vermont Yankee open. Representative Reis said that we do need to improve our permitting process. Nancy Cohen asked how people can help make a difference to get changes made to Act 250. SelectBoard member Jim Rust said that there are two bills dealing with Act 250 coordination – S214 and S231. Jim Rust said that making changes would require staying in touch with legislators and testifying on specific legislation.

Representative South said that he and Senator Choate plan to schedule a forum in St. Johnsbury in the middle of the session in order to update the public on the status of legislative action. Representative South said he would contact the Town Manager when that forum is scheduled.

2010 MUNICIPAL BUDGET REVIEW – *Fire Department* – Chief Troy Ruggles was present to review the proposed 2010 Fire Department Budget with the members of the St. Johnsbury SelectBoard. The approved 2009 Fire Department Budget was \$940,235. The proposed Fire Department budget for 2010 is \$1,032,996, an increase of \$92,761 (9.86%). Chief Ruggles said that the department has modified alarm assignments. Chief Ruggles said that if we do not have a major incident, then overtime could be reduced from \$70,000 to \$65,000. Chief Ruggles said that there was approximately 1,670 hours of overtime in 2009, not counting the 3 hours of overtime per firefighter per week, resulting from Fair Labor Standards Act requirements for a 56 hour work week. Gary Reis suggested that the Town should review alternative schedules during the upcoming negotiations with the bargaining unit. Chief Ruggles informed the Board that he did not spend funds in many of the areas he had budgeted in 2009 – due to the fact that there were major repairs required on the Tower Truck, that were far in excess of the repairs/maintenance budget, and he was trying to keep the overall expenses as close to the total budget as possible. Chief Ruggles was questioned about the diesel cost. Chief Ruggles said it is possible that all of the transfers for diesel expense were not made from the Highway Department. Chief Ruggles said that he had kept the majority of line items the same as the previous budget year, but he did include \$10,000 for the rental of storage space for the third engine, which is currently housed on Portland Street. Chief Ruggles said that the agreement with the property owner is that if the property is rented, then the department will have to move their equipment. Chief Ruggles said that he also budgeted for the full \$80,000 for the equipment replacement fund, which was reduced to \$50,000 last year.

Nancy Cohen asked about requirements for responding to emergencies and described an incident on the Back Center Road. Chief Ruggles said that there are protocols that will be followed by the dispatcher, or by responding units, relative to calling out the fire department. Chief Ruggles said that within certain areas if there is personal injury, or

suspected personal injury, then the fire department will be dispatched. Chief Ruggles said that if there are hazardous material leaks, or suspected hazardous material leaks, the fire department will be dispatched. Chief Ruggles said that responding agencies may also request that the fire department be dispatched.

John Nutbrown asked how many firefighters have second or third jobs, given their schedules. Chief Ruggles said that some firefighters do have other employment. John Nutbrown asked why the department needs 4 trucks. John Nutbrown said that St. Albans is the same size and has less equipment. Chief Ruggles said that St. Albans has both the City and Town Fire Department to call upon in case of emergency.

Jim Rust asked about the new equipment budget at \$16,000, Chief Ruggles said that this really has been used as a replacement for equipment such as air packs, masks, etc. Bernie Timson asked if the department still responded when the DART helicopter lands at NVRH, and whether or not the Town receives any payment for this. Chief Ruggles said that the department does respond, and he has initiated discussions with the hospital about a fee for this service.

Bryon Quatrini asked about uniforms. Chief Ruggles said that he is required to replace gear for each firefighter every 10 years.

Daniel Kimbell asked about the equipment fund. Chief Ruggles said that there has been discussion about purchasing a glider kit that would maintain the truck chassis, and purchase a new pump that would replace the existing equipment on the vehicle. Chief Ruggles said that the vehicle is due for replacement in 2013. Chief Ruggles said that the ISO (Insurance Services Organization) that rates municipalities for fire protection purposes, has standards for the number of vehicles and age of vehicles within a community. Jean Hall Wheeler asked about the Town current rating for insurance purposes. Chief Ruggles said that St. Johnsbury is currently rated as a 4/9 by ISO. 4 within the hydrant district and 9 outside of the hydrant district. Gary Reis asked if the Chief was taking advantage of the dry hydrant grant program. Chief Ruggles said that the Town has received grant funds under this program for installing dry hydrants.

Jean Hall Wheeler asked about the impact of reducing the training budget. Chief Ruggles said that reduction would mean that less training could be done outside of the department. Chief Ruggles said that the department does a lot of their training in house, but there are many opportunities for training available outside of the department.

Ray Labounty said that he felt that all of the Town departments had to look at creative ways to reduce labor costs. Ray Labounty said that we need to challenge ourselves to get more creative than we have been in terms of controlling and reducing costs, including personnel.

Following discussion, members of the Board made the following adjustments for the proposed Fire Department Budget for 2010.

Overtime	\$70,000 to \$65,000	= (\$5,000)
Office Supplies	\$2,500 to \$1,500	= (\$1,000)
Training Supplies	\$8,750 to \$5,000	= (\$3,750)
New Equipment	\$16,000 to \$10,000	= (\$6,000)
Telephone	\$1,000 to \$500	= (\$500)
Contracted Serviced	\$22,600 to \$12,600	= (\$10,000)
Equipment Fund	\$80,000 to \$50,000	= (\$30,000)

With these adjustments the proposed Fire Department Budget for 2010 was reduced from \$1,032,996 to \$976,746 a total reduction of (\$56,250) from the initial request.

Public Works Department – Highway – Director of Public Works Danny Scott was present to review the proposed 2010 Highway Fund Budget with members of the Board. The Highway Fund Budget as proposed is:

	2009	2010
Highway Garage & Equipment	\$495,640	\$513,390
Summer Maintenance	\$849,280	\$852,175
Winter Maintenance	\$549,400	\$561,665
Street Safety & Traffic	\$118,100	\$115,000
Highway Fund Expenses	<u>\$ 72,125</u>	<u>\$ 99,700</u>
Total Highway Fund	\$2,084,545	\$2,141,930

The 2010 Highway Budget as proposed is \$57,386 higher than 2009, or 2.75%.

Bernie Timson asked about outside repairs and the cost of taking vehicles to Clark's. Dan Scott said that much of the work that has been done at Clark's has been warranty related. He said that equipment today does require diagnostic computer technology that the department does not have in house. Bernie Timson suggested that more of the repairs that can not be done by the Town mechanic could be done locally. Brian Christman asked about burning used oil. Danny Scott said that the department does burn used oil – but the supply of used oil has dried up considerably as more businesses are using waste oil themselves. Nancy Cohen asked about multi-task training. Danny Scott said that there has been so much construction work going on this past year that there has not been time for that yet. Danny Scott said that many members of the crew are very interested in cross-training for water/sewer/highway purposes. Danny said he is started to blend into this work. John Nutbrown asked about the pick-up that Larry Gadapee was operating. Danny Scott said that he is using it currently, and the other pick-up has not been assigned, and will only be used as necessary.

Danny Scott said that the department recently faced major repair work to the Grader and to one of the Loaders.

Following discussion, the members of the SelectBoard made the following adjustment in the 2010 proposed Highway Fund Budget.

Highway Garage & Equip	Waste Disposal	\$5,500 to \$3,000	(\$2,500)
	Contracted Svs	\$12,000 to \$7,000	(\$5,000)
	Rentals	\$10,000 to \$5,000	(\$5,000)
	Repair Parts/Supp	\$70,000 to \$90,000	\$20,000
	Equipment Fund	\$50,000 to \$30,000	(\$20,000)

The net result of these adjustments was a (\$12,500) reduction in the Highway Garage & Equipment Account, reducing the 2010 budget for this account from \$513,390 to \$500,890. This reduces the overall Highway Fund Budget request from \$2,141,930 to \$2,129,430. This is an increase of \$44,885 or approximately 2.15% over the approved 2009 Highway Fund Budget.

Pension – Chairperson Daniel Kimbell recommended that the members of the Board consider making an adjustment to the budget amount for the employee pension fund (currently budgeted at 20% of payroll). Chairperson Kimbell said that the Board may want to consider making a smaller contribution than recommended in 2010, and make up any increase in a period of years, instead of one big increase. Chairperson Kimbell said that much of the increase in the required pension amount, based on the actuary’s report, is due to the poor performance on the investments. Chairperson Kimbell said that he would meet with the Manager to discuss a reduction in the 2010 contribution.

VETERAN EXEMPTION – The Board discussed whether or not the Board should place a question on the Town Meeting Warning to consider raising the exemption for qualified Veterans from \$20,000. SelectBoard member Jim Rust recommended that the Board table local action until after the legislative session, as there is at least one bill dealing with this subject (S194) that would provide a 100% exemption. SelectBoard members agreed to table this item.

ENERGY GRANT - The Manager stated that Joel Schwartz has made progress with NVDA on the energy audit cost but we are still awaiting final confirmation. This will be discussed at a future meeting.

MANAGER’S REPORT – ***Pension Valuation Report*** - A copy of the 2009 Pension Valuation Report was provided to members of the Board. The Valuation Report for January 1, 2009 indicated that the “plan is 86% funded, compared to 101% in the prior year.”

Budget Workshop – The next SelectBoard Budget workshop is scheduled for 6:00p.m. on Monday, January 18, 2010, Board Room, Municipal Building. Chief of Police Richard Leighton will attend to review the 2010 proposed Police Department Budget with the members of the Board. Members of the Board may wish to schedule additional budget workshops depending on progress.

Stephen Huneck – Members of the Board reviewed and approved a resolution for the family of Stephen Huneck. Chairperson Kimbell read the resolution.

Liquor Permit – The Manager informed the Board that a recent incident at a licensed liquor establishment may warrant a discussion between Board members and the license holder. Members of the Board agreed to schedule a meeting with the license holder.

OTHER BUSINESS – Crosswalk Grant – Jean Hall Wheeler asked about the pedestrian safety grant for Main Street. The Manager stated that the grant was awarded, quite a while ago, but no action had yet been taken on the solicitation of a vendor to perform the work.

Air Conditioners – Bernie Timson stated that if the Town is concerned about wasting energy, then why are there still two window air conditioning units sticking out of the building on Main Street. Al Dunn stated that the air conditioner in the dispatch area is actually used year-round due to the temperature in the room, and the impact on all of the computer, video, and radio equipment. The Manager said he would check on the other unit.

Town Meeting - Albert Dunn asked about Town Meeting. The Manager stated that there will still be a Town meeting that will be an informational meeting only, on Monday, March 1, 2010 beginning at 7p.m. in the Auditorium of the St. Johnsbury School. Australian ballot voting on all budgets and public questions will be held on Tuesday, March 2nd from 10a.m. – 7p.m. at the Lively Center on Summer Street. Sandy Grenier said she would check with the School Board about participation in the informational Town Meeting.

Register to Vote – SelectBoard member Jim Rust reminded everyone that if you are not already registered than the last day to register to vote if you intend to vote in the March 2, 2010 election is February 24, 2010 at 5:00p.m.

Having no further business or requests, it was moved by Gary Reis, seconded by Bryon Quatrini, and unanimously voted (5-0) to adjourn at approximately 9:25p.m.

Respectfully submitted,

Mike Welch
Town Manager