

**MINUTES  
ST. JOHNSBURY SELECTBOARD  
MONDAY, FEBRUARY 22, 2010**

The St. Johnsbury SelectBoard held a budget public hearing, bond public informational meeting, and regular SelectBoard meeting on Monday, February 22, 2010 beginning at 6:00p.m.

**SelectBoard Members Present:** Vice Chairperson Gary Reis, Bryon Quatrini, and Jim Rust.

**SelectBoard Members Excused:** Chairperson Daniel Kimbell, and Jean Hall Wheeler.

**Others Present:** David McGregor, Sandra Grenier, Troy Ruggles, Raymond Labounty, Gary Lunderville, Joel Schwartz, Robert South, Al Dunn, Nancy Cohen, Chad Whitehead, Jon Beck, Pam Smart, Sean Jewell, Brian Christman, Rod Lamotte, Bernie Timson, Priscilla Messier, Jay Wood, Taylor Reed, KATV-7, and Mike Welch.

Vice Chairperson Gary Reis opened the meeting with the pledge at approximately 6:00p.m.

**6:00p.m. PUBLIC HEARING 2010 GENERAL FUND, HIGHWAY FUND, AND SPECIAL SERVICES DISTRICT BUDGET** – Gary Reis informed those present that this was a public hearing related to the proposed 2010 Municipal Budgets that will be voted on by Australian Ballot on Tuesday, March 2, 2010. The Town Manager reviewed a hand-out with those present related to the Municipal Budget Articles that will be considered by the voters.

<b>ARTICLE #</b>	<b>FUND</b>	<b>2009 APPROVED</b>	<b>2010 PROPOSED</b>	<b>VARIANCE</b>
Article 3	General Fund Budget	\$2,391,070	\$2,357,002	(\$34,068)
	General Fund Tax	\$1,813,970	\$1,775,252	(\$38,718)
Article 4	Highway Fund Budget	\$2,084,545	\$2,076,820	(\$7,725)
	Highway Fund Tax	\$1,850,545	\$1,842,820	(\$7,725)
Article 5	Special Service Budget	\$1,076,480	\$1,082,345	\$5,865
	Special Service Tax	\$1,022,280	\$1,033,145	\$10,865

The Manager also reviewed the special warning for the water system improvement bond Article 1 in the amount of \$433,000 for the replacement of the filter tanks at the water treatment plant at an estimated cost of \$1,730,000. The Manager said that this bond vote is based on the receipt of at least 75% grant funding.

Following the budget presentation, SelectBoard Member Bryon Quatrini moved that the Board recess until the warned Public Informational Meeting and Regular Board meeting at 7:00p.m.

**7:00p.m. – Regular SelectBoard Meeting.**

**PUBLIC COMMENT** - Gary Reis asked if there was public comment on any subject not appearing on the agenda. There was no public comment.

**MINUTES – FEBRUARY 8, 2010** – It was moved by Jim Rust, seconded by Bryon Quatrini, and voted (3-0) to approve the Minutes from the February 8, 2010 meeting as presented.

**PUBLIC INFORMATIONAL MEETING – WATER SYSTEM IMPROVEMENT BOND – WATER FILTRATION** - Gary Reis opened the Public Informational Meeting

related to the Bond Article for replacement of the filter tanks at the Water Treatment Plant. The Manager stated that on March 4, 2008 voters approved a bond issue of up to \$5,600,000, to be reduced by grants-in-aid, for the construction of certain improvements to the Town Water System. The purpose of this Article is to request that the voters allow the Town to use a portion of the \$5,600,000 Bond Authority to leverage additional grant funds to finance the replacement of the filter tanks at the Water Treatment Plant. The replacement of the tanks has been identified in the Town master plan for the water system. This article is being presented for consideration at this time, as the Town has been eligible for up to 75% grant funding for water system improvement projects. The total estimated project cost for filter tank replacement is \$1,730,000. The amount that is being requested as a local share for consideration by the voters is \$433,000 or 25% of the total project cost. The estimated repayment amount, paid for by water system customers, is \$17,960 per year, for a 40 year bond period. The article that will be voted on is:

***“Of the bonded indebtedness authorized by the Town of St. Johnsbury at the March 4, 2008 meeting thereof, shall a sum not to exceed \$433,000 be used to finance the Town’s share of the cost of making certain water system improvements namely, replacement of the filter tanks at the water treatment facility, the estimated cost of such improvements being \$1,730,000?”***

Rod Lamotte asked if the units had been x-rayed to determine the amount of useful life left in the steel. Chad Whitehead, Dufresne Group, said that the experience of the engineering firm is that steel tanks have a certain useful life, and much of the deterioration will occur at the bottom of the tanks. Chad said that he was present at the meeting as a resident, and not as a representative of Dufresne Group. Chad said the filters would need to be taken off-line to fully review them. Chad said that there is additional useful life in the tanks – but very soon major maintenance or replacement needs to occur – and funding sources for this type of construction are available now. Nancy Cohen suggested that the Town not make the same mistake that was made when the tanks were initially installed – and replace the units with tanks that would have a longer useful life. Brian Christman asked what type of material the new tanks are made of. The Manager

read from engineer Robert Dufresne's recommendations "replace the filter tanks with marine grade aluminum tanks." Chad Whitehead said that painting the tanks is an option – but he stated that tanks would still need to come off-line to do this, and once you painted you would need to do it again in 10 years. The maintenance work of painting the tanks is not eligible for grant funding. Bernie Timson asked how the units will be replaced – will the roof need to come off the building. Chad said that the firm is reviewing all options – and craning the roof is one possibility. Chad said that the costs for replacements of the tanks were analyzed over a life cycle cost to determine the best alternative. Ray Labounty asked about the life cycle costs. The Manager said he had the complete report available for review. Rod Lamotte asked about membrane systems. Chad Whitehead said that membrane systems are an option – but those systems also require replacement of the membranes after about a 10 year period. Chad said that membrane systems were one of the alternatives explored in the preliminary engineering report. Bernie Timson asked about using the old filter plant temporarily allowing the work to progress in the new filter plant. Chad Whitehead said that the old filter plant is not operational.

**WEIDMANN PROJECT** – SelectBoard Member Bryon Quatrini requested that this item be tabled, as the full SelectBoard was not present. Nancy Cohen asked if she could ask a question about the water line. Gary Reis suggested she wait until Weidmann representatives were present to respond to questions.

**WATER SYSTEM IMPROVEMENTS – ENGINEERING AGREEMENTS** – The Manager stated that in reviewing the contracts for engineering work performed by Dufresne Group (formerly Dufresne & Associates) on the Water System Improvement projects, that two agreements had not been brought to the Board for consideration and action. The engineering agreements cover:

Engineering assistance during the construction phase for the work under contract 2008-2 (Pump Stations and Misc. Improvements), contract 2008-5 (Water Main Slip Lining), and contract 2008-7 (.5 MG Clearwell); and

Engineering assistance during the construction phase for the work under contract 2008-4 (Airport Hill Tank), Contract 2008-6 (Water Main, PRV's, and Cleaning & Lining), and Contract 2009-2 (Fairbanks Drive Water Main Replacement).

The Manager stated that both of these agreements have been reviewed and approved by the USDA.

It was moved by Bryon Quatrini, seconded by Jim Rust, and voted 3-0 to approve the engineering agreements as described, and to authorize the Town Manager to sign on behalf of the Town.

**ENERGY GRANT** – Joel Schwartz was present to review the energy audit prepared by TCorp, Inc. of Colchester. Joel said that he did not receive the energy audit report until Sunday 2/21. Joel stated that grant funds through NVDA were used to pay for the energy

audit. The energy audit was performed to determine priorities and cost estimates for energy related improvements at the St. Johnsbury Municipal Building.

Joel said that the results of the audit are summarized in four recommendations called Energy Conservation Measures (ECM):

#### ENERGY CONSERVATION MEASURES (ECM) RECOMMENDATIONS:

All ECM's were tested and presented in order of lowest life cycle cost first. NISTIR 85-3273-24 2009 Energy Price Indices and Discount Factors were used with a spreadsheet derived from the BLCC software package developed for the Department of Energy. This calculation provides for the time value of money.

ECM 1 Upgrade all lighting to High Performance T8 lamps and ballasts

Initial Cost: \$13890

Estimated Utility Incentive: \$1080.00

Stimulus Funding: \$12,501.00

NPV Adjusted Payback: .87 Years

Net Cost: \$309.00

ECM 2 Reduce Air Infiltration

1. Repair thermal bypass across the ceiling of the new addition and carrying down to the partition wall at the Town Clerks office.
2. Seal electrical penetrations at main electrical service panel
3. Repair weather stripping and door sweeps and adjust as necessary to reduce overall air changes on three exterior doors
4. Improve isolation of garage and basement area from occupied building. Repair weather stripping and door sweeps and adjust as necessary for interior doors
5. Improve and repair weather-stripping for rear garage door
6. Improve isolation of furnace room with air sealing and weather stripping
7. Seal and insulate attic hatch
8. Purchase and install insulated cover for the exhaust fan in the garage
9. Properly install all window box air-conditioners
10. Weather-strip, repair and install storm windows seasonally
11. Refurbish existing primary windows
12. Refurbish or replace existing overhead doors located on the east side.
13. Replace Basement windows with Energy Star Windows

Initial Cost: \$25000

Estimated Utility Incentive: \$00.00\_

Stimulus Funding: \$22,500.00

NPV Adjusted Payback: 1.16 Years

Net Cost: \$2,500.00

ECM 3 Insulate and air- seal the attic of the main building with 10 inches of cellulose insulation to achieve a minimum of R-36:

Initial Cost: \$5000

Estimated Utility Incentive: \$00.00\_

Stimulus Funding: \$4,500  
NPV Adjusted Payback: 1.37 Years  
Net Cost: \$500.00

#### ECM 4

1. Replace the existing steam and hot water boilers with multiple staged, high efficiency condensing boilers and all appurtenances
2. Replace all steam piping and radiation and install baseboard hot water
3. Install appropriate zoning
4. Install programmable thermostats
5. Install instantaneous water heaters near demand

Initial Cost: \$65000  
Estimated Utility Incentive: \$00.00  
Stimulus Funding: \$50,000.00  
NPV Adjusted Payback: 3.86 Years  
Net Cost: \$15,000.00

Combining all four energy conservation measures listed above will provide the following:

Initial Cost: \$108,890.00  
Estimated Utility Incentive: \$.00  
Stimulus Funding: \$50,000.00  
NPV Adjusted Payback: 9.89 Years  
Net Cost: \$57,810.00

Joel reviewed each of the recommendations. Joel stated that he did not recommend proceeding with the replacement of the boilers at this time, as it is not within the budget for the grant funds available.

Joel recommended that the Town submit an Energy Efficiency & Conservation Block Grant (EECBG) application for a total project cost of \$47,161 – requesting a total of \$40,250 from the EECBG; \$1,080 from Efficiency Vermont; with \$3,310 cash match from the Town, and \$2,521 in-kind match from his administration of the project and accounting.

Jim Rust said that he has concerns about the long-term use of the existing building and making improvements that may eventually get modified negating any benefit. Jim Rust said that he did not really get an opportunity to review the 63 page energy audit report – but he felt that the information provided was very vague. Jim Rust said that he felt that the estimates provided are very conservative, and he was not overly impressed with the areas of the report that he concentrated on. Jim Rust said that he questions some of the payback numbers that are outlined in the report.

Joel Schwartz said that in discussing energy projects with the Town Plan energy committee – that another cost that is not being factored into this report, or being

considered, is the risk management associated with the increasing cost of energy. The risk of not doing anything if prices spike upwards.

Nancy Cohen expressed support for the basic energy conservation measures being recommended in the report. Gary Reis stated that at this time all the Board is being asked for is to approve the submission of a grant application. Gary said if funds are actually awarded, then the Board can decide whether or not to move forward with specific recommendations.

Jim Rust said that he did not object to filing an application. Jim stated that he would want to see a lot more detailed information in the energy audit report before committing additional town resources to implementing the recommendations.

Following discussion, it was moved by Jim Rust, seconded by Bryon Quatrini, and voted 3-0 to authorize the Town Manager to submit an Energy Efficiency and Block Grant Application requesting \$40,250 in grant funds – in the event that grant funds are awarded, the SelectBoard will review proposed grant agreement before authorizing work to proceed.

**EXPENDITURE WARRANTS:** Members of the Board present reviewed, approved, and signed Expenditure Warrants as follows:

Jay-Lyn Fund	107	\$ 1,071.70
General Fund	63815 – 63851	\$100,582.33
	63852 – 63885	\$ 38,969.62
Grant Fund	2237 – 2237	\$ 793.04

**MANGER’S REPORT – Portland Street Bridge** – The Manager provided the Board with a copy of the Right-of-Way certification for Portland Street Bridge. The Manager informed the Board that final specifications are being reviewed by the State, and then the project can proceed this construction season.

**Employee 457 Funds**– The Manager requested authorization to allow an employee to withdraw 457 Funds pursuant to a court ordered divorce decree. It was moved by Bryon Quatrini, seconded by Jim Rust, and voted (3-0) to authorize Town Manager to sign 457 fund transfer pursuant to court ordered divorce decree.

**Community Justice Center Grant Application** – The Manager provided Board members present with information on the request of the Community Justice Center that they be authorized to submit a grant application in the amount of \$2,314 to support the free Legal Clinics that are being offered by the Justice Center. It was moved by Bryon Quatrini, seconded by Jim Rust, and voted (3-0) to authorize the Community Justice Center to apply for a grant in the amount of \$2,314 to support the Legal Clinics.

**Town Meeting** – The Manager provided the Board with a copy of the powerpoint presentation prepared for the annual Town Meeting for March 1<sup>st</sup>.

**Land Purchase** – The Manager provided the Board with information from Town Attorney Edward R. Zuccaro relative to the Board’s authority to purchase property, if funds are available – and authorization from the Town for the Board to sell up to 1 acre of property.

**AARP Complete Streets** – Pursuant to an invitation from the members of the Board, AARP representatives plan on attending the Regular Meeting scheduled for March 8, 2010 to discuss the complete street principles. (House Bill 741).

**OTHER BUSINESS** – *Water & Sewer Consumption Report* – Jim Rust informed members of the Board that he has begun working on a comparative consumption spreadsheet for water and sewer accounts so that the Board and the Finance Committee can regularly review utility consumption history – comparing 2009 to 2010 monthly and YTD consumption. Jim Rust commended Diane Perkins and Larry Sharer in the Town Clerk’s Office for all of their assistance in providing this information.

Having no further business or requests, it was moved by Bryon Quatrini, seconded by Jim Rust and voted (3-0) to adjourn at approximately 7:50p.m.

Respectfully submitted,

Mike Welch  
Town Manager