

**TOWN OF FAIR HAVEN, VERMONT
SELECT BOARD
WATER AND SEWER COMMISSIONERS
LIQUOR COMMISSIONERS--CEMETERY COMMISSIONERS**

**SPECIAL SELECT BOARD MEETING
JUNE 11, 2014**

Board Present: Christopher Cole, Rod Holzworth, Bob Richards, Jeff Sheldon, Dave Ward

Others Present: Don Howard, Jackie Holzworth, Roderic Holzworth, Bud Panoushek, Greg Marcy, Donald Proctor, Town Manager Herb Durfee, Recorder Wilma DeSpain

CALL TO ORDER

Christopher Cole, Chair called the Special Session to order at 7 p.m. and asked everyone to stand for the Pledge of Allegiance to the Flag.

BUSINESS

Fiscal Year 2014-15 Town Budget. There was brief discussion on the Town budget and Durfee presented the board with a draft Warning for the July 15 vote. Sheldon moved to Warn a revised FY 2014-15 Selectboard budget of \$1,861,421 for voter consideration on Tuesday, July 15, 2014 and to approve the Warning as presented by Durfee. [Copy of Warning attached.]

Fiscal Year 2014-15 Water/Sewer Budget. Cole asked Durfee to summarize where the draft budget stands, to date. Durfee generally described where the board left off with its discussion on June 9, and he noted the increase in the sewer debt service line item now that the River Street Pump Station loan has now been finalized. He reminded the board that the major concern raised at the last meeting was accounting for the age of the wastewater treatment plant and the possible need to plan for a major capital overhaul. He also noted that the budget year needs to deal with Pete Root's impending retirement and hiring his replacement. Durfee also presented a draft of the water and sewer base/usage rates that could be charged according to the budget as drafted to date.

Durfee discussed the water/sewer base/usage rates and several of the variables that will be playing into the calculation, including the number of current accounts (water = 899; sewer = 831) both less than the current fiscal year and the amount of "Tgallons" used by the average rate payer (water = 45,606; sewer = 43,321). The board generally discussed the rates and their calculation, that is, base rates are supposed to cover the departments' fixed costs while the usage rates typically are intended to cover operational costs. Overall, Durfee said, when the board completed discussion on the budget, he would provide the board with an updated spreadsheet on the rate calculation.

Budget-wise, the bulk of the board's discussion was on Peter Root's replacement (i.e., how much money should be budgeted, when would be the hiring date, and how would the logistics of hiring a new person play into training, plant coverage, and possible plant capital overhaul). After considerable discussion, the board agreed that staff "overlap" needs to occur where a new person is hired before Pete Root's retirement. The board discussed budgeting for a six-month period but hoping that the overlap might only need to be for four months. To accomplish this, the board agreed to add \$15,600 to line 020-6390-10.00 (WW Personal Services), add \$11,272 to the

appropriate Benefit line items in 020-9700- such that the new sub-total equals \$105,472, and to reduce the proposed Sewer Sinking Fund (020-9790-83.00) from \$40,001 to \$30,001. With those changes, the board generally agreed to a budget of \$845,308 (1.71%). Durfee suggested the board adopt the budget at a regular meeting rather than during the special meeting. Board members agreed to take up the formal adoption of the budget during their June 23 meeting, including the recalculated base/usage rates.

Meeting adjourned at 8:28 p.m. on motion by Sheldon, second by Ward.

Respectfully submitted
Wilma B. DeSpain, Recorder



Jeff Sheldon, Board Clerk
Rod Holzworth