

**TOWN OF FAIR HAVEN, VERMONT
SELECTBOARD
WATER AND SEWER COMMISSIONERS
LIQUOR COMMISSIONERS-CEMETERY COMMISSIONERS
Special Select Board Meeting
May 3, 2016**

Members Present: Dick Frazier, Jeff Sheldon, Rod Holzworth, II, Chris Cole.

Members Absent: Robert Richards

Others Present: Town Manager Herb Durfee, Minute Taker Claire Stanley, Bud Panoushek, Tom Donovan, Peter Laramie.

Call to Order: Acting Chair Dick Frazier called the meeting to order at 6:00 p.m. and led the assembly in the Pledge of Allegiance.

Mr. Holzworth nominated Chris Cole to serve as Board Clerk, seconded by Mr. Frazier. The nomination carried 3-0-0.

It was noted that any action must be unanimous when only three members attend. Mr. Sheldon arrived shortly thereafter.

Five Minutes for Public Comment: None

FYE 2017 Water/Wastewater Budget: There were two handouts, a handwritten fact sheet and the latest updated year-to-date expenses/revenues spreadsheet. The Board did a first budget run-through in December with Department heads. Greg Marcy developed the water budget – Tom Donovan is now the water plant operator. He well understands the plant administration and its operation where he is doing an excellent job.

There are three rate structure models: the existing one, one (usage based) developed by Dick Frazier and Neal Robinson, and one (base rate driven) developed by Mr. Holzworth. Water line improvement bond payments will not be included in this budget; payments become due, at the earliest, in the 2018 budget. There is need to discuss the sinking fund reserve regarding this anticipated debt service, however. The water line improvement bond is paid by users of the water/sewer system; the bond was voted by all citizens (by statute). Some water usage (ex. hydrant flushing) is not specific to users only; but washing a fire truck at the fire station uses metered water. There is no comparison to be made with Castleton, all operations are different.

Members reviewed the expenses budget line by line with input from all three department heads and the Town Manager. The salaries are based on a 2% increase as agreed with the

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union. **Postage** volume has increased and three monthly tests are mailed (overnight). With no assistant, the tests cannot be driven to Montpelier. **Other purchased services** include a manhole replacement and a small jetter trailer for line flushing. All flushing is now done every year. **Repair and Maintenance** includes computer software service contract and meter reader repair. Thirty meters are new style with the remaining 1,100+, old style. There are parts to repair, maybe 30 of, the old meters. Mr. Donovan detailed the testing process; elevated testing is no longer necessary. There are six testing sites alternated three each month.

Tom Donovan went from the part-time to the full-time operator position. The part-time position will be determined after the grievance process is completed. \$3,000 was added to Administration, professional services line to cover the grievance arbitration costs (shared with the union). Two people are working toward licensing.

It is hoped that the **new furnace** can be installed and paid for by July 1, with the current budget.

WASTEWATER: Mr. Laramie stated the **overtime** line can be reduced to \$3,000. The new person likes working weekends making scheduling time easier.

One barrel of **chemicals** was not used and that line is reduced by \$950.

Propane and gasoline can be reduced by \$1,000. The building improvement is increased by \$4,000 to allow for a new roof on the chemical storage building.

There was discussion re: funding the \$12,500 Engineering Study that was postponed. It will be done, but has not yet been scheduled. Mr. Durfee defined according to the ordinance, sinking fund as for anticipated, unspecified projects; capital reserve fund earmarked for specific, identified projects. It was suggested that an amount be included in the budget sinking fund for anticipated bond payments related to the water line upgrade project.

Manager Durfee will update the budget expenses spreadsheets for review at next week's regular meeting. Changes/amendments agreed in concept by board members included the following budget to budget changes:

- 020-6300-60.00 Professional Services - \$3,000 from \$500 (anticipation of arbitration costs).
- 020-6340-56.00 Other Purchased Services - \$15,000 from \$8,000 (Capitol Hill manhole, flushing & sewer plugs).
- 020-6340-83.00 – Machinery & Equipment - \$10,000 from \$500 (purchase of Jetter trailer).
- 020-6380-21.00 – Operating Supplies - no change at this point; staff to verify request.
- 020-6380-40.00 Dues & Meetings; 020-6380-72.00 Licenses & Registration; and, 020-6380-74.00 Travel – Staff to redo given changes in staffing and licensing updates.
- 020-6380-76.00 – Utilities/Propane – level fund at \$18,000.
- 020-6380-81.00 – Buildings & Improvements - no change at this point; but, subject to new furnace bid outcome on 5/10/16.
- 020-6390-10.10 – Overtime - \$3,000 from \$5,500 (due to staff scheduling changes).

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020-6390-21.00 – Operating Supplies – level fund at \$16,000.

020-6390-21.01 – Propane & Gasoline - \$4,000 from \$4,350.

020-6390-68.00 – Repairs & Maintenance – correct FY 15/16 Budget to read \$6,250 instead of \$4,500.

020-9790-80.00 – Water Capital Improv. – needs board discussion.

020-9790-81.00 – Sewer Capital Improv. – needs board discussion.

020-9790-82.00 – Sinking – Water – needs board discussion.

020-9790-83.00 – Sinking – Sewer – needs board discussion.

A special meeting is scheduled for May 17th, 7:00 for both budget and rate structure discussion.

There was timber harvest this winter; that revenue goes into the reserve fund. Mr. Durfee will prepare an accounting sheet for board members.

Mr. Holzworth moved to **adjourn** at 8:22 p.m.; seconded by Mr. Cole and passed 4-0-0.

Respectfully submitted,
Claire Stanley



Chris Cole, Acting Board Clerk