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**TOWN OF HINESBURG
SELECTBOARD MEETING
DRAFT MINUTES
July 27, 2017**

Present: Phil Pouech, Chair; Aaron Kimball, Vice-Chair; Andrea Morgante; Merrily Lovell; Tom Ayer; Renae Marshall, Interim Town Administrator; Erik Bailey, Utilities Director; and attached list.

Absent: Tom Ayer

Phil called the meeting to order at 7:03PM.

2. Additions/Deletions/Changes to the Agenda

There were none.

3. Consider Approving FY18 Water/Wastewater Budget

Erik Bailey, Utilities Director, was present to present the proposed FY18 Water/Wastewater budget. He highlighted some of the changes and specific increases affecting this budget. Operating supplies have increased due to the chemicals and filter cartridges associated with the new water treatment facility. Repair & Maintenance Supplies and Repair & Maintenance Labor have also increased due to the numerous water leaks that have occurred due to the aging system. The Utilities line has increased due to increased electricity usage by new system.

Andrea suggested looking at what the cost benefit would be of generating our own electricity. Erik stated that there would be room on the property for solar trackers in the future.

Andrea made a motion to approve the W/WW budget revenues and expenditures as presented. Merrily seconded the motion. The motion passed 4-0 (Tom Ayer absent).

4. Consider Approving FY18 Water/Wastewater Capacity

Erik noted, due to the numerous leaks that have plagued the Utilities Department over the past months, we remain without additional capacity to offer. The Utilities Department has been reviewing the system and walking the lines throughout the village looking for potential leaks. They are focusing their efforts on areas where there are more rocky soils, like what is found in Thistle Hill. They have been receiving assistance from a consultant from VT Rural Water that has technical equipment for listening for leaks. So far, the significant leak has yet to be identified. Erik has applied for a grant through the State to have an out of state team come to Hinesburg for three consecutive days to search for the leak with high tech equipment. In addition to these leak detection efforts, Erik has been working with Scott Shumway from ISI to find ways to make the system operate more efficiently in order to gain additional capacity. Updates will be reported if anything changes.

Aaron stated that we must be proactive about preventing water leaks. We should be looking at the older infrastructure and planning and budgeting accordingly.

No Action taken.

5. Consider Setting the FY18 Water/Wastewater Rates

Erik stated that a 4% increase is proposed for both fixed and usage water rates for FY18. We had a 0% increase in FY17 and had to make adjustments for the actual cost of running the new water treatment facility and therefore are providing a “rate step” ahead of the bond payments which will begin in the next fiscal year. The fixed quarterly charges would increase by \$3.22 per unit per quarter, and the usage fee by

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50 \$0.002 per cubic feet. Unmetered rates are adjusted to partially bring them more in line with the average
51 user's usage.

52
53 Both the fixed and usage charges for wastewater are recommended to increase by 1%. The fixed
54 quarterly charge would increase by \$0.98 per unit per quarter, and the usage fee by \$0.0005 per cubic
55 foot. Wastewater expenses are increasing in areas tied to the attainment of water quality standards, with
56 the majority of the increase in utilities and phosphorous removal costs.

57
58 The impact of the combined water & wastewater rates increases a single-family residential unit (assuming
59 150 gallons per day) would be \$8.58 per quarter or \$34.32 for the entire fiscal year.

60
61 Andrea suggested including the information about the new billing format on a yearly basis so people have
62 an understanding of what the numbers mean. She also suggested that we ask the Energy Committee to
63 put out a one-page sheet on ways that people can reduce water usage.

64
65 *Andrea made a motion to adopt the following rates for water and wastewater for FY18:*

66
67 *Water - \$83.67 per unit per quarter (both metered and unmetered); \$0.037 per cubic foot per quarter*
68 *usage fee (metered); \$64.31 per quarter usage fee (unmetered).*

69
70 *Wastewater - \$98.83 per unit per quarter (both metered and unmetered); \$0.0355 per cubic foot per*
71 *quarter usage fee (metered); \$64.07 per quarter usage fee (unmetered).*

72
73 *Merrily seconded the motion. The motion passed 4-0. Tom Ayer was absent.*

74 75 **6. Consider Approving the Audit Engagement Letter (Fothergill, Segale and Valley)**

76 Phil noted that due to the transition, we are going to wait until next year to send out an RFP for audit
77 services. Approval of the attached audit engagement letter will formally begin the process related to the
78 FY17 audit so that Fothergill, Segale and Valley can once again conduct the audit on behalf of the Town.

79
80 *Andrea made a motion to approve the audit engagement letter with Fothergill, Segale and Valley for the*
81 *FY17 audit, and to authorize the Selectboard Chair to sign the letter.*

82
83 *Merrily seconded the motion. The motion passed 4-0. Tom Ayer was absent.*

84 85 **7. Consider Awarding Bid for Lease Financing of Municipal Vehicles/Equipment**

86 The Town solicited lease-financing (lease-to-own) proposals for just less than \$466,000 in capital
87 equipment (vehicles and heavy machinery) per the most recently adopted capital plan. The Town
88 published notice of the proposal solicitation on the websites of the Town of Hinesburg and Vermont
89 League of Cities and Towns. The Town also made direct contact with four local/regional banks:
90 Northfield Savings Bank, The National Bank of Middlebury, Community Bank (formerly Merchant's
91 Bank) and People's United Bank. Of those four banks, two – National Bank of Middlebury and
92 Community Bank have branches in Hinesburg.

93
94 The National Bank of Middlebury provided a quote with the lowest interest rate, which in turn translates
95 into the lowest annual estimated average payments.

96
97 Andrea made a motion to authorize staff to secure lease-financing from the National Bank of Middlebury
98 for an amount not to exceed \$466,000 for the following vehicles:

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99 2017 Volvo L90H Wheel loader/Sweeper (Highway)
100 2017 Freightliner 108SD (Highway)
101 2017 Ford F350 w/plow/crane (Highway)
102 2017 Ford Interceptors (2) (Police)
103 2017 Ford F350 (Utilities)

104
105 Merrily seconded the motion. The motion passed 4-0. Tom Ayer absent.

106 107 **8. Town Administrator Report**

108 Renae reported the upcoming agenda items for the 8/3 meeting

- 109 • Baldwin Rd. Intersection Discussion/Potential Decision
- 110 • Road Standards Review
- 111 • Set Tax Rate
- 112 • Consider Approving VT Alert System as our emergency notification system
- 113 • C.B. Road Culvert issue as requested by a resident
- 114 • Lease financing closing documents

115 116 **9. Selectboard Forum**

117 Andrea requested that the Town Hall curtain/rod replacement discussion be added to the 8/3 meeting.

118 119 **10. Minutes of 07/20/17**

120 *Aaron made a motion to approve the 07/20/17 minutes as presented. Merrily seconded the motion. The*
121 *motion passed 4-0. Tom Ayer was absent.*

122 123 **18. Warrants**

124 *Aaron made a motion to approve the warrants to include payroll. Andrea seconded the motion. The*
125 *motion passed 4-0. Tom Ayer was absent.*

126 127 **19. Adjourn**

128 *Aaron moved, and Merrily seconded, a motion to adjourn at 8:34 p.m. The motion passed 4-0. Tom Ayer*
129 *was absent.*

130
131 Respectfully submitted,
132 Renae Marshall
133 Interim Town Administrator