

SOUTH ALBURGH FIRE DISTRICT NO. 2
REVOTE & REGULAR MEETING
Thursday, September 28, 2017 at 7:00 PM
Alburgh Municipal Conference Room

Present: Prudential Committee Members John Fitzgerald, Alton Brusco, Tony Speranza
Treasurer Richard Ernst
Admin. Assistant Danielle James Choiniere

Guests: Clyde Yarnell, Paul Civetti, El Towle, Alycia Tatro, Jan Tatro, Alan Bowser, Laura Buel, Aria Lemery, Kyler Lemery, Corinne Russin, Jamie Russin, Ralph Tatro, Raleigh Palmer, Deborah Palmer, Sam Bellavance, Ed Fisette, Darwin Cameron, Shirley Fitzgerald

Meeting was called to order at 6:34 PM by Chair John Fitzgerald.

AGENDA ADJUSTMENTS

None.

ARTICLE I: 2017-18 DRAFT BUDGET

Budget was for \$81,525.26. Ed Polk asked if this was a non-profit entity, how come there is \$90,000 in a bank CD? John Fitzgerald said the state mandates a capital fund, it's only allowed to be spent on maintenance, line repair, etc. It's made up from new connections, and they will do the same process for a Phase II.

Laura Buel motioned to accept the budget. Raleigh Palmer seconded, no discussion. 12 votes to approve the budget, 5 opposed. Budget passed.

ARTICLE II: 2017-18 FUNDS TO BE RAISED

\$12,073.05 is to be paid annually, district wide, for part of an engineering loan-- most of the actual \$51,000 annual payment comes from current water users. John Fitzgerald confirmed attorney Paul Giuliani said a flat fee could be levied on every property, called a special benefit assessment. The amount to be raised is divided by the number of taxable district parcels, in this case 792. This would be a flat fee of \$15.25 versus a tax rate of .009. It is a 29-year loan, however Raleigh Palmer said if a Phase II were to occur, those users may take over all or a portion of loan debt.

Ed Polk motioned to vote on Article II. Raleigh Palmer seconded. John Fitzgerald took a vote of who wanted the flat fee of \$15.25: 12 people. Taxation: 5. Flat fee won the vote and is how the district will tax for this year.

ARTICLE III: PENALTIES & INTEREST FOR DELINQUENT BILLS

Ralph Tatro motioned there be no interest or penalty for late bills. Jan Tatro seconded the motion. John Fitzgerald said no late fees give less incentive for people to pay, and everyone else must make up the difference. Ed Polk called it stupid to not charge late fees. Danielle James Choiniere read what the Town of Alburgh currently charges: 8% penalty, 1% interest for first 3 months, and 1.5% thereafter. 10 voters voted yes, to charge a penalty and late fee, 5 were opposed.

Clyde Yarnell motioned to mirror the Town of Alburgh's fee schedule, Ed Polk seconded. 11 voters agreed, 2 were opposed. The district will charge 8% penalty, 1% interest for first 3 months, and 1.5% thereafter. Corinne Russin

asked when it would take effect, and it will be for 2018-19 fiscal year.

The meeting had completed the agenda and bled into the regular meeting, neither formally ended or started.

John Fitzgerald explained about the next phase, how a yet unknown minimum number of user contracts are needed to forge ahead with the project. Ed Polk suggested to go after year-round people, then focus on seasonal users. Richard Ernst said seasonals would still pay debt service even if they do not use water. Paul Civetti commented going down Route 2 South would be the best way to go. Ed Fisette asked if it were possible to put water lines in the lake to save from going through ledge and hills on land. The board said they are looking at all options with their engineers. Ed Polk also said, regarding an interest survey sent in 2016, not to leave out Goose Point Campground, as there are a lot of potential users. Darwin Cameron mentioned when he wanted to have users down his road tap onto a waterline he was thinking about installing, he was told he couldn't do that. The board agreed the usage would have to be metered. Keeping the waterlines in a looped fashion was brought up.

GRANT APPLICATION – NEXT STEPS

The board brought up the SEARCH loan they had applied for with Rural Development. Although the district received the loan (up to \$30,000), the government did not have enough money allocated until, perhaps, their next fiscal year starting October 1. Because the district needs to show movement on a Phase II to keep the 3+ million dollars allocated by the state of Vermont, it may not be feasible to wait until the board receives the \$30,000 loan to move forward.

Ed Fisette motioned to borrow \$30,000 to pursue engineering studies, in case the grant does not arrive timely. Alton Brusco mentioned no one knew if it would be \$30,000, it could be more. Paul Civetti said to go after Phelps Engineering. Laura Buel asked how the original engineering costs got to be \$575,000, and how much would need to be repeated? Alton said DuBois and King can ascertain what prior engineering work could still suffice, and how much would need updating. Bidding and engineering costs are very high, as well as archaeological studies, permits, etc. Ed Fisette asked if there will be a public vote on which area to bring water to next. The board affirmed it depends on economics and interest, not so much as who is voting. John Fitzgerald stated all meetings are public and people are welcome to come.

Engineer Charles Goodling called from DuBois and King. He was 99.99% sure the SEARCH grant would be funded after October 1, but the government was working on an extension for their budget and funds might not be available until 2018. John Fitzgerald said if we wait, we'll lose the 3+ million allocated to use by the state of Vermont. The board could reapply, money is given out by a priority list of importance. Charles Goodling stated we aren't exactly losing the money, it's just recycled into another town's project. He had proposed to start planning in 2018 with construction in 2019, but Alton Brusco said that was too far off. Charles then said construction could start in fall of 2018, like how Phase I began.

Tony Speranza asked if there's a way to borrow money to do the engineering planning. The district does have enough in savings; however they would not get reimbursed like they would if they had the SEARCH grant. Charles Goodling did speak with Lance Phelps to get the district's old engineering files.

SAM BELLAVANCE – VISITOR INPUT

The farm located on Middle Road was researching into hooking onto district water. Sam Bellavance said there is a house and office that use about 500 gallons per day, and the barn which uses 15,000 gallons per day. They have access to excavation equipment. The board explained they have no current commercial or agricultural rate, but it is something to consider. There would have to be some engineering and permitting involved via the state, as well as working with the Village. Mr. Bellavance's contact information was taken.

APPROVAL OF 8/21/17 REGULAR MEETING MINUTES

Alton Brusco motioned to approve the set of minutes as printed. Richard Ernst seconded, all in favor. Motion carried.

TREASURER'S REPORT & WARRANTS

<u>People's United Bank</u>	\$66,037.33 (Operating Account)
	\$1,002.84 (Project Account)
	\$18,443.38 (Savings/Capital Funds)
<u>NorthCountry Federal Credit Union</u>	\$85,363.21 (Savings/Capital Funds)
	\$2,330.98 (Reserve Account)

The treasurer's report was circulated. Alton Brusco motioned to accept as printed. Tony Speranza seconded, all in favor. So accepted. The following bills totaling **\$51,710.82** were motioned by Alton Brusco to be approved. Tony Speranza seconded, all in favor. So approved.

\$360.66 to Admin Assistant's paycheck for September

\$80.98 to IRS for August withholding

\$21.19 to Danielle James Choiniere for the purchase of a TracPhone for business purposes only, rather than Town or Village phone line

\$51,247.99 for annual loan payment

NEW CONNECTIONS

John Fitzgerald signed the connection for 14 Mud Point South.

NEW OWNERS OF 236 WEST SHORE ROAD

The property is a current customer, though not physically hooked up to the system. New owners had inquired on whether they had to use the district water, or if they could drill a well. The board said they must use municipal water per bylaws/ordinance.

TABLED ISSUES

Stayed tabled.

ADJOURN

Tony Speranza motioned to adjourn the meeting at 9:17 PM. John Fitzgerald seconded, all in favor. Meeting adjourned.

Respectfully submitted,
Danielle James Choiniere

These minutes are draft only, not slated for approval until the next board meeting of October 16, 2017.