

South Alburgh Fire District No. 2

August 18, 2014 Meeting Minutes

Present: Prudential Committee members Paul Hansen, Judy Higgins, and John Fitzgerald, Treasurer Dick Ernst, Clerk Laura Buel, and Phelps Engineer John Kiernan. Guests: Ed and Nancy Fisette

The meeting was called to order at 7:05 pm.

Approval of Minutes -

Dick Ernst moved to approve the July 21, 2014 minutes as written. Judy Higgins seconded. The motion passed.

Treasurer's Report -

As of Aug 15, 2014 in North Country Federal Credit Union we have \$2147.49 in the Operating Account, \$364.85 in the Project Account, and \$81,289.36 in the Savings Account. In People's United Bank we have \$229.99 in the Operating Account and \$426,661.09 in the Project Account, with a loan balance of \$415,130.32.

Dick Ernst presented two bills for payment, \$42.00 for the Post Office box rental and \$12.00 for printing for the annual report. Judy moved to authorize payment of the P. O. box rental and printing bill. John Fitzgerald seconded. The motion passed.

The original \$1,800,000.00 People's United Bank loan for the project has a remaining account balance of \$415,130.32 and is due to expire on August 25, 2014. Dick Ernst presented three loan closing documents from People's United Bank that will extend the loan through December 30, 2014. People's United Bank is issuing SAFD#2 a new loan for \$415,130.32 that will mature on Dec. 30, 2014. This new loan will replace the old loan and pay off the old loan balance. John Fitzgerald moved to authorize signature of the Bond Anticipation Note, the Resolution for Bond Anticipation Borrowing, and the Non-Arbitrage Certificate for Bond Anticipation Borrowing. Judy Higgins seconded. The motion passed.

Meter Installation Process -

As of Thursday, Aug. 14, the entire system has passed the bacteriological testing and all customers are now able to connect and receive water.

We have 8 meters available for basement installation now. We are expecting the remaining 22 basement meters and the 30 meters for the meter pits in approximately a week and a half.

Public Comment -

Ed and Nancy Fisette asked about the District's policy for assigning additional ERU's to "mother-in-law" apartments and studios over garages. Paul Hansen answered that it is the District's position that these type of apartments do not count as additional ERUs unless the space is a rental property.

Planning for Transition to Operations -

Long Range Plan - Because the due date for the Long Range Plan is creeping up, it was decided to set a meeting for September 8, 2014 at 7pm to work on the Long Range Plan.

Coordination with Alburgh Village -

Volume of water used for system start-up: 275,000 gallons of water have been used so far for flushing the system.

Phelps Engineering will keep track of when individual customers connect to the water system.

NEMRC (New England Municipal Resource Center) will be setting up the billing system and will start an account for every property in SAFD#2. John Kiernan wanted to be sure the contact information for everyone is readily available. Paul and Judy emphasized that all that information comes from the Grand List.

John Kiernan asked the Board to consider when they would want the billing for the fixed-cost debt service portion of the bill to begin. The Board reasoned that most customers will be connected by the end of September. Since billing will be quarterly, following the usual 12-month calendar, it makes sense for the debt service billing to begin October 1, 2014.

Water Ordinance Document Recording -

Because of the \$10/page document recording fee, the Board agreed to Judy Higgins' decision to record three pages regarding the SAFD#2 Community Water System Water Ordinance. These three pages are (1) the South Alburgh Fire District No. 2 Notice of Ordinance Adoption dated June 9, 2014, (2) the Certificate of Posting dated June 18, 2014, and (3) a memo to the Alburgh Town Clerk, dated Aug. 6, 2014, which requests that these three documents be recorded and affirms the effective date of the Water Ordinance as August 8, 2014.

Phelps Project/Construction Progress Report -

John Kiernan said the news that entire project has passed all water sampling tests on August 14, 2014 means the project has reached "substantial completion." A one-year warranty on all work completed was initiated on that date. Munson still has paving to be completed.

John Kiernan reviewed Munson Change Orders Nos. 5 and 6, both of which were previously brought to SAFD#2's attention by Robert Clark in an August 8 email. Change Order No. 5 for \$8900 covers additional work on the service line from where it leaves West Shore Rd. to the Alburgh Golf Links property line. It includes additional costs from Munson's drilling and blasting subcontractor. Change Order No. 6 for \$900 is for man-hole covers for two meter pits in the Mud Point area to protect them from vehicles driven over them.

Munson Earth-Moving submitted Pay Request No. 8 for \$91,984.97 for work through Substantial Completion. This covers the period from August 1 through August 15. This bill is in addition to their bill for construction work in July.

John Kiernan informed the Board that August 22, 2014 is the last date Munson Earth-Moving will allow new connections under project costs. What this means to SAFD#2 is that this is the last day that new customers can connect for \$1500.

Additional Bill Payment -

There were several project bills presented for payment. The Phelps Engineering bill included \$13,665.05 for construction observation, \$10,291.58 for technical engineering, and \$16,494.63 for coordination/management, for a total of \$40,451.26. It was noted that the last two amounts, the technical and coordination/management portions, have not yet been approved by State of Vermont engineer Roger Bergeron. From Munson Earth-Moving there was a bill for \$158,100.00 for construction for the month of July and another for \$91,984.97 for their work from August 1 through August 15, which represents work in August through "substantial completion". Other bills included \$12,723.43 to People's United Bank for interest on the bond anticipation note from 11/13/13 through 8/25/14, \$2167.87 to E. J. Prescott for water meters, and \$126.00 to the Islander for advertising. Judy Higgins moved to pay the warrant items as presented, and withhold the reimbursement request from Phelps Engineering for one week pending state approval. John Fitzgerald seconded. The motion passed.

Adjournment -

Paul Hansen moved to adjourn at 11:07 pm. John Fitzgerald seconded. The motion passed.

Respectfully submitted,
Laura Buel, Board Clerk