

## South Alburgh Fire District No. 2

### September 15, 2014 Meeting Minutes

Present: Prudential Committee members Paul Hansen, Judy Higgins, and John Fitzgerald, Treasurer Dick Ernst, Clerk Laura Buel, and Phelps Engineers John Kiernan and Robert Clark.

The meeting was called to order at 7:00 pm.

#### **Approval of Minutes -**

John Fitzgerald moved to approve the August 18, 2014 minutes as corrected. Judy Higgins seconded. The motion passed. Judy Higgins moved to accept the September 8, 2014 minutes as corrected. John Fitzgerald seconded. The motion passed.

#### **Treasurer's Report -**

As of Sept. 13, 2014 in North Country Federal Credit Union we have \$2135.49 in the operating account, \$364.85 in the project account, and \$79,121.49 in the savings account. In People's United Bank we have \$229.99 in the operating account and \$404,765.26 in the project account. Dick Ernst noted that he will soon be making a substantial payment from the project account toward the loan balance (currently \$415,130.32), and after that transfer the project account balance will go down to approximately \$151,000.

SAFD#2 is required to have a single audit done on the loan funds. Dick Ernst discussed the need to choose an accounting firm to do the audit. There were several possibilities, some were close to Alburgh and others farther away. Dick will choose three firms and get a bid from each. The accountants will need to review the checkbook, bank statements, warrants, and canceled checks.

#### **Bills and Warrant -**

Phelps Engineering submitted three bills for payment for the period of July 26, 2014 through August 25, 2014. The bills were \$2705.15 for construction administration, \$7839.09 for construction observation, and \$3635.00 for post-construction services, for a total of \$14,179.24. Judy Higgins moved to authorize payment of \$14,179.24 to Phelps Engineering to be submitted for reimbursement. John Fitzgerald seconded. The motion passed.

There were two bills to be paid from E. J. Prescott for meters. One was \$5621.57 for 43 meters and the other was \$3752.33 for 9 meters and additional equipment. There was also a bill for \$30.00 to be paid to the Town of Alburgh for the Ordinance recording fee.

John Fitzgerald moved to pay the warrant of \$23,583.14 for the six bills that includes the three Phelps Engineering bills, the two E.J. Prescott bills, and the Town of Alburgh bill. Judy Higgins seconded. The motion passed.

#### **Long Range Plan -**

John Kiernan and Robert Clark did not have time to finish the Long Range Plan because they don't have the budget to do it and must work on it after hours. John Kiernan will need to work on it this weekend and will send it to us on Sunday.

#### **Planning for Transition of Operations -**

Jason Beaulac will be testing for coliforms in September.

The Phelps engineers will send a letter to the Village of Alburgh with an estimate of initial water usage.

The Board discussed how the billing will be scheduled. There are many unknowns at this point

which will need to be determined and coordinated with the Village of Alburgh. We have decided that billing for the debt service will start on October 1, and we know that billing will be quarterly. However, we do not know at what 3-month intervals the bills will go out and therefore at what point customers can expect to receive their first bill.

Since the customers have not been informed about the billing rate structure, it was decided to put together a letter to send out to customers to explain the rates as well as the decision to begin billing for the debt service on October 1 for everyone, even those who will not be connected by that date. They will be told to expect a bill on either Nov. 30 or Dec. 30 for either two months or three months of debt service, respectively, and subsequent bills will include both debt service and water usage costs.

**Phelps Engineering Project Progress Report -**

Approval from Roger Bergeron for Change Order Nos. 5 and 6 hasn't happened yet, but will soon.

Phelps Engineering Amendment No. 4 has not yet received full approval from the State of Vermont. Eric Law has not approved \$10,000 of this amendment.

**Repaying Outstanding Bonds to Individuals -**

There are three homeowners who each made \$500 deposits toward the \$1500 connection fee in the past in anticipation of connecting to the system. These people do not live in the Phase 1 section and therefore the expectation of a timely connection is uncertain. The Prudential Committee decided it would be prudent to repay these deposits. Judy moved to repay outstanding bonds to 3 individuals, Ody LaRoche, Rosemary Maxwell, and Richard Ernst, in the amount of \$500 each for a total of \$1500.00. John Fitzgerald seconded. The motion passed.

**Adjournment -**

Laura Buel moved to adjourn at 10:05 pm. Dick Ernst seconded. The motion passed.

Respectfully submitted,  
Laura Buel, Board Clerk