

Minutes of South Alburgh Fire District #2 Regular Meeting, June 17, 2026.

Members Attending: John FitzGerald, Alton Brusco, Rod Will, Kathy Rochedieu, Charlie Mackin, John Chesarek

Public: Darlene Mercier, Lori Bishop

The meeting was called to order at 6:00 pm by chairman John FitzGerald. The agenda was adjusted to add a discussion of Dirt Tech working on Juneteenth and removing the item about the Class 4 road.

Minutes - The minutes of the April meeting were reviewed. Kathy moved and Charlie seconded that the minutes be approved. All voted in favor.

Treasurer's Report – Kathy presented a report of the account balances and activities for May. She noted that the recent reimbursement from the state for construction costs included a refund of \$128,500. This amount was comprised of 85 Phase 2 deposits that were required to be used for the USDA loan. Since we ended up not using the USDA loan, the money was returned. We have around 1.2 million remaining with the state loan and an additional \$500,000 pending approval. Rod moved to accept the Treasurer's report. Charlie seconded. All voted in favor. Rod further moved that the \$128,500 be added to our Capital Reserve fund to earn the most interest until it may be needed.

Budget – Kathy passed out budget copies reworked from last month's meeting. John C began by reminding the committee of the SAFD2 attorney's opinion in January of 2025 *"if Phase 1 has been paying for debt servicing to date and Phase 2 has not, there should be some adjustment made for those Phase 1 properties to ensure equity. The Phase 2 properties should have been paying for the Phase 1 debt financing because they are all part of one project. If they have not, what might make sense and be most equitable at this point is to factor Phase 1 contributions to date and give those properties a credit that will be factored into the total debt servicing."* John C requested that this credit be included as an expense item in the budget. The majority of the committee disagreed strongly with this idea. Rod moved that no refunds, credits, or rebates be allowed on SAFD2 water bills. Kathy seconded the motion. Four members voted to approve the motion. One abstained. John C further questioned why the annual base rate of \$1000 was chosen when at least \$1,465.23 would be needed to cover Phase 1 and Phase 2 debt plus the Operating and Maintenance (O&M) expenses, calculated using Kathy's estimate of anticipated connections this year. Kathy explained that she feels a round number is preferred by users. She also pointed out that: 1. we may get more connections through the fall and winter quarters 2. the \$128,500 refund from the state can be used to cover the shortfall 3. the water rate increase may provide extra funds. Lori Bishop asked how the water rate of \$10 per 1000 gallons was determined. The increase over last year appeared much higher than our anticipated increase from the village. Kathy explained that the \$10 figure worked in her spreadsheet calculator when employing a \$1000 base rate, but that she would revisit to see if a \$9 figure might be as workable and more palatable to the users. John C also suggested separating out the debt service from the O&M on the

budget sheet and on the water bills so that users can see that the majority of their bill is paying for the debt. Kathy said she would make the change on the budget but that changing the water bill was not possible. Other changes agreed upon include lowering the Education/Training and Permit/Licenses lines to \$0, increasing the Accounting to \$5000 to cover a required audit, increasing the Repairs and Equipment to \$7000, and increasing Contract Labor to \$5000 should we need extra help to handle workload created by new users. Kathy will enter the adjusted amounts and create a new budget sheet to be reviewed and approved at a special meeting on Wednesday, July 24, at 6:30pm.

Warrants – The following warrants were presented for approval

\$37,633.95 – DuBois & King, engineering

\$301,501.21 – Dirt Tech, Phase 2 construction

\$150 – Endyne – water testing

\$53.18 – Vermont Electric Coop – electricity for chlorine booster station

\$1,190 – VLCT, dues

\$445.76 – VLCT, insurance

Kathy moved and Charlie seconded a motion to approve the warrants: \$1838.94 from operating account, \$339,135.16 from construction account. All voted in favor.

Old Business -

Phase 2 Updates – Dirt Tech reports an end of July finish date is now expected. Connie, a DK engineer, will provide John F with all the connection pipe sizes so that he can prepare a list of meters needed. This will be used to solicit bids from Ti-Sales and Core & Main for the meter purchases. There is still some uncertainty if the meters will be paid for by the construction loan.

Juneteenth – The committee approved of Dirt Tech working on the Juneteenth holiday.

EPA inventory – We will have Zoom meeting with an EPA representative on Tuesday, June 23 at 10:00am to learn what is involved with tracking connections for possible toxic materials.

Interlocal – Cheryl not available to report on progress

Superintendent Report – Jason not present

Alton moved to adjourn the meeting at 9:17pm. Rod seconded. All voted in favor.

Next regular meeting will be July 15, 2026

Respectfully submitted,

John Chesarek, Clerk