

Village of Derby Line, Vermont
Trustees Meeting
October 1, 2024
Derby Line Village Hall

Call to Order:

Present were Trustees Richard Creaser, Sarah Webster and Dustin Horne.

Also present were Karen Jenne, Bruce Muir, Dawn Bowen, Colleen Sealander, Sabine Gannon, Ed Barber - Reporter at Newport Daily Express, Patrick Smart - Senior Engineer at MSK Engineers, Cameron Sundstrom - Staff Engineer at MSK Engineers, Jaret Judd - Village Road Foreman, Peggy Kelley - Village Clerk & Treasurer, and Kristal Wood - Assistant Clerk & Treasurer

The regular meeting was called to order by Trustee Richard Creaser at 6:30 pm.

Additions or Deletions to the agenda:

Addition to Agenda: Request for Reimbursement on the Caswell Ave Retaining Wall Project

Changes to Agenda: Personnel Policy Final Review/Adoption will move to agenda item 1.

Richard made a motion to waive the reading of the Rules of Procedure. Dustin & Sarah seconded. Motion carried.

Approval of Minutes of the September 17, 2024, Regular Trustees Meeting:

Richard made a motion to approve the minutes of the Regular Trustees meeting of September 17th, 2024, Dustin and Sarah seconded. Motion carried.

Personnel Policy Final Review & Adoption:

Richard explained that a gap in the Village Personnel Policy was recognized. It was decided that clarification was needed. Policy amendments were drafted, presented to the village employees for feedback, and shared at recent trustee meetings. The amended policy is now ready for approval. Richard made a motion to adopt the amended policy, Dustin seconded. Motion carried. Peggy will post to the village website.

MSK Engineers/Water Service Line Inventory:

Patrick Smart and Cameron Sundstorm from MSK Engineers were present and wanted to thank the village residents and workers for having them. Patrick explained that MSK Engineers was contracted by the Vermont Department of Environmental Conservation (VTDEC) to provide free technical assistance to the village of Derby Line, in order to help us comply with the new federal drinking water regulations called the Lead and Copper Rule Revisions (LCRR). A key requirement of LCRR is that every water system in the country needs to prepare an inventory of their water system service lines. Patrick and Cameron have helped our village to do this. This service was not paid for by Derby Line Village but was required by and paid for by the state/federal government. Patrick explained that he and Cameron reviewed village records supplied by Peggy and Jaret, sent letters to many of the water line property owners, and knocked on the doors of some residents to observe pipes entering buildings. From this data they prepared a detailed letter and spreadsheet that categorizes our pipe materials according to state requirements. The big picture take aways are that roughly 395 service lines exist in the village of which 215 are categorized as unknown materials (that number may come down by a few due to Jaret having additional information). There were roughly 7 that they identified as galvanized pipe and require replacement. The balance is unknown materials.

Patrick said that to answer the question of 'what do all the unknowns mean for the village?' We should talk about what we have to do by the regulations and what we may choose to do voluntarily. Regulatorily we are not required to do anything unless too much lead is found in one of our routine samplings that Jaret already performs. Looking at historical data Patrick feels that it is unlikely that we will get a high reading anytime soon. We could voluntarily decide to begin taking action, but we should be aware that the state is developing an additional assistance program and more details about this program should be coming out later this fall. The program would likely provide FREE assistance, and Patrick recommends waiting to take any action until more details are known about this program.

Dawn Bowen asked a question regarding her residence. She shared that MSK came to her house and went inside to look at the pipes. Her address is not in the report and the report says unknown for all addresses on her street. There was a similar address that was missing a number and a typo is suspected. Patrick will follow up on the address issue. He also clarified that the report is broken down by who is responsible for the pipe; the village is responsible for the main pipe to curb section and that the resident is responsible for the curb to residence

portion of the service line. In Dawn's case it may be unknown material from main pipe to curb but copper from curb to residence.

Karen Jenne asked what the 7 galvanized steel regulatory term means. Patrick explained that there is concern that galvanized pipes act as sponges, soaking up any lead flowing to it from up the line. Once the capacity to soak up the lead is reached, galvanized pipe may then start leaking the lead down the line in a higher concentration. State regulations say that if no clear record exists to guarantee that a galvanized pipe was never downstream from a lead source then the galvanized pipe must be replaced within 10 years. Patrick explained that each home will receive a letter if galvanized pipe was identified in their line. The letter will include a plan and things that the resident can do to help lessen the chances of any problems with the pipe.

A big take away is that no lead pipes were encountered in Derby Line but there are many unknown material pipes. Patrick will be in touch with us as soon as he is aware of how the state of Vermont plans to move forward with assistance programs.

Tax Abatement Process:

Richard explained that tax abatement is a formal process where someone comes to dispute the paying of taxes in full. A Vermont State Tax Abatement Statute exists and includes a list of conditions and a procedure. Karen asked whether the village would create their own procedure. Richard stated that the village will use the state statute procedure. The village has not received any tax abatement requests.

Laythe Street Road Sign Estimates:

Dustin shared that the state is not selling signs to towns and municipalities. They also do not take any jurisdiction over village roadway signs. The state cost for a 30x30, "Children at Play" sign would be \$53.42. Using that data Jaret will contact WorkSafe for a cost. Richard summarized that at the last meeting a resident brought up a need for "Caution, Children at Play" signs on Laythe Street, where it meets US 5 and Valentine Avenue, due to the street being a popular turn around and many children are playing, as well as riding bikes there.

Budget Review:

Peggy offered copies of the year-to-date budget status report for attendees. Richard clarified that this was a status report of the budget that Karen requested. Peggy would like to provide this report monthly, as the Town of Derby does to catch any issues quickly. Karen noted that 96% of the wages on the park line item have been spent and we still have leaves and mowing left to be performed. The road wages are currently underbudget. Jaret responded that we would have money coming back into the park expenses because the skating rink Conex storage box is in this portion and we will have the sale of the village garage money coming back to offset that cost. Peggy shared that she consulted with Chip, from NEMRC, to see how to best handle Conex storage box costs. Peggy did not create a separate line item due to Chip advising that by using new line items for items like this can muddy your budget. Peggy put the Conex storage box for the park under the park repairs line item which will show an increase from the budgeted amount. Similarly, she put the Conex storage box for the garage under garage repairs and upkeep which will also appear as overbudget. Peggy can still create separate line items if the trustees feel that is best. Peggy noted that the village garage sold for \$17,670 and the summary of costs associated with the Conex storage boxes was \$16,469.27 which left \$1,200.73 to be placed in the road capital fund. Peggy can type up this spreadsheet for review if needed.

Peggy asked about the Vermont Child Care Contribution tax. This item ends up falling under the finance department so if you cross reference this report with the annual report then it will vary. Peggy questioned whether the trustees wanted her to pull that out and put it under each department as it is in the annual budget or should it be left where it is. Richard said that because it is functionally just like FICA it really should be broken out for each of the departments. Peggy will reassign it before the next review.

An additional line item that Peggy is trying to fix is retirement. Peggy spoke to Chip at NEMRC regarding this. For this meeting she put it evenly in all 5 departments, but she would like direction on whether she should try to match it up, as best she can, going forward. Richard advised that it is the same as the childcare tax because it is directly derived.

Peggy shared that the report includes everything until the end of September. We are beginning month 8 of our 12-month fiscal year.

Peggy said that 20.74% of village tax revenue has been collected and that there is still a month to go. According to last year's data the bulk of tax payments happen in October. Overall, Peggy believes we are on target from last year.

Peggy asked for guidance on where to place the grant funds that were applied to the \$75,000 note at CNB for the Stanstead Sewer Project. Richard explained that with the cost overruns in Stanstead, the board was authorized to borrow up to an additional \$75,000 without the need for an additional bond. When the state reimbursed us, they contributed roughly 68K in additional grant monies, recognizing that we had no control over

the cost but were still obligated to pay. We decided to take the extra funds and apply against the short-term loan that we took in order to fulfill our obligations. Karen stated that the extra payment towards principle needs to be tied onto the liability line. Richard said what we have done is changed the liability and not the expense so he confirmed that it should be applied to a liability line.

Request for Reimbursement on the Caswell Ave Retaining Wall Project:

The original award was \$200,000 for the Caswell Avenue Retaining Wall Project. It was a 90/10 split with the State of Vermont. The total final cost was around \$169,000, leaving the village a responsibility of less than \$17,000. The village has unexpended money in the ARPA fund which was reserved to pay for this. Richard motioned for trustees to sign the request for reimbursement for the Caswell Avenue Retaining Wall Project, Sarah seconded, and the motion carried.

Trustee Dustin Horne exited the meeting at this point. 7:13PM

Business from Trustees, Treasurer and Road Foreman:

Road Foreman Update:

Flushing: Hydrant flushing will begin next week, Monday, October 7th and conclude on Friday, October 18th. Peggy has placed the notices in the appropriate places.

Baling of Leaves: The road crew is preparing the equipment to begin baling leaves.

Inspection of Reservoir: Divers will return on Thursday to finish cleaning the reservoir and complete the inspection. The inspection will be good for 5 years.

Frost-Free Hydrant: The frost-free water hydrant was replaced and moved eastward to be centered on the outside of the tennis courts. Dennis Ducharme donated his time to do this. Karen requested that we send a thank you note from the village.

Trustees Update:

Park Conex Box Mural: Sarah reached out to North Country Union High School's art teacher, Natalie Gaines and her students are interested in coming to do a mural on the park Conex storage box. They are unavailable until spring. Jaret is going to prime the Conex box white before winter and the students will come in the spring. Colleen generously offered to fund the paint supplies and any donation to the art department - Thank you Colleen!

Holland Pond Reservoir: Sarah reached out to Elijah Emerson, the attorney working on the Holland Pond Reservoir. Jaret spoke with the Canadian operator about two weeks ago. Sarah shared that the project stopped moving when Jean-Charles left, and the annual meeting is coming up next month. Jaret and Sarah will update when they hear back.

Clerk/Treasurer Updates:

Derby Line Day Newspaper Ad: Kristal prepared an advertisement announcing raffle prize winners, thanking the business sponsors & those who donated raffle prizes that was in last Friday's Newport Daily Express. It was a ¼ page and cost the Derby Line Day fund \$400.

New Business from the Audience:

Park Lights/Skating Rink: Dawn asked when the park lights are on. Jaret clarified that the park lights are on a manual switch and the breaker is off. They are only turned on for park events like Derby Line Day. Also, they are used when the skating rink is operating but are shut off at night when the rink shuts down for the evening. Dawn asked about the newspaper article saying that the rink organizers want a Zamboni. Peggy explained that Vermont state representatives from the Building and General Services department visited Baxter Park to see the site of the skating rink. The village received a grant from BGS to pay for a portion of the skating rink. It was a very nice visit from our representatives. Dawn agreed that it is beautiful and so good for the kids. Sarah shared that they (meaning skating rink organizers) have not asked us (village taxpayers) for money and the intention is for them to raise money to operate the rink. Dawn was surprised that village money does not go towards the rink. Jaret said that the village crew did take it down but the organizers, along with volunteers, put it up, flooded it, shoveled it, and perform other maintenance tasks. The village crew does move snow away from the edges after big storms.

Water/Sewer Wages: Dawn is questioning why the sewer and water wages are not divided equally three ways (between villager taxpayers, water users, and sewer users) in the 2023 budget. Richard explained that the purpose of the realignment was so that the wage cost was reflected by how we are actually using our time. Dawn understands this but the water and sewer users get the same service even when they are outside of the village and therefore not part of the village tax base. Dawn asked whether water users are paying their fair share when Kevin, Rob, or Jaret have to go outside of the village, or even in the village to fix something, using the village equipment and man-hours. Jaret said that if he is down by the school doing a service on water, his hours are billed directly to water. Richard stated that in years prior it was divided by a set division of wages, but it did

not reflect what it actually cost to do those things. Dawn asked if the money we pay to Canada for water or sewer comes out of taxpayers' money. Richard answered that it is a whole separate budget and two entirely separate legal entities that just happen to come out of the same building.

Employee Health Insurance: The final concern Dawn wanted to bring up is the village's payment amount for employee health insurance. She stated that insurance costs are going up. Dawn said that Derby pays \$6,000 and lets their employees choose their own policy. Dawn believes the village is paying their workers more than the Town of Derby. Jaret clarified that the village is not paying the employees who opt out of the insurance option more than \$6,000 per year so Derby is paying their employees more than we are paying ours. Dawn suggests we keep paying what we pay now and any raise to premiums, the employees can pay next year. The trustees said that this is a good suggestion to bring to budget talks that will begin in January for the 2025 budget.

Department of Homeland Security: Dawn asked about money back from customs for taking buildings over and affecting our tax base. Richard shared that Frank Davis is approaching our delegation to ensure that DHS properties fall under the same rules but at this time there is no procedure to have DHS give money back.

Trustee's Response: Richard explained that the rationale for the tax increases has been fueled by our village workers' wages having been chronically depressed. Richard also shared that we have not invested in new infrastructure since 1918. Taxes have gone up by 20-30% because we did not choose to go up 5% 20 years ago. We are playing catch up with crumbling infrastructure. The trustees welcome residents to point out, where exactly we can reduce, but simply saying we need to stop paying for services that we do not want to end is not enough to reduce village costs.

Employee Hours: Karen asked Peggy if she pulls out payroll hours according to where hours were spent. Peggy said hours are broken out daily by the crew and then entered accurately into NEMRC between road, water, sewer, and park. Kristal's wages are on a specific line item for Treasurer Assistant. Peggy's hourly is broken out between water and sewer. Her clerk and treasurer salary are separate line items and go under the finance department which falls under village's taxes. Peggy's delinquent tax pay is separate. Karen questions whether Kristal's hours should be broken down too and Peggy said she can do that if the trustees desire.

Division of Labor/Rate Usage: Richard added to the earlier discussion on division of labor that Jaret would like to see us apportion more back because even though our data accurately shows what the workers are doing, we have not been able to take back enough for potential 'what ifs'. The flip side is that our taxes may go down, but our water and sewer bills may go up. Dawn pointed out that she feels that then everyone is paying their share. Peggy added that she sent out 297 tax bills and there are 566 water units (note that units are different than customers) and 418 sewer units. There are less taxpayers than there are units. Jaret clarified that places like the school get billed more units because of more usage. Richard pointed out that Tivoly started doing more water capture, using gray water for non-drinking purposes, and their units went down. They also have a meter to help measure their usage and work to reduce use and this rightfully reduces their billed water units.

Credit Card Machine: Richard said the ability to accept credit cards is huge for helping people pay. Peggy shared that both delinquent taxpayers and residents struggling to get into the village office to pay have both utilized the credit card machine and she believes this will be a great asset for the village.

Merging with Town of Derby: Karen said with the increase in taxes there is the possibility, if interested, in merging the village with the town of Derby. There would be some cost savings. Dawn pointed out that we have tried that before and Derby did not accept it. Karen confirmed that both sides would need to vote in favor of it.

Richard stated there was no need for an executive session.

Old business from the Audience (5-minute limit unless otherwise directed): None

Next Meeting: The next regular meeting will be on October 15, 2024, in the village hall at 6:30 p.m.

Executive Session: None

Review and Sign Bank Statement: No

Warrants were Reviewed and Signed: Yes

The Last Check Printed: #18784

The meeting was adjourned at 7:55 pm.

Respectfully submitted,
Peggy Kelley, Clerk/Treasurer