

Village District of Eastman
Commissioners' Meeting—Village District of Eastman Office
8 a.m. Jan. 19, 2012
Approved Minutes

IN ATTENDANCE: Chairman Bill Sullivan, Commissioners Bob Fairweather and Duncan Wood, Assistant Treasurer Ben Conroy, District Manager Bill Weber, Operator Josh Worthen, incoming Office Manager Amy Lewis, and Clerk Lorie McClory.

MINUTES: Amendments were made:

Manager's report

- Item 1: changed to clarify "lubricating oil" and to specify "a load bank test" as the work to be done in February.
- Item 2: changed to clarify that the water usage for the properties on Howe Hill Road are billed to the ECA.
- Item 4: last sentence changed for clarity.

Commissioner Wood made a motion to approve the minutes as amended. Commissioner Fairweather seconded the motion. Unanimous approval.

FIELD: Operator Worthen said the water main to source 5 was installed where the access road is. He and Operator Neil Perez suggest moving the road to avoid driving frost into the ground and causing the main to freeze. District Manager Weber said it is outside the scope of the SRF work but could be done as part of the decommissioning of the old wells. The propane tanks at the source 1 pump station will be moved.

Repairs and maintenance are being done at the garage, which is helping to save propane.

FINANCIAL REPORT:

1. Commissioner Wood asked about the depreciation of the dug wells. Mr. Weber explained that there will be an adjustment made in the 2011 audit.
2. Commissioner Wood questioned the end-of-year surplus. Mr. Weber explained that the \$10,000 transfer from the 2010 fund balance to offset the tax rate for 2011 was not recorded on paper and explained that the VDE's fiscal year does not coincide with those of the towns.
3. Commissioners asked that the accounts be listed in numeric order rather than alphabetically by name.

MANAGER'S REPORT:

1. New Office Manager Amy Lewis started Jan. 16.
2. All reports have been submitted for December. State reports can now be completed and submitted on-line.

3. Since the December meeting, there have been two main breaks and burst pipes in a home (37,500 gallons).
4. There are six homes in various stages of foreclosure, and District Manager Weber said he has begun shutting off water at the curb if there is no one living there. In one case, the house was out of propane. Commissioners will address a policy on this at a future meeting.

SRF UPDATE:

1. Construction is underway. Underground piping will be completed Jan. 20.
2. Copies of reports by the clerk of the works are in the office.
3. There will be a construction meeting at the well field Jan. 20 with the engineer, contractor, VDE staff and the Dept. of Environmental Services. Commissioners are welcome. District Manager Weber said the DES is involved in the meeting because this is the VDE's first SRF project.
4. Commissioner Wood asked about the floor drain pipe issue, which is peripheral to this project. District Manager Weber said it will have to be handled in the spring because of the frost.
5. There have been no indications of potential change orders. Questions were asked about the lightning protection line. District Manager Weber said he is waiting to hear from the engineer, but new information indicates that the two buildings need to be connected. There is a \$50,000 contingency, of which a portion can be used if needed.
6. Commissioners asked if there are electrical conduits planned in case VDE wants to reactivate the gravel pack wells. District Manager Weber said it was originally planned to have the pipeline and conduit share a trench, but the two require a 10-foot separation.

OLD BUSINESS:

1. **CIP:** Commissioner Fairweather presented the CIP funding information for the annual report. More discussion under New Business.
2. **DES Conservation Compliance:** Five of eight points that need to be addressed by May 2012 are completed or in progress. Commissioner Wood said the district needs to plan its report to DES.
3. **New Rates:** Commissioners began editing the draft of the mailing to announce the new rates. District Manager Weber will email the document for more editing.

NEW BUSINESS:

1. **Budget:** There is a 12% increase in operating revenue comparing the FY11 budget to the FY12 budget. The average user will see an increase of approximately 9% to 10% on their usage bills. Commissioner Wood questioned the projected usage for FY12 if the district is encouraging conservation. Commissioners agreed to increase the transfer from fund balance by \$10,000 and reduce the projected usage revenue by the same amount. The tax rate is not expected to increase.
2. **CIP:** There is a proposed \$41,270 increase from the prior year in the requests to put money into trust funds, including \$20,000 more for water mains/valves, \$20,000 more for vehicle

replacement, and \$15,000 more for building maintenance. Those are offset by a variety of decreases to other funds.

3. **Warrant:** Commissioners merged the article regarding the inventory hardware reserve fund request into the article dealing with the majority of reserve fund requests.
4. **Commissioner Wood made a motion to approve the 2012 operating budget of \$542,263 and the debt service of \$183,500, for an overall operating budget of \$878,263 as summarized on the spreadsheet dated Jan. 19, 2012. Commissioner Fairweather seconded the motion. Unanimous approval.**
5. Commissioners signed the MS-36.

NON-PUBLIC SESSION

Commissioner Fairweather made a motion to go into non-public session at 9:47 a.m. Commissioner Sullivan seconded the motion. Unanimous approval.

Commissioners returned to public session at 10:27 a.m.

ADJOURNMENT

Commissioner Fairweather made a motion to adjourn at 10:27 a.m. Commissioner Wood seconded the motion. Unanimous approval.

Respectfully submitted,

Lorie McClory

TJ Fairweather 2-15-12
William E. Sullivan 2/15/12
James W. Ward 2/15/12