

***PRELIMINARY MINUTES***

**VILLAGE OF LUDLOW  
BOARD OF TRUSTEES**

**REGULAR MEETING**

**6:00 PM**

Tuesday February 5, 2019

**BOARD MEMBERS PRESENT:**

Bob Gilmore, Chairman      David Rose,      Earl Washburn

**STAFF:**

Scott Murphy

**OTHERS PRESENT:**

Justin Hyjeck      Eliza Greene  
Tom Telling      Ed Mc Eneaney Okemo Valley TV

1.    **Call to Order**

A.    Bob Gilmore called the meeting to order at 6:02 p.m., all members present.

2.    **Consideration of any Changes, Additions or Removals to the Agenda**

A.    Scott Murphy said changes are needed. He would like to discuss the Wastewater Treatment Facility project and he would like to table Item 9 on the agenda until their next meeting.

3.    **Approve Minutes from Previous Meetings**

A.    Bob Gilmore advised that minutes to be reviewed are from the Regular Meeting of January 8, 2019.

B.    **MOTION by Earl Washburn and seconded by David Rose to approve minutes from January 8, 2019 as submitted. Motion passed unanimously.**

4.    **Comments From Citizens**

A.    There were none.

5.    **Possibly Approve Sons of the American Legion Squadron 36 Coin Drop Request**

A.    Scott Murphy advised that a letter was received from the Sons of the American Legion requesting a coin drop on April 6, 2019 from 10:00 AM until 2:00 PM. Proceeds will go to Children's' Miracle Network.

B.    **MOTION by David Rose and seconded by Earl Washburn to approve the American Legion's request for a coin drop on April 6, 2019. Motion passed unanimously.**

6. **Village Auditor Tom Telling to Review the Village Audited Financial Statements**

- A. Tom Telling advised that his company performed the audit on the Village financials and controls. They perform the necessary procedures to be able to give an opinion on the numbers and it fairly represents the materiality. He confirmed that there are no significant deficiencies and no material weaknesses. He said the report describes the audit process. They also looked at the internal controls and there were no deficiencies there. Some of the numbers are estimates based on how assets are depreciated. There is also the long term pension liability. The balance sheet also shows assets of about \$1,000,000 (including \$900,000 in other funds) giving a fund balance of about \$85,000. The Sewer Fund has \$6,000,000 in assets with a bond payable of \$1,000,000. The Water department has \$4,000,000 in assets and a bond of \$2,000,000, leaving a balance of \$2,000,000. Water operations income is about \$700,000 and operating expenses are about \$660,000. Hook-on fee collections are about \$150,000. There is a balance of about \$23,000 in the Water Fund. No inventory was taken and they estimate small parts and supplies of about \$50,000 in the Water department and \$20,000 in Sewer. He said there is one adjustment. You prepay insurance to VLCT on January 1<sup>st</sup> and the half-value is still there on June 30<sup>th</sup>.
- B. Bob Gilmore noted that it is good to have a positive balance. He said that the sewer department is running as it should and is well maintained.
- C. David Rose asked how much should we budget for a fund-balanced.
- D. Tom Telling said that is a management decision.
- E. Justin Hyjeck asked about the assets in the Sewer Department.
- F. Tom Telling said almost all of it is in capital and infrastructure.
- G. Scott Murphy said the General Fund has assets of about \$2,668,000 and liabilities of \$1,600,000.

7. **Review Vendor Ordinance & Possibly Adopt Changes**

- A. Scott Murphy advised that in the fall, the trustees were asked to start to review the vendor ordinance. He said that Eliza Greene and Justin Hyjeck have an application on hold. They had a food truck and had gone through the single night seasonal application that expired 12/31/18.
- B. Justin Hyjeck said traditionally, Ludlow did not want food trucks. They had a truck there this past summer and it received strong engagement from the community. He is there to suggest that the board incorporate food trucks into the ordinance. He said that his business does not collect from them.
- C. Eliza Greene said that the truck did not affect their Hostel business.
- D. Bob Gilmore said that the board has been protective, but he is at ease with what Ms. Greene and Mr. Hyjeck are doing. He has not heard any complaints about the truck they had this summer. He asked how often they plan on having a truck.
- E. Eliza Greene said it would be weather dependent in the winter, possibly once a month.
- F. Justin Hyjeck explained that the truck was on their property. He said they would like to expand it to one truck at a time, but use multiple trucks (for example Asian and hamburgers.) He said the Asian truck was not really competition for local businesses.
- G. Eliza Greene said that other business owners also enjoyed that truck.
- H. David Rose explained that the board is not anti-food trucks. They enacted the ordinance in 2008 because the village was being abused by various vendors that came into the village without notifying anyone and wouldn't leave when asked to. The ordinance has been interpreted that if someone wanted to have a vendor on their private property such as a food

truck, for example at Shaw's plaza, then the land owner would need to be the applicant. The Thai food truck which has been at Main & Mountain on Mr. Hyjeck & Ms. Greene private property isn't a problem as they are themselves in the restaurant business and so it doesn't appear to be a change of use of the property. He added that if we used Shaw's plaza again for an example, the property owners are not in the food restaurant business and so that would be a change of use. He has no problem with them having a truck on your property. He said that the truck would have to have Health Department certificates and meet the permit conditions.

- I. Justin Hyjeck said they would like to plan a calendar of events featuring a different food truck at different times. He said the trucks would not just be showing up. Their property is already zoned. We are tethering the trucks to our property, almost like vetting them.
- J. Bob Gilmore asked about the fees.
- K. Eliza Greene said they are fair.
- L. Scott Murphy said there is also a \$100 deposit for clean-up.
- M. Justin Hyjeck said that the truck would be on their personal property and any damage they would clean up anyway.
- N. David Rose said that he is okay with the ordinance.
- O. Earl Washburn said it is okay without any major changes.
- P. Scott Murphy said that he will advise the board of any future applications.
- Q. Bob Gilmore noted that there was consensus among board members to keep the ordinance as it is.

8. **Consider & Possibly Approve Conflict of Interest Policy**

- A. Scott Murphy advised that he had given the board a proposed draft from VLCT. It is not meant to govern employees. This is a guideline for government officials and the state requires that a Conflict of Interest Policy be adopted by July 1, 2019.
- B. Earl Washburn said he is happy with the draft.
- C. David Rose asked what other towns are doing.
- D. Scott Murphy said that most towns are adopting the VLCT policy. It contains the 5 required bullet points.
- E. Bob Gilmore asked about Stowe.
- F. Scott Murphy said he will check to see if they have one in place.
- G. David Rose said this is very generic and would like to see copies of policies that other towns have adopted. He asked about the Select Board.
- H. Scott Murphy said they have decided to put this off as long as possible. He will try to get copies of other towns' policies for the next meeting.
- I. Earl Washburn agreed that this is pretty generic.
- J. Bob Gilmore said that Bruce Schmidt always recused himself from Select Board votes whenever they concerned Okemo.
- K. Earl Washburn said this is basically about fiduciary responsibility.
- L. Bob Gilmore said it will be put on the agenda for next month.

9. **Review & Clarify Sewer User Fees**

- A. Scott Murphy advised that this item is tabled until the March meeting. Possible changes of fees will be discussed.

10. **Review Bridge Street Water/Sewer Project**

- A. David Rose said that he asked for a review of this project. The bid for the sewer portion of the project was for a lump sum of \$52,100 and the project came in at \$58,489. He said that the board never approved the overage and to clean this up we should approve the additional funds.
- B. **MOTION by Earl Washburn and seconded by David Rose to approve the overage of \$6,389.48. Motion passed unanimously.**

11. **Review Village Share of the Town's Street Sweeper Purchase**

- A. Scott Murphy said that the Trustees never approved the \$5,000 per year for 5 years for the sweeper. The cost of the sweeper was \$25,000.
- B. David Rose said our old street sweeper is no longer in service and that the new sweeper attachment for the loader the town purchased has traditionally been a Village purchase. He said the Trustees discussed the purchase back in the spring but never actually voted to get it. There is \$5,000 in current 2019 Budget for the sweeper and the plan was to include \$5000 in each year's budget to pay for it
- C. **MOTION by Earl Washburn and seconded by David Rose to purchase a street sweeper and pay the town \$5,000 per year for 5 years for this piece of equipment. Motion passed unanimously.**

12. **FY2020 Budget Workshop & Possibly Set Date to Sign Warning for Annual Village Meeting**

- A. Scott Murphy advised that this draft includes the three changes discussed last month.
  - i. Manager's car allowance
  - ii. Inclusion of \$22, 715 in Retreatment (Commonwealth project)
  - iii. Adjustment for Manager's car allowance
- B. Scott Murphy said the budget is down 23.7% and is skewed because of the possible Commonwealth project. The amount to be raised in taxes is \$72,869.72. He said that the Commonwealth project would be about \$113,000 and the Village share would be 20% or \$22,715. If we get the grant, expenditures would be \$538,463 and revenue would be \$303, 745. If we don't get the grant, revenue would be \$325,572 and a 4.2% increase.
- C. Bob Gilmore asked the likelihood of receiving the grant.
- D. Scott Murphy said he has been getting a good feeling from VTRANS. If we get it, we will repair the infrastructure this year and repave after that.
- E. David Rose said the budget shows \$90,854 in Commonwealth Avenue Class 2 funds. He thinks that should be pulled out.
- F. Scott Murphy said he will put it out. He said that he had also included a draft for the warning for the village meeting. He asked when the board would be able to meet to sign it. He said he would make the changes in the budget and asked if they would want to approve the budget at the same meeting when they sign the warning.
- G. The board agreed.
- H. Meeting to sign the Warning for Village Meeting will be on February 21, 2019 at 3:00 PM.
- I. David Rose said the big driver for the Wastewater Budget is the Wastewater project. He said that rates were adjusted last May to take that into account.
- J. Scott Murphy said that the expenses are \$822,098 and revenue is \$836,751.
- K. David Rose said the amount to be raised in taxes would be \$14,125.

- L. Earl Washburn noted that the percentage is still at 2675.2%, this was noted as an error at the last meeting. Scott Murphy said he will have that corrected.
- M. Scott Murphy pointed out Article #8 of the Village warning to vote to make the Village Clerk position appointed rather than an elected.
- N. David Rose asked about doing the same with the Village Treasurer.
- O. Scott Murphy said he would check on it and add it to the warning.

13. **Municipal Manager Updates**

A. **Wastewater Treatment Plant Facility**

- i. Scott Murphy said he checked with Wayne Elliott about ACT250 and a hydrolic analysis is required. A&E has hired Nothstar Hydrolic to do the analysis. He added that FEMA is backlogged (due to the government shutdown.) Wayne Elliott said that the board should authorize Scott Murphy to sign the amended contract with A&E and the financial program with the state. It is for an additional \$9,900. The state has to approve it.
- ii. **MOTION by David Rose and seconded by Earl Washburn to amend the contract with A&E and to authorize Scott Murphy to sign the amended contract and to sign the amended Revolving Loan Application. Motion passed unanimously.**
- iii. Scott Murphy advised that municipalities are low risk applicants to ACT250. We will submit the application to ACT250 before the papers go through.
- iv. David Rose asked if Northstar will get on this soon.
- v. Scott Murphy said yes.
- vi. David Rose asked if this would change the plans for getting this out to bid in March.
- vii. Scott Murphy said yes. He said that they are pretty close to the 90% design mark.
- viii. David Rose asked if ACT250 will make the village address all criteria.
- ix. Scott Murphy said yes, but it will not be a problem.

B. **Stone House at Main & Commonwealth**

- i. Scott Murphy advised that a 10 day notice was sent to the owners and will expire soon. The town attorney recommends demolition. The structure has reached the point where we can demolish it. There is also an asbestos concern. It is a safety hazard and we have to secure it or fence it and knock it down. We can pull the wood. Our concern is safety.
- ii. David Rose said that he is concerned about the expected \$50,000 demolition costs. Will the village be on the hook for the costs?
- iii. Scott Murphy said that is the risk and we don't know what the cost will really be. The \$50,000 was only an estimate that the DRB had several years ago.
- iv. Bob Gilmore asked if they would put this out to bid.
- v. Scott Murphy said this is an emergency. We only need one price. We will find a qualified bidder. David Rose requested that more than one bid be sought for the project so we can compare pricing. Scott Murphy said he will call around to contractors. He said once the building is down nothing will be hauled away. The cellar hole will be filled in with the stones and the demolition debris will be left in a pile onsite. David Rose commented that's not going to look very nice.
- vi. Bob Gilmore asked about clean-up.
- vii. Scott Murphy said that it up to the owner. We need to get it down.
- viii. Earl Washburn asked if we will put a lien on the property.

- ix. Scott Murphy said yes. He added that Ron Tarbell said that stone may be worth something.
- x. David Rose said rebuilding in that location may be a problem because it is in the Preservation District.
- C. Coolidge Solar Project
  - i. Scott Murphy advised that the town received the check from Blattner and will send \$75,000 to the school for the gym floor. He added that the school board has requested a meeting with the Select Board to discuss disposition of the high school. They will be holding an informational meeting on February 28<sup>th</sup>. They have offered it to the town for \$1.00. There is no other exit plan. There is the independent school committee.
  - ii. Bob Gilmore asked when this will happen.
  - iii. Scott Murphy said at the end of the next school year (June 2020.)
  - iv. David Rose stated he read in the last school board minutes that heating for the building is about \$10,000 per month and he hopes the town considers this.
  - v. Bob Gilmore wondered if CCV might be interested.

14. **Other Business**

- A. David Rose complimented the town on the great job they did plowing and picking up the snow.
- B. Vail Bridge
  - i. Earl Washburn said they should keep an eye on the patch job at the bridge, where the bridge meets the road. They may want to consider putting in a steel plate.
  - ii. David Rose said it is a pothole that keeps coming back.
- C. Walk-Bridge by La Mere Square
  - i. Bob Gilmore asked about the bridge.
  - ii. Scott Murphy said the decking is unsafe. He said that the town owns the bridge. He said they will look into repairs in the spring.
- D. Stop Sign at Pleasant and Andover Streets
  - i. Bob Gilmore said the stop sign is down again.
  - ii. Scott Murphy said he will check into it.

15. **Set Date for Next Meeting**

- A. Earl Washburn said he will not be able to be at the meeting on March 6<sup>th</sup>.
- B. David Rose said he will also not be here. He will be away and coming back on March 9<sup>th</sup>.
- C. Scott Murphy said he will be on vacation from March 13<sup>th</sup> to March 22<sup>nd</sup>.
- D. Next Trustees meeting will be on MONDAY, March 11, 2019 at 6:00 p.m.

16. **Possible Agenda Items for Next Meeting**

- A. Review & Clarify Sewer Allocation Fees

17. **Sign Warrant Orders**

- A. Warrant orders were signed.

18. **Possible Executive Session/Personnel/Contracts**

- A. Scott Murphy said that an Executive Session is needed.
- B. **MOTION by David Rose and seconded by Earl Washburn that in accordance with the provisions of 1VSA §313 (1) (B), he moves that the Village Trustees enter into Executive Session to consider;**
  - (1) **Personnel agreement with a Municipal Employee.**  
**The premature public knowledge of this pending action could place the Village of Ludlow at a substantial disadvantage. This motion for executive session includes the members present. Motion passed unanimously.**
- C. **Board entered into Executive Session at 7:22 p.m.**
- D. **Exited Executive Session at 7:30 p.m.**
- E. **MOTION by David Rose and seconded by Earl Washburn to authorize the Chairman to sign on behalf of the Village Trustees the Municipal Managers Repayment Agreement to reconcile an overpayment of \$9,392.45 of the manager’s car allowance. Motion passed unanimously.**
- F. Bob Gilmore signed the agreement.

19. **Adjourn**

- A. **MOTION to adjourn by Earl Washburn and seconded by David Rose. Motion passed unanimously.**
- B. Meeting adjourned at 7:31 p.m.

Respectfully submitted,

Lisha Klaiber

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Robert Gilmore, Chairman

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David Rose

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Earl Washburn