

***PRELIMINARY MINUTES***

**VILLAGE OF LUDLOW  
BOARD OF TRUSTEES**

**REGULAR MEETING**

**6:00 PM**

Tuesday June 5, 2018

**BOARD MEMBERS PRESENT:**

Bob Gilmore, Chairman                      David Rose                                      Earl Washburn

**STAFF:**

Scott Murphy                                      Chuck Craig                                      Rose Goings

**OTHERS PRESENT:**

Phil Carter                                      Wayne Elliot                                      Phil Stratman  
Terry Carter                                      Logan Nicoll                                      Ed McEaney – Okemo Valley TV  
Alan Couch                                      Ted Reeves

1. **Call to Order**

A. Chairman, Bob Gilmore, called the meeting to order at 6:00 p.m., all members present. He asked for a moment of silence to honor Howard Barton, Jr. who passed away this past weekend. Bob said that Howard Barton had been a friend and great Select Board Chairman and said that Howard will be sorely missed.

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

A. Scott Murphy advised that no changes were necessary. He said that he will add comments regarding sidewalk information for discussion only under Municipal Manager Updates.

3. **Approve Minutes from Previous Meetings**

A. Bob Gilmore advised the minutes to be approved are from the regular meeting of May 1, 2018.  
B. **MOTION by David Rose and seconded by Earl Washburn to approve minutes from the meeting of May 1, 2018 as submitted. Motion passed unanimously.**

4. **Comments From Citizens**

A. Ted Reeves advised that he is here to discuss the proposed purchase of Okemo by Vail and said he is present to answer any questions people may have. (A copy of the letter from Tim and Diane Mueller is attached.)  
B. Bob Gilmore said that they are selling the business to a company in the ski business. He added that Tim and Diane Mueller have made Okemo what it is today and made an imprint on the town.

They have always worked well with the town and will be missed. He asked if there would be changes in the local management.

- C. Ted Reeves said there have been no changes indicated at this point.
- D. Earl Washburn said that for the first 10 years, Tim and Diane Mueller put every cent earned back into the mountain and community. They will be missed.
- E. Scott Murphy said that he had called Stowe (also owned by Vail) and was told that Vail is very professional, made improvements to the traffic flow and are good managers.

5. **Possibly Select a Consultant for the Design Phases of the Wastewater Treatment Facility Upgrades**

- A. Scott Murphy advised that they have put out an RFQ for the project. He added that Aldrich and Elliot are at the 90% completion of the design phase, but to make u eligible for the Clean Water Fund Grant, we needed to get other quotes. There were two other qualified bidders, but it is unlikely that we will switch engineers. Aldrich and Elliot are highly regarded and he recommends that we continue to use their services.
- B. **MOTION by David Rose and seconded by Earl Washburn to continue with Aldrich and Elliot as the consultants for the design phases of the Wastewater Treatment Facility Upgrades project. Motion passed unanimously.**

6. **Consider Request from Planning Commission for Interim Zoning**

- A. Alan Couch advised that Phil Carter, Chairman of the DRB, had brought it to the attention of the Planning Commission that there is some ambiguity in the language in the Ludlow zoning regulations that relates to the DRB’s interpretations of those regulations with regard to permits. The Planning Commission feels suggests that we implement Interim Zoning to mitigate any potential situations and give the Planning Commission time to clean up the language in the regulations. Phil Carter advised that he is speaking at this meeting as Chairman of the DRB. The DRB is bound by state, federal and local regulations to interpret the zoning regulations. Ludlow does have great zoning regulations, but there are some inconsistencies. Some of these arose with the recent application by Ludlow Pharmacy to have a drive-up window. They presented their case to the DRB and the DRB denied the request. The case went to the Environmental Court. The attorneys for Ludlow Pharmacy wrote a 26 page brief and Ludlow’s attorney would have to respond to that brief. They said that our language is ambiguous, confusing and definitions are missing. In the Village regulations, “Retail Service” is allowed, but “Retail Use” is not allowed. However, there is a definition for “Retail Use”, but not for “Retail Service.” There are definitions for “Drive-In” and “Drive Though,” but not for “Drive Up.” The definition for “Retail Use” is good and does exclude “Drive Up” service, but “Retail Use” is not an “allowed use.” The attorney said that the Village of Ludlow Zoning Regulations are ambiguous, confusing and susceptible to different interpretations. The DRB denied the application based on the definition of “Retail Use” because it excludes “Drive Up” service. Recently, Ferrisburg had a similar situation and the applicant won at Environmental Court. Our attorney said that one problem is that we allowed Heritage Credit Union to have a drive up but denied it to Ludlow Pharmacy and it is not clear that there was a rational basis to deny the application. The DRB needs to have legitimate reasons to deny application for the pharmacy, but allow it for a credit union. We would have lost the case at court because our denial would appear to be discriminatory and unconstitutional. We settled the case out of court because we would have lost. The pharmacy will get the drive up window. If we had gone to court, our zoning would be

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- open to any request for drive up service in the future. The people of Ludlow have voted against drive up windows. We need to have the town get control of this and make clear definitions and language in zoning. This mess has got to be fixed.
- B. Rose Goings explained that Interim Zoning is good for one year. If we implement it, as written, it will say “NO” to any drive up, drive in or drive through service during that time. It will give the Planning Commission the time to work with the lawyer and Regional Planning Commission to get this straightened out. We are not stopping development. The Planning Commission is asked the Trustees to hold a public hearing on this.
  - C. Logan Nicoll said the Planning Commission knows this is not a permanent fix, but it is the easiest and fastest way to get this on the books and avoid a similar case arising. The regular process to change zoning could take as much as 7 months. This is not the long term language, but gives the Planning Commission the time to correct the problems.
  - D. David Rose asked what if the new language is not completed within that one year.
  - E. Rose Goings said the Planning Commission will start working on it immediately.
  - F. David Rose said that some drive ups are appropriate.
  - G. Logan Nicoll said the Planning Commission agrees, but we need to shut this down for the time being. We do not want a fast food business, like McDonalds to apply at this time.
  - H. Terry Carter said that the Planning Commission invited the public to a meeting in March to get input on the town plan. People do not want drive up restaurants.
  - I. David Rose asked what is considered an appropriate application. Older people would probably like a drive up at the pharmacy.
  - J. Logan Nicoll said the Planning Commission has not hashed this all out, but we invite the Select Board and Trustees to attend our meeting to give us input. We write the zoning as a 5-member board.
  - K. Alan Couch said it is not up to the Planning Commission to decide if the town doesn’t want fast food restaurants. We have to be careful about the language we put in the zoning regulations. We want input from the town residents and the other boards.
  - L. Bob Gilmore asked if just putting in “fast food” wouldn’t cover it,
  - M. Alan Couch said we don’t know and a good lawyer could oppose that. We are asking for time to protect the town.
  - N. Rose Goings said that several years ago, the voters overwhelmingly voted against fast food drive ups.
  - O. Earl Washburn asked what if the town residents have changed their minds. Is there a process to find out?
  - P. Bob Gilmore said the board would hold a public hearing.
  - Q. Alan Couch said that if people who come up to ski want fast food, they can change their license plates and move up her and then vote.
  - R. Rose Goings said the town is vulnerable and we need the time.
  - S. Bob Gilmore said you (the Planning Commission) will get the time. He said that Phil Carter presented the ambiguity very clearly.
  - T. **MOTION by Earl Washburn and seconded by David Rose to schedule the public hearing for Interim Zoning. Motion passed – 2 in favor, David Rose against.**
  - U. Scott Murphy said they can put it on the agenda for next month’s meeting.
  - V. Rose Goings said she will set up the Public Hearing Notice.
  - W. Alan Couch asked David Rose why he is against this.
  - X. David Rose said he is concerned that with Interim Zoning in place the rewrite process will drag on and on and personally does not have a problem with drive ups.
7. **Update on the Wastewater Treatment Facility Upgrade Project by Wayne Elliot of Aldrich & Elliot**

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- A. Scott Murphy advised that copy of the 90% Complete Report was in their packets.
- B. Wayne Elliot thanked the board for their support regarding continuation of the project by Aldrich & Elliot. He said they had to go through that process for the State. He described the contents of the report:
- C. Existing Conditions:
- i. Electrical Engineering is complete
  - ii. Chuck Craig was waiting to drain the secondary clarifiers and it was done last Thursday. The concrete tanks look good, no surprises.
  - iii. The beams under the 2<sup>nd</sup> clarifier have shifted and the unit cannot be refurbished.
- D. Proposed Project Includes:
- i. New influent pump station with RAS/WAS (return activated sludge/waste activated sludge) pumps. It will be located below ground and there will be 3 new influent pumps with automated variable frequency drives
  - ii. The 2<sup>nd</sup> clarifier to be upgraded. The 3 concrete tanks and covers look good. The internals will be replaced.
  - iii. Chemical Feed and Storage will have minor changes, electrical work, vents and flood protection
  - iv. Control Building will have flood protection, electrical upgrades, PLC control system with a PC with screens showing status of pumps and VFDs and any alarms. Remote access will be possible.
  - v. Bob Gilmore asked if any of the equipment was damaged during Irene.
  - vi. Wayne Elliot said no, the equipment aged out.
- E. Project Schedule:
- i. Wayne Elliot said the project is moving quickly. They hope to begin construction in the spring of 2019. They expect the design to be complete by July 2018 and put the project out to bid in early 2019.
- F. Estimated Costs:
- i. Wayne Elliot said the Village can do the bond vote anytime.
  - ii. David Rose asked when the board has to decide
  - iii. Wayne Elliot said by early fall. The estimated construction cost will be about \$2,125,000 and the total project cost, \$2,800,000. This includes 10% contingency, engineering, administration, permit and legal fees.
- G. Available Funding Sources:
- i. Wayne Elliot said funding sources are the State CWSRF (Clean Water State Revolving Fund), USDA RD (Rural Development) and Capital funds.
  - ii. The preferred loan is the CWSRF with loan subsidy up to 50% for the preliminary and final design (up to \$100,000.) This would be at 2% interest for 20 years. The annual loan payment would be about \$165,000. A typical residential customer would see an increase of about \$69/year.
  - iii. The USDA RD doesn't really fit because Ludlow's sewer rates are so low. To be eligible the rates would have to typically be around \$450 a year or higher as is the case in most with a lot of communities around the state. The USDA applications have to be in by December 2018 and there must be a positive bond vote prior to the application. This will push the schedule out. Also, with the current sewer rates, you probably would not qualify for the grant.
  - iv. Some of your capital funds could be applied to the project or applied to the debt retirement. With the state program, the first loan payment would be due in the spring of 2021.
- H. Bond Amount:
- i. The bond amount would be \$2,800,000 (including the loan subsidy.)
  - ii. Scott Murphy noted that the bond vote could be in October or November and it does not have

to be decided now. If we get the \$100,000 subsidy, it must be included in the bond amount. It is funneled through the EPA and does not have to be repaid.

I. Impact on Sewer Rates:

- i. Wayne Elliot indicated if Ludlow was to bond for the full amount the sewer rates would have to increase by about \$69 per year for a typical residential customer. Ludlow rates are way below any other similar project in the state. The lower rates disqualified Ludlow from the USDA RD.
- ii. David Rose said we could also buy down the amount we bond by using capital funds.

J. Next Steps:

- i. Village to provide comments of the 90% completion report.
- ii. Complete the State CWSRF Qualifications Based Selection Process – including selecting an engineer, prepare the CWSRF planning loan for final design, start preparation of an engineering services agreement for review by Village and State.
- iii. David Rose asked if this will all happen this summer with the bond vote in the fall. He asked Chuck Craig if there would be anything else that should be included.
- iv. Chuck Craig said they have addressed all of our needs.
- v. Scott Murphy asked about the ailing large clarifier until this project is approved and completed.
- vi. Chuck Craig said the will put it back together, patch it up and keep it running as needed.
- vii. Wayne Elliot said if we replace the large clarifier now, it takes about 6 months to get the new equipment and then add the installation time. If it becomes critical, we will deal with it.
- viii. Scott Murphy said there is no action required by the board at this time.
- ix. Wayne Elliot said if the scope is approved, he will be back with the application.
- x. Scott Murphy said that Wilmington had a similar situation with equipment problems.

8. Sewer Allocation Request(s)

A. Christine & Scott Hammer

- i. Property address is 88 Lower Loop, Parcel 230117.000
- ii. David Rose advised that this is a request to add a single family dwelling unit with three (3) bedrooms on the sewer system.
  - (1) Allocation fee – 3 bedrooms @ \$780.00/bedroom \$2,340.00
  - (2) Hook on fee – 1 dwelling unit @ \$4,500.00 \$4,500.00
- iii. **MOTION by David Rose and seconded by Earl Washburn to approve this application for an allocation for a single family dwelling with 3 bedrooms at \$780 per bedroom, plus hook-on fee of \$4,500 for a total of \$6,840.00. Motion passed unanimously.**

B. Heidi & Norman Michaels

- i. Property address is 31 Komula Drive, Parcel 030515.000
- ii. David Rose advised that this is a request to add 1 bedroom to an existing dwelling unit on the sewer system.
  - (1) Allocation fee – 1 bedroom @ \$780.00/bedroom \$780.00
- iii. **MOTION by David Rose and seconded by Earl Washburn to approve this application for an allocation for 1 bedroom to an existing dwelling at \$780 per bedroom for an allocation total of \$780.00. Motion passed unanimously.**

C. Carol & Simon Roe

- i. Property address is 126 Route 66, Parcel 030417.000
- ii. David Rose advised that this is a request to add a 2- unit multi-family dwelling with a total of

six (6) bedrooms to the sewer system.

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|-----|--|------------|
| (1) | Allocation fee – 6 bedrooms @ \$780.00/bedroom | \$4,680.00 |
| (2) | Hook-one fee per dwelling unit                 | \$4,500.00 |

- iii. **MOTION by David Rose and seconded by Earl Washburn to approve this application for an allocation for a 2 unit multi-family dwelling unit with 6 bedrooms to at \$780 per bedroom for an allocation fee of \$4,680.00 and hook-on fee of \$4,500 for a total of \$9,180.00. Motion passed unanimously.**

9. **Sewer Abatement Request**

A. **John Wheaton**

- i. Property address is 69 Lower Loop
- ii. Scott Murphy advised that this is a request for abatement of interest and penalties accrued for non-payment of Water/Wastewater bills. Mr. Wheaton wrote a letter explaining that the property had been transferred to his daughters on the death of his wife. He was to remain responsible for all expenses. He was not receiving the water bills and did not know that his daughters had not been paying them. The daughters transferred the property into an LLC last month and then received the past due notice. He paid the service changes, but is requesting the abatement for the penalties and interest.
- iii. **MOTION by David Rose and seconded by Earl Washburn to deny the request for abatement of interest and penalties for past due water/wastewater bills. Motion passed unanimously.**

10. **Consider Holding a Public Hearing to Amend the “Smoking & Tobacco” Policy**

- A. Bob Gilmore advised that the additions to the policy are highlighted in yellow:
- B. **Authority**
- i. Added: including e-cigarettes, vaping devices, juuls, hookahs, and marijuana
- C. **Scope of Policy**
- i. Added: including e-cigarettes, vaping devices, juuls, hookahs, and marijuana
- ii. Added under Smoking ...prohibited within the confines of: West Hill Recreation Area, Veterans’ Memorial Park and Kesman Memorial Park
- D. Scott Murphy said that BRACC submitted a letter requesting suggested changes to the policy, noting that effective July 1, 2018, marijuana will be legalized in Vermont. To change this policy, we would need to hold a public hearing. We would need to warn it for 30 days.
- E. **MOTION by Earl Washburn and seconded by David Rose to warn a public hearing on July 3, 2018 to amend the Smoking and Tobacco Policy.**
- F. Phil Stratman advised that after July 1, 2018, his store will begin selling glass paraphernalia again. He said that very few locals shop in his store.
- G. Bob Gilmore said that will go against the Village ordinance prohibiting drug, tobacco, & vaping paraphernalia. Smoking is legal, but not the paraphernalia.
- H. Phil Stratman said not selling those items hurt his business.
- I. Bob Gilmore asked Phil Stratman if he had weighed in at that last hearing.
- J. Phil Stratman said the policy was aimed at 3 people and he took a financial hit. He said that glass is a convenient piece of glass – a glass pipe.
- K. Bob Gilmore said that is paraphernalia and this is our policy.
- L. Phil Stratman said he would keep it low key.
- M. David Rose said it would be in violation of the ordinance.

- N. Phil Stratman said he would go to Montpelier. He will not sell to kids.
- O. Earl Washburn said this discussion is just to schedule a hearing. You can be there to state your claim.
- P. Bob Gilmore asked Phil Stratman if he is telling them that he will be selling these items in violation of the ordinance.
- Q. Phil Stratman said he wanted to give the board a “heads up.”
- R. Logan Nicoll said the ordinance was put in in response to the vape shop. It is not keeping with the character of the town. We did this with the assumption that marijuana would be legalized. This is a family town and family mountain. He said that he supports the family character of the town and does not want a pot shop.
- S. Phil Stratman said he does not agree with the legalization of marijuana, but it just should have been de-criminalized. He said that 90% of his business is from out-of-staters and it is a convenience for them. They use it and throw it away.
- T. Bob Gilmore said you can’t even smoke at Yankee Stadium.
- U. **Motion passed unanimously.**

11. **Municipal Manager Updates**

- A. **West Hill Recreation Area**
  - i. Scott Murphy said that they re-opened West Hill two weeks ago. They swept the parking area and basketball court. They put in a port-a-pot. The Recreation Director will be using the area about once a week for the summer program. They are not cutting the soccer area because the long grass helps with the geese. They hope to expand the use next summer.
  - ii. Bob Gilmore asked if there is still a problem with the water from the geese.
  - iii. Scott Murphy said they are not using the area for swimming this year.
- B. **Cemetery**
  - i. Scott Murphy advised that they have received compliments on the Cemetery. The new stone wall is about ¾ complete.
- C. **Andover Street Culvert**
  - i. They will be starting the culvert project tomorrow and it should take about 3 to 4 days to complete.
- D. **Commonwealth Avenue**
  - i. Scott Murphy advised that they have sent the paperwork to FEMA and he will keep the ball rolling on this.
- E. **Sidewalks**
  - i. Scott Murphy advised that Ron Tarbell put together a lot of sidewalks in need of repair in the Village. They have \$30,000 (\$15,000 from FY2018 and \$15,000 from FY2019.) He said there is a stretch along Pleasant Street that is 500 feet long and about 5 foot wide that he will building into the FY2020 budget. He explained that Ron Tarbell would like to widen the road in that area by moving the granite curb back and removing the grass strip.
  - ii. Scott Murphy said that the pavers in front of the Mill are in bad shape and there is no warranty on them. That will be a priority this year because it is difficult for pedestrians to walk there. He added that the sidewalk plows in winter are not good on them.
  - iii. Bob Gilmore asked if the highway department could do the work.
  - iv. Scott Murphy said that Ron Tarbell said no.
  - v. Bob Gilmore asked if that would have to go out to bid.
  - vi. Scott Murphy said yes. He said he would have more information on this next month.
  - vii. David Rose suggested that Scott Murphy talk to the Select Board for assistance.
- F. **Bridge Street**

- i. David Rose asked about the Bridge Street water and sewer project.
    - ii. Scott Murphy said that project would start in about 2 to 3 weeks.
  - G. High Street Side Walks
    - i. Earl Washburn suggested they may also want to look to widen High Street from the Catholic Church to the Senior Center.
    - ii. Scott Murphy said he would look into it.
  - H. Pleasant Street
    - i. Bob Gilmore said that he lives on Pleasant Street, at the corner near Andover Street. He said that it is difficult to make turns into and out of that corner with the rental property and shuttle. They need to do something with that corner. It is asphalt and he likes the idea of possibly widening it.
  
- 12. Other Business
  - A. There was none.
  
- 13. Set Date for Next Meeting
  - A. Meeting set for Tuesday, July 3, 2018 at 6:00 p.m.
  
- 14. Sign Warrant Orders
  - A. Warrant orders were signed.
  
- 15. Possible Executive Session/Personnel/Contracts
  - A. Scott Murphy said that an Executive Session is not needed.
  
- 16. Adjourn
  - A. **MOTION to adjourn by David Rose and seconded by Earl Washburn. Motion passed unanimously.**
  - B. Meeting adjourned at 7:24 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

Okemo

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June 04, 2018



To our Okemo Community,

As many of you have recently learned, our family has made the decision to sell Okemo Mountain Resort to Vail Resorts, along with Mount Sunapee and Crested Butte Mountain Resort. While we realize this may be unexpected to most of you, we want you all to know this was a very hard decision. The ski industry and more importantly the people of Okemo have created a foundation for our entire lives, as well as our children's lives.

For the last 36 years at Okemo, we have developed many friendships with people at work and within this community. There are so many stories and too many memories to count. We have enjoyed fun celebrations, great skiing, and now bike riding and summer activities, we have seen incredible growth and, of course, weathered some disagreements along the way. Regardless, we have always known and felt that the support of this community has been unwavering. Thank you.

We have put our hearts into making the best skiing and riding experiences possible here at Okemo and it is proven in the numerous accolades we have received in the ski industry over the years. We only have our dedicated team to thank for that. They have been incredible since day one in 1982.

Over the years, we have seen an amazing amount of change in the ski industry. Much of the evolution has been good: improved technologies around ski gear; the onset of snowboarding; grooming equipment; energy efficient snowmaking; and probably the most heartening is how many more

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Okemo

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people ski and ride or simply come to the mountains now versus three decades ago.

Our business model has always been somewhat unique in this industry; operating large, successful ski resorts that are family owned. It is something we have always enjoyed, been proud of, and worked hard to preserve. Another reason this decision has been incredibly difficult for our family.

When approached by Vail Resorts, all of these thoughts, memories and realities stirred through our heads. What does this mean for us? For our teams? What does this mean for our communities? What does this mean for the mountains that we have poured a lifetime of energy into? We were not naïve in understanding this would mean changes in the future. We spent a lot of time contemplating all of this, and ultimately decided that moving forward with the sale was the best option for Okemo and its future. We realize the idea of a large company like Vail Resorts overseeing operations at each of our unique resorts may feel unsettling. However, the reality is they are mountain operators and run some of the best and most successful resorts in the industry. Putting Okemo in their hands will ensure a good future for the ski area, and will therefore support a good future for the Okemo Valley. They are great operators and good people, and they will invest in the mountain and our community.

Please know we have entered into this transaction with the best intentions for the ski area, our fellow employees, and the community. If we did not think this was going to bring more opportunity for the resort in the years to come, we would not have made this decision. We feel that Vail Resorts is poised to continue Okemo's excellence and bolster its legacy. We hope you will be open to their approach and give them the opportunity to prove their good intentions.

It has been the greatest pleasure of our lives operating and growing this awesome ski area for the last 36 years. Thank you for accepting us into this community so long ago and thank you for sharing the greatest joy of our family's life.

With mountains of gratitude,

Tim, Diane, Ethan & Erica