

**VILLAGE OF LUDLOW
WATER COMMISSION**

**Regular Meeting
Monday, January 3, 2012
5:00 pm**

Board Present:

David Rose, Richard Strong

Staff Present:

Frank Heald, Loran Greenslet

Others Present:

Brigit Sullivan, Sharon Bixby

Call to Order:

David Rose called the meeting to order at 5:00 pm.

Approve Minutes:

- a. MOTION by Richard Strong and seconded by David Rose to accept the minutes from December 14, 2011. All in favor and the motion passed.

Comments from Citizens:

- a. None present.

Water Project Financial Update:

- a. Frank Head said the project came in under budget which left a total of \$387,242.16 that will be turned back in to USDA loan that has a face amount of \$1,974,800 to reduce the principal and the term of the loan by 10 years so we can payoff in 29 years vs. 40 years.
- b. Frank Heald said the \$2 million bond saw a reduction of 57% or \$1,140,000 and an additional 5.8% in green credit of \$116,000. Frank said that unlike the USDA loan, if we receive the credit the note can be re-cast and the payments will be based upon the new amount.
- c. Frank Heald said they originally projected the water rates to increase by \$80 per year. He said it appears it will be around \$66.
- d. Frank Heald said overall the water department is in good shape. He said they could consider using some of the reserve money to buy down the 20-year loan, but would want to be sure the green credit is in place.
- e. David Rose asked if they could do that prior to the budget being approved.
- f. Frank Heald said yes, he thought that would be possible.

Consider and Approve Ludlow Enterprise Fund Recommendation:

- a. Frank Heald said that according to the LEF Agreement, the Water Commission will not need to approve the funding requests.

Discuss Water Commission Vacancy:

- a. Richard Strong said there are two fine candidates with Ron Bixby and Bob Gilmore.
- b. David Rose asked if the Board of Trustees need to fill the position right away.
- c. Frank Heald said the Trustees can fill vacancies until the next election, but he does not say when. Frank said Mr. Murphy's term was up in March, so they don't need to fill the term with an interim appointment at this time. They can let the voters decide.
- d. Frank Heald said candidates would need to get petitions signed by Village voters.
- e. David Rose said the consensus is to wait until Village meeting.

Budget Workshop:

- a. Frank Heald said Loran Greenslet has worked on the bulk of the budget. He said they took a look at the staff wage allocations for water and wastewater and made adjustments.
- b. Frank Heald said a new uniform company will help to reduce the cost and on the financial side they have removed the special water fund.

- c. Frank Heald said on the income side, the rate increase is not included.
- d. David Rose asked what would happen if we buy the bond down.
- e. Frank Heald said we could re-look at it. He said between \$200,000 and \$300,000 would be a reasonable capital amount. He said if we bought it down we might want to make a nominal capital contribution each year in case we need to replace a truck.
- f. Loran Greenslet said the 2006 big box truck would only be good for 6-7 years.

Other Business:

- a. Loran Greenslet said they had an interesting day with the flow meter and electronics at the Springs that was caught with their daily testing. He said he had to flush the lines and travel to Burlington get a new flow meter.

Set Date for Next Meeting:

- a. Next meeting has been scheduled on Monday, February 7, 2012 at 5:00 pm.

Adjourn:

- a. MOTION to adjourn by Richard Strong and seconded by David Rose. All in favor and the motion passed.
- b. Meeting was adjourned at 5:37 pm.

Respectfully submitted,

Pam Cruickshank
Recording Secretary

David Rose, Chairman

Richard Strong

John Murphy, Sr.