

**North Branch Fire District #1
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**THESE MINUTES ARE NOT OFFICIAL UNTIL APPROVED BY THE
PRUDENTIAL COMMITTEE**

Minutes of the Regular Meeting of the North Branch Fire District #1, Prudential Committee, April 12, 2018.

This Meeting, having been duly warned, was called to order at 12:00 (noon) p.m. by Administrative Manager, Linda Holland.

Members Present: Cyndee Frere, Thomas Ferrazza, Karl Braunbach and Brendan Ryan.

Absent: Edward Barber.

Also Present: David Arnold, Cynthia Ramirez, Cordelia Garofalo, Jennifer Densmore, Monique White, Andy McLean, Wayne Estey, Dylan Moskites, Ed Floyd, Rebecca Snow, Bart Howes and Linda Holland.

Reorganization of the Prudential Committee: Holland opened the floor to nominations for the Chairperson. Ferrazza moved to appoint Cynthia Frere as Chairperson. Seconded by Ryan. No other nominations were made. Holland closed nominations and turned the meeting over to Frere at 1:02 p.m.

Frere requested nominations for Vice-Chairman. Ryan moved to appoint Karl Braunbach as Vice Chairman. Seconded by Ferrazza. Passed unanimously.

Selection of Official Publication(s): Ferrazza moved to use the Deerfield Valley News as our official publication and the Brattleboro Reformer, as deemed necessary, as our secondary publication. Seconded by Ryan. Passed unanimously.

Official Meeting Dates & Time: Ferrazza move to hold our regular meetings on the second Thursday of the month at 12:00 noon. Seconded by Braunbach. Passed unanimously.

Public Comment: Mr. Arnold and Ms. Ramirez came before the Committee to dispute the charge of \$4,800.00 for a bedroom in the lower level. The Committee reviewed photos taken by Mr. Arnold, heard his testimony and will take it under consideration later today.

Cordelia Garofalo, Jennifer Densmore and Monique White came before the Committee to dispute a recent bedroom count for KW074 (17B Queen Anne's Way). The Notice of Liens stated "approved for four bedrooms totaling eight sleeping spaces, owes \$4,800.00 for the additional bunk bed." The Committee heard testimony from the above and will take the matter under consideration later today.

Edward Floyd/Technicon P.C.: Floyd informed the Committee that we are currently waiting for the "Certificate as to Title to Project Site and Certificate as to Easements and Rights of Way" from the attorney. Holland contacted Fisher and Fisher last Friday, April 6, 2018, to start the process. Floyd also informed the Committee that Kingsbury would like to start the project the beginning of May.

Letters: Dated April 5, 2018 a letter from Edward Floyd recommending that the contract be awarded to Kingsbury Companies, LLC for a total amount of \$3,708,213.00. The bid items for lining the ponds and construction of the UV Building have been deleted from this contract and there is an 8% contingency of approximately \$297,000.00 which fits within the bond amount of \$4.7 million.

Dated April 4, 2018 a letter from Holland to Thomas Brown, CWSRF Program Lead stating the Fire District has decided to break the contract out into two pieces; the lining of the ponds and everything else except the UV Building which has been postponed. It is the intent of the Fire District to finance the lining of the ponds with liquid assets and privately borrowed funds. The letter goes on to state that there were negotiations with Kingsbury Companies LLC which resulted in price adjustments.

Dated April 3, 2018 a letter from John and Linda Conway requesting reimbursement of \$5,810.00 for gallonage on Woodsman Road (TV028). The Conway's have also signed the "Voluntary Request for Permit Revocation."

Dated March 16, 2018 from Love, Cody & Company, CPAs, stating, in part, that they have fulfilled their responsibilities, as set out in the terms of the audit engagement letter dated January 9, 2018, including their responsibility for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting.

Dated March 22, 2018 a letter from Holland to various banks, requesting a line of credit as well as the terms and rates of interest for the same. The Fire District is seeking approximately 2.0 million, in the worst case scenario, for a two month period. The reason the Fire District is asking for the line of credit is because the Vermont Department of Environmental Conservation will send our loan to the Vermont Municipal Bond Bank (VMBB) for underwriting and approval. Once the Fire District and VMBB have executed the loan, reimbursements will be submitted to the State. The way this loan works is, the Fire District pays the contractors and then sends the invoices to the State for reimbursement as the project proceeds.

Dated March 6, 2018 the 2017 Annual Water Quality Report from Bear Creek Environmental, LLC.

Minutes: Ferrazza moved to approve the Minutes of March 8, 2018 and March 27, 2018 as submitted. Seconded by Ryan. Passed unanimously.

Chief Operator's Report: Howes reported that on March 7, 2018 the Holding Pond level was 17.61 feet and on April 11, 2018 it was 14.63 feet.

Operations:

- A new VFD and some pilot valves were purchased for the sludge press due to malfunctioning. The total cost for all the parts was \$860.00.
- Spray pump #1 was sent out for rebuild. The motor started to smoke and the wear items are over fifteen years old.
- The facility was out of power for 32 hours during the wind storm of April 5 to April 6th. We only had minor problems due to the temperature. We would have had pond level issues, but didn't because our ponds were lower than normal with all the extra spraying. Howes recommends that we start to look into a generator to run the facility.

Construction:

- Floyd and Howes have been working with the State and Kingsbury to keep the project moving forward. They have had multiple conversations with the State DEC and the Bond Bank to ensure we are following the funding criteria.
 - In order to remove an item from the State/bond funding, it has to be done through the measurement and payment section. Floyd recommended the best way to accomplish self-funding \$1.2 million of the project was to remove everything that has to do with the ponds and self-fund this. The pond project totaled \$1,103,066.00. If the UV building is removed from the project entirely, this leaves a total bond funded construction cost of \$3,708,213.00 with a contingency of \$296,990.51. The two figures added together bring the Fire District to the maximum construction bond amounts of \$4,005,203.51.
 - Due to State funding requirements, all the project subsidies come in the form on loan forgiveness, not additional project funding. This means that the \$134,780.25 Step II subsidy and the \$300,000.00 construction subsidy bring our bond loan liability to \$4,265,219.75 instead of \$4,700,000.00. Also any of the \$286,453.00 contingency not spent will further reduce the total loan liability.
 - Howes recommends the Committee seek legal counsel to get funding options. Being as the voter's approved a \$4.7 million bond and the loan liability is only \$4.266 million, the question is; can we take out another loan/bond to make up for the \$434,000.00 bond funding deficiency? It is important to note to our attorney

that we are spending \$1.2 million out of our capital reserves due to the project going over budget and the States requirements that did not allow us to utilize the subsidies as anticipated.

Holland will contact Paul Giuliani to get his opinion regarding the project funding.

Treasurer's Report: Ferrazza moved to pay the monthly bills totaling \$205,263.55. Seconded by Braunbach. Passed unanimously.

Ferrazza moved to borrow from the Hook-up account \$75,000.00 to be placed in the Operating Account, until the sewer payments start coming back. Seconded by Ryan. Passed unanimously.

Snow has contacted Brattleboro Savings and Loan and they will insure each account up to \$250,000.00 at an interest rate of 1.05%.

The last Operational check written is check #28491
The last Capital check written is check #1210
The last Petty Cash check written is check #872

Snow reported that the current prudent reserve is \$383,636.50.

Wayne Estey/Andy McLean/Communications: Mr. Estey and Mr. McLean were invited to the meeting to discuss how the two municipalities could better communicate information that would benefit all, if shared.

- Share contract information/project/gallorage/start dates/expiration dates.
- Check with Act 250
- Town needs to know where the private lines are.
- Mr. Estey and Holland will meet to develop a checklist.
- Link the Fire District website to the Town of Dover website.

Howes will send Mr. Estey a spreadsheet regarding the private lines.

Executive Session: Ferrazza moved to go into executive session at 1:15 p.m. to discuss personnel and legal. Seconded by Ryan. Passed unanimously. Ferrazza moved to come out of executive session at 2:15 p.m. Seconded by Ryan. Passed unanimously.

DECISION: Charge Mr. Arnold a total of \$420.00 for the bedroom count in 36G Tara (TD027) and remove the charge of \$4,800.00 from 17B Queen Anne's Way (KW074).

Old Business: None.

Other Business: Holland will set up a meeting with Frere, Braunbach and Giuliani on Monday, April 16th at 11:00 a.m. if possible. (Note: Holland called Attorney Giuliani immediately following the meeting and he could not meet on Monday. He instead spoke with Frere and Braunbach immediately following the meeting on April 12, 2018).

The next meeting will be held May 17, 2018 at 12:00 noon.

Frere adjourned the meeting at 2:25 p.m.

Respectfully Submitted:

Linda L. Holland,
Administrative Manager

cc: C. Frere, K. Braunbach, T. Ferrazza, E. Barber, B. Ryan, E. Floyd, B. Howes, H. Terhune, D. Facilla, J. Mahon, A. Pritcher, A. Palmiter, M. Himelson, L. Anelli, A. Levine, J. Flanagan, C. Helmstetter, Gray Ghost Inn, J. Desrochers, J. Gooch, Town of Dover, J. Densmore,, J. Redd, M. Garber, P. Fisher, R. Reed, S. Dupries, S. Meade, V. Czechorowski, Y. Strus, L. Fraser, A. Perkins, L. Newton, R. Rubin, C. Turpin, R. Parker-Houghton, G. Golet, S. MacDougall, L Harkawik, R. William, P. Fitzpatrick S. Joyce-Albano, R. Caplan, G. Henry, Deerfield Valley News and the Brattleboro Reformer.

Posted: North Branch Fire District #1, Wastewater Treatment Facility & Administrations Building. Dover Town Office.