



TOWN OF ST. JOHNSBURY

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Meeting of the St. Johnsbury Select Board Feb. 27th, 2023 @ 6:00 pm

Present-

Select Board: Dennis Smith, Steve Isham, Brendan Hughes, Frank Empsall

Staff: Chad Whitehead, Joe Kasprzak, Stacy Jewell, Kresten Sterling, Chief Tim Page, Paul Berlejung

Press: KATV,

Public: Patricia Jannsen, Jim Brown

Agenda Amendments:

- None

Public Comment:

- None

Warrants:

- On a motion by Brendan and second by Dennis to approve the warrants as presented.

Minutes:

- On a motion by Dennis and second by Brendan to approve the Special Select Board meeting minutes from Feb. 13th, 2023 with the noted corrections. All in favor.
- On a motion by Dennis and second by Brendan to approve the Select Board meeting minutes from Feb. 13th, 2023 as presented. All in favor.

Liquor/Tobacco License:

- Frank reviewed the liquor and tobacco license requests
 - VFW
 - Global Montello Group (Jiff Mart) tobacco and tobacco substitute endorsement
 - RL Valley (Maplefields) tobacco, 2nd class liquor license and tobacco substitute endorsement
 - Wesco. Tobacco substitute endorsement
- On a motion by Dennis and second by Steve to approve the liquor and tobacco licenses as presented. Brendan abstained.

Fiduciary Investments of Unobligated Funds:

- Stacy Jewell, Town Clerk recapped that she sent the Select Board information regarding CD's and rates at Passumpsic Bank. She explained that they offered moving \$100,000 from water reserves and sewer reserves accounts to CDs to make money. She explained she is looking for permission from the Select Board to move \$100,000 from each account into a CD.
- Frank asked if this would be for a year. Stacy said no we did not make it through the process in time for the 18 months. This round is for 7 months.
- Dennis confirmed one account for water and once account for sewer. Stacy said yes. Dennis asked if the reserve accounts have ever been tapped out. Stacy said no. Chad explained that it was a requirement of the drinking water revolving loan fund and clean water revolving loan fund. It is a short term asset fund and money is set aside to fund replacement of pumps and items that are going to wear out over time. Chad explained that he discussed this with both Lesley and Stacy to make sure cash flow wasn't going to be an issue and it was determined that \$100,000 from each account for 7 months was not an issue to the Town's cash flow position.
- Frank confirmed that the CD interest rate was 2.75%. Stacy said yes.
- Brendan asked if the incurred cash would go back into those accounts. Stacy said yes.
- Steve Isham asked what the current interest rate is. Stacy said she thinks they are at 1%. It was just moved up from ½% to 1%.
- On a motion by Brendan and second by Dennis to open two CD accounts for water and sewer in the amount of \$100,000 each with an interest rate of 2.75%. All in favor.

WWTP Solids Handling Update

- Chad Whitehead, Town Manager explained that two bonds for the WWTP are on the ballot for voting on March 7th. He explained that he will also be providing a public presentation regarding the articles at the Information Town Meeting on Monday March 6th.
- Stan Welch from Dufrense Group provided an overview of how the Town had previously land applied their solids but due to concerns over PFOA contamination the land application program has been shut down. He said the project has looked at alternatives to handling the bio solids. The first phase was the preliminary phase to review the processes and what was involved in having an in house dewatering system. The Town has already purchased the dewatering press which was part of this evaluation and expects it to be here around July. The next step will be to build a permanent building to house the dewatering press. Stan mentioned that one important thing will be the air ventilation of the facility and the requirements around that.
- Chad explained that the Town is still on the Clean Water Revolving Loan Fund priority list and the Town will be looking to see what they offer for principle forgiveness on this project. He explained that the Town is already eligible for \$500,000 of principle forgiveness for this project. Chad mentioned that USDA has also spoken with the Town about potential to fund 75% of the project through USDA with 2.75% interest on a 40 year note. USDA has encouraged an application as well. He mentioned that the Town will look into both the USDA and the Clean Water Revolving Loan Fund and work to determine what the best option for St. Johnsbury is.
- Chad explained that the next step is the bond authority. Currently the two bonds are on the March 7th ballot. One bond is to reallocate funds and the second is to approve the additional funds for the project. If approved will work with Dufrense Group on the next steps and a schedule for the project.
- Brendan asked if it would smell outside of the plant. Stan said that he has toured the WWTF Plant in Montpelier which uses the press that St. Johnsbury ordered and there is a little bit of an odor

but nothing compared to septage. Stan said they would explore air exchange options with the consultants and will definitely think about that when building the facility.

2023-2024 Rental Housing Improvement Grant Program:

- Joe Kasprzak, Assistant Town Manager and Patricia Jannsen presented the Select Board with the 2023-2024 Rental Housing Improvement Grant Program information.
- Reiterated the purpose of the program is to encourage landlords to improve rental housing in St. Johnsbury resulting in more livable, sustainable and marketable rental housing units for everyone.
- The Grant Program was recently awarded \$200,000 from the St. Johnsbury Revitalization Grant Fund and has decided to allocate half of this funding to this grant round. Highlighted that the Grant Program is a reimbursement grant program and requires a 1 to 1 match. The funds must be used for capital improvements of rental properties in St. Johnsbury either through existing rental properties or as a result of the funds. The maximum grant for 2023-2024 is \$6,000 per rental with a maximum of three awards to a property owner within a year. All property owners must be current on all property bills including sewer and water, parking tickets and taxes in order to be eligible for the grant. The work must be completed, inspected and approved by the Town before any grant funding is released.
- Patricia explained that the committee takes pride in the constancy. She highlighted a few changes to the 2023-2024 program including the fund increase to \$6,000 and that the committee decided to add two additional points in the scoring process for brand new units coming on the market. She said that the hope is with the larger grant award some new units will be added to the housing stock.
- The Committee has worked to create FAQs which will go with the application in hopes to help answer any questions applicants may have.
- The goal is to have the application ready for March 15th. The Committee will be accepting applications from April 1st until April 30th. The Committee will then review the applications in May and June and plan to present their recommendations to the Select Board at the June 26th meeting. After which time the announcements will be made to the recipients by June 28th. The landlords will then have from June 28th until April 30th, 2024 to complete the projects and close outs will take place in May and June of 2024.
- Outreach regarding the program continues through direct mailings and emails to all rental housing owners, ads in the Caledonian Record and NVDA Newsletter, and outreach on the Town's website. Kresten Sterling, Code Compliance Officer is spreading the word.
- Joe reviewed the funding sources with the board. ½ of the fees collected from the Rental Housing Registry goes into this grant program and at the end of the 2022-2023 program expecting to have a balance of about \$12,157.08. \$100,000 of the St. Johnsbury Revitalization Grant Fund will be applied to the 2023-2024 Grant Fund giving the 2023-2024 program just over \$132,000 in funds for this round.
- \$58,000 has been awarded in the past 3 years. Kresten is working hard to capture the total amount invested in rental properties due to this funding program and the impact. COVID still poses a challenge to get materials and contractors but the committee is proud of what has been done to date.
- Steve Isham suggested utilizing Front Porch Forum for outreach. Joe said that was a good idea.
- Steve Isham asked if the Committee had \$150,000 in improvements for 2023-2024 would the Committee consider tapping into the other \$100,000 the Committee set aside for 2024-2025. Joe expressed that he cannot speak for the entire Committee but he would advocate to come back to the Select Board to use those funds if they had some great projects.
- Steve Isham asked if the Committee was making it known that this \$200,000 is a onetime deal and that \$100,000 will not be allocated every year to the program. Joe explained that the committee was

aware and are hoping that the success of this program will grow to allow for more funding. He mentioned that the State of Vermont has been watching St. Johnsbury program and hopes that the Committee will be able to advocate for more funding based on the success of the program. He hopes that this program paves the way and people see that if this type of investment is done properly it goes a long way and is a low risk. Steve Isham expressed that it would be good to make the landlords aware that this is a onetime thing so they don't plan to put off projects thinking more will be there down the road.

- Chad mentioned that Kresten and he went over to Montpelier to the joint house and senate meeting to provide testimony about the program. Due to the number of participants while they were unable to speak at the event the Town did provide written testimony about the program and how the non-income restriction was beneficial.
- Jim Brown commented that he had recently had a conversation with a landlord and realtor who was saying that they are not interested in buying rental housing units in St. Johnsbury because of the registration fees, inspections and some other fees. This person was very negative about the program in St. Johnsbury. Jim mentioned that the Town is improving our housing stock by having these inspections.
- Dennis mentioned that the State was stepping up and creating a program of their own. Chad confirmed that the State has made some changes with regards to how Health Officers have to respond with complaints but have not fully created their own program. However he expects that it is coming down the road. Dennis mentioned that whether they deal with the State or the Town it is coming and they will be dealing with inspections in the future.
- Joe mentioned that it seemed a bit antidotal considering there has been transition of rental housing ownership in St. Johnsbury in the last year. He expressed that there was maybe 6 new owners who were new to St. Johnsbury and are excited and embracing it and have Kresten as a resource. Joe explained that he felt there was fear regarding the program early on but the program has become more of a resource now. He said he would question why they are afraid to let someone into their units. We are never going to make everyone happy but we want to see better quality housing and more housing and providing the resources and doing the inspections is important.
- Kresten explained that more times than not he is getting calls from landlords to set up inspections. When he calls landlords to come out and do the inspections he is not really getting any push back. The only time he has experienced push back is if landlords don't know anything about the inspections. He mentioned that it takes time to explain the inspections to the landlords ahead of time and provides them a copy of what he will be looking for making them feel more prepared for the inspections.
- Jim Brown expressed that it was good to know this information as it would give him ammunition the next time he speaks with this individual.
- Dennis highlighted the success story of the property that had a rental housing inspection which revealed they needed smoke detectors and fire extinguishers. The landlord had those installed and not too long after there was a fire in the building and the smoke detectors notified the tenants of the fire and they were able to use the provided fire extinguisher to put out the fire before it spread. He expressed that this proves that the program works. Dennis mentioned that if they are afraid of the inspections maybe we don't want them owning the rental buildings in town.
- Patricia expressed that this program gives those coming to St. Johnsbury the confidence that their rental is livable and they can feel safe there.
- Kresten mentioned that when most rental housing properties come on the market they don't last long. He stated he has been getting calls from potential buyers asking if I have done an inspection and if they can get a copy of the report to review before they purchase the property or on the other end people looking to sell their properties are calling to request an inspection prior to selling.

- Brendan commented that from a business stand point a good investment is a good investment. It shouldn't be a deterrent if it is well inspected.
- Chad explained that St. Johnsbury doesn't have separate codes that they use the State Fire Codes for inspections and it is a requirement to meet those codes whether or not they have an inspection.
- On a motion by Dennis and second by Brendan to approve the 2023-2024 Rental Housing Improvement Grant Program. All in favor.
- Chad Thanked the Rental Housing Improvement Grant Program for all of their hard work.

Town Manager's Report:

- Chad Whitehead, Town Manager provided the following Town Manager's Report.
- HCH submitted the ARPA Report and Data to the ARPA Committee. The Committee is currently reviewing and is scheduled to meet on March 6th. With the plan to bring it back to the Select Board on Monday March 13th assuming the Committee is are ready.
- Chad explained he will be meeting with Finance and the Treasurer on Wednesday to get their final input on what they might need to see on the St. Johnsbury Revitalization Grant fund application and process.
- The Water Treatment Facility is currently out for bid with a scheduled bid opening date of March 16th.
- The Railroad St. and Main Street Intersection Project has gotten approval from VTTrans to advertise. The goal is to hold a bid opening on March 30th.
- VOREC Grant has purchased 15 bikes with the Rec. Department and the bike trailer has been received. All snowshoes have been purchased and NEK Prosper has set up an online store front where you can go and reserve snow shoes and pick them up at Link. Two snowshoe events have taken place one on the LVRT bike trail and one through the Town Forest. While the grant agreement still isn't in place the State has informed us that we should have it soon. Once we do Gillian and I are prepared to get to work on our reimbursements.
- Gillian has secured marketing for the VOREC Grant with Fleck through the RFP process.
- Closing on 955 Portland Street is scheduled for tomorrow Feb. 28th. The purchaser intends to renovate the property for housing units.
- E Fire Department has filled one of two vacancies. There is a potential applicant that is working toward meeting the certification requirements for the position.
- Chief Reed has prepared a request for the replacement of Engine 1. Engine 1 was due to be replaced in 2021. Once ordered it is expected to take two years before we can take delivery.
- Chief Reed has submitted an Assistance to Firefighters Grant to replace the Fire Departments hydraulic equipment.
- Chief Reed has been working on completing an application for the SAFER grant which would cover all the labor expense for three full time positions for three years. This was part of the conditions of the current Fire Department CBA to bring up adequate staffing in the Fire House.
- Chief Reed has also worked with Dan Gray, Water Operator to complete some widly organic compound testing on our water source which was recommended by FEMA following the Ohio train derailment. The plume did come over the top of us. Based on the test results we do not have any concerns for the Town water source at this time.
- Chief Page with the assistance of Rachel continues to recruit to fill open positions within the Police Department. Our recent recruit gave his notice earlier this month. Chad mentioned he would be meeting with the Chief later this week to review coverage and staffing needs.

- The Police Department is anticipating delivery of two cruisers in mid to late March. 55% of the cost for the cruisers is coming from the USDA Rural Development Grant.
- Chief Page has recently entered into a 5 year Taser and camera contract with unlimited data storage. Our previous plan didn't have unlimited data and was costing more than this plan.
- DPW has been able to extend their ditching efforts and catch basin efforts with the milder weather.
- DPW came in Sunday to find that the furnace in the mechanic shop had failed. Luckily they were able to get it shut off and saved the building however a replacement furnace is going to cost around \$15,000.
- LVRT Extension Project continues. Engineers continue to work on the reports that are needed to accompany the USDA application that will go in in April.
- Tracy recently joined Chad along with Project Engineers and the Agency of Natural Resource Officials last week to talk about what permitting needs are going to be, develop a strategy of how we get everything submitted and making sure everyone is on the same page as to where we want the LVRT path to go.
- Jim Brown asked the Police Chief how the attitude of our Police Department is given the situation with the judges here in St. Johnsbury. Chief Page said it has definitely had an effect on the moral of the Officers. They are discouraged. The main message Chief Page continues to give them is that they have we have to keep doing our jobs and that is our purview and we have no control over it. Chief explained that the Department will continue to do their job and put the people before the judiciary and what they do from there is up to them. He explained that even the State Attorney's Office was a little frustrated with them. However Judge Jiron was just reappointed to the area so we will continue to work with him.

Other Business:

- Jim Brown expressed his concern that information is not getting out about all the good that is going on here at these meetings. He stated he was glad to hear that some marketing is going on and expressed that he feels it needs to happen more and more. He feels that marketing is important to spark interest on what is going on in Town. He mentioned that the Planning Commission is looking for two more members. Chad mentioned that he has a couple of individuals that have reached out regarding the vacancies.

Executive Session:

- On a motion by Dennis and second by Brendan that an executive session was needed to address labor negotiations and that premature general public knowledge would put the Town at substantial risk. All in favor.
- On a motion by Dennis and second by Brendan to enter executive session and invite the Town Manager. All in favor.
- On a motion by Dennis and second by Brendan to exit executive session.
- The Select Board Chair had nothing to report.

On a motion by Brendan and second by Dennis the board adjourned by unanimous decision.