



TOWN OF ST. JOHNSBURY

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Meeting of the St. Johnsbury Select Board August 26th, 2024 @ 6:00 pm

Present-

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

Staff: Chad Whitehead, Rachel Waterhouse, Stacy Jewell, Zan Zettler

Public: Dana Gray, KATV, Evan Oleson (via zoom), Patrick and Kelly (via zoom), Jim Brown, Gillian Sewake (via zoom), Deb Dolgin, Patrick White, Kathy Heath, Scott Beck, Richard Boisseau

Agenda Amendments:

- Chad Whitehead, Town Manager asked that Northern Forest Center 560 Railroad Street Project be added to the agenda.
- On a motion by Brendan and seconded by Tracy to add the Northern Forest Center- 560 Railroad Street Project be added to the agenda following warrants and minutes. All in favor.

Public Comment:

- Patrick Kennedy approached the Select Board to notify them of reckless fire arms shooting on Parker Ave just outside of the Special Services District. He explained that he had sent a detailed letter to the Select Board and included videos. Its hard to get law enforcement back up on this. When they purchased their place they were unaware that they lived outside of the special services district and would be covered by State Police not the Town Police Department. He mentioned that Joel has no interest in assisting with the problem,. He expressed concern that laws in the Town are not enforceable including dog tags and zoning laws. He felt that the Town was not very residential and that there was a possibility of a bad outcome.
- Kelly Kennedy approached the Select Board to voice her concern and make sure it was documented for future instances.
- Chad mentioned that he spoke with both the Kennedy's and the neighbors this morning and that he hopes to see this situation settle down.

Minutes:

- On a motion by Dennis and second by Frank to approve the Select Board meeting minutes from Aug. 8th, 2024 with the noted corrections. All in favor.
- On a motion by Dennis and second by Frank to approve the Select Board meeting minutes from Aug. 12th, 2024 with the noted corrections. All in favor.
- On a motion by Dennis and second by Frank to approve the Select Board meeting minutes from Aug. 19th, 2024 as presented. All in favor. Brendan abstained.

Warrants:

- On a motion by Frank and second by Brendan to approve the warrants as presented. All in favor.

Northern Forest Center- 560 Railroad Street Project:

- Chad Whitehead, Town Manager explained that Northern Forest Center is looking for a letter of support from the Town for a grant through the Department of Building and General Services.
- Evan Oleson from Northern Forest Center provided the Select Board with an update on the 560 Railroad Street Project. Construction is underway, site work will continue and windows are next. The project is still on target for a March 2025 completion.
- Evan explained that Northern Forest Center still has funding gaps for the project and is applying for state funding directly and is requesting a letter of support from the Town of St. Johnsbury.
- On a motion by Tracy and second by Frank to sign the letter of support for the Northern Forest Center project at 560 Railroad Street. All in favor.
- Chad explained that recently he had a chance to tour the building and the project is already taking shape and looks drastically different.

July Financials:

- Zan Zettler, Finance Officer provided the following July financials.
- At the end of July the General Fund had a shortfall of \$350,249. This is a result of temporary cash flow short fall due to upfront payments for town funded program expense and required prepaid expenses paid at the beginning of the 2024-2025 fiscal year.
- The Special Services Fund had a temporary cash flow shortage due to a temporary delay in the receipt of property tax revenue at the beginning of the 2024-2025 fiscal year.
- At the end of July the Highway Fund had a temporary cash short fall of \$237,115. The cash short fall was the result of unbudgeted material, labor, and contract services cost associated with the July 10th, 2024 and July 29th, 2024 flooding event in St. Johnsbury along with the beginning of the 2024-2025 fiscal year planned equipment purchases.
- The Water Fund, Sewer Fund and Parking Meter Fund all have revenue in excess of the expenses.
- Sullivan Powers was on site Aug. 12th thru Aug. 14th conducting the on site the end of year audit review. The Town is still working with vendors to secure end of year invoices and the fix assets roll forward required to complete end of year adjusting entries.
- Dennis asked about the special services property tax shortfall. Zan explained that July was the first month of the fiscal year and journal entries will be done once tax bill are received.

Flood Response Line of Credit:

- Chad Whitehead, Town Manager explained that Stacy, Zan and himself met to discuss the need for a flood response line of credit. He mentioned that the Town expects tax revenue in September and October. The initial response for the flooding has cost the town 1.1 million and the Town is only about 30% through repairs. Based on that the Town projects that the total cost for flood damage repairs to be around 3.7 million. Finance has suggested that the Town include an additional 25% making the request a total of 4.7 million dollars.
- The first declaration with the regards to the flooding has been made and the Town anticipates the second declaration soon. However the FEMA timeline is expected to be lengthy. Based on this the

Town is asking the Select Board to consider a loan through a local bank in the amount of 4.7 million to address the concern with cash flow for the next month. He explained that he would apply for the loan and Stacy Jewell, Town Treasurer would manage it. The loan would be in place but the Town would only use as needed.

- Frank asked about the interest rate on the loan. Chad explained that they are expecting the interest rate to be around 5%. However the interest rate would only be applied to what the Town borrows. Stacy explained that the Town will have more final details once the loan has been applied for.
- Brendan asked if this was something similar to what other Towns did last year. Chad said yes. Dennis mentioned that Lyndonville has applied for a line of credit. Zan explained that he recently attended a training where over 30 cities have expressed needs for funds
- Steve Isham asked if FEMA would reimburse at 100%. Chad explained that typically FEMA reimburses federally at 75%. Funding would then also be available through the State with a local match around 2.5%.
- On a motion by Frank and second by Dennis to authorize Chad Whitehead, Town Manager to pursue and apply for a Flood Response Line of Credit. All in favor.
- Jim Brown explained that the Planning Commission is working on the 2025 Town Plan and with the recent flood events he asked the Select Board and Town Manager's opinion on what should be included with regards to the Town's sustainability and ability to come back from floods.
- Chad explained that he has spoken with NVDA regarding flood resiliency on a regional level including storing water and reducing flash flooding. He explained that it would be helpful to have a hydrologist look at the region all together. He explained that the Town plan should be general and include something along the lines that the Town will start planning flood resiliency.
- Jim Brown asked if there was anything else besides looking at resiliency. Chad explained that understanding climate change was important.
- Dennis mentioned that this was not just a Town issue but a regional and statewide issue.
- Patrick asked if DPW had the man power to repair the roads or if work was contracted out. Chad explained that during the Town's initial response the Town secured as many contractors as they could to work on flood repairs. The Town is currently still rebuilding and the street sweeper will be out next week.
- Patrick asked if there was a committed time frame for repairs to be completed. Chad explained that the contractors had to move on to their scheduled business but the Town continues to conduct repairs.
- Patrick mentioned that there is still so much that needs to be done especially before winter weather comes.
- Steve Isham mentioned that he had the same concerns however roads need to be repaired in order to get plow trucks through. He also explained that DPW filled a pot hole last January and that is the only piece of the road that held during the flooding.

VT Revolving Loan Fund- Loan RF#-464-2.0:

- Chad Whitehead, Town Manager reviewed the VT Revolving Loan Fund Loans. RF#3-465-2.0 in the amount of \$71,300 for planning work on Railroad from Portland Street to Concord Ave. The loan is 50% forgiveness with 0% interest for the 5 years of the loan. Repayment would start in 2029.
- On a motion by Frank and second by Brendan to approve the VT Revolving Loan Fund RF#3-465-2.0 in the amount of \$71,300. All in favor.
- Chad Whithead, Town Manager reviewed the VT Revolving Loan Fund Loan RF#3-464-2.0 in the amount of \$77,300. Loan RF#3-464-2.0 in the amount of \$77,300 for design work on Portland

Street to the end of the village by Maple Grove. This loan includes 50% forgiveness with 0% interest for 5 years. The repayment would start in Sept. of 2029. This loan would be able to purchase out with the construction loan if needed.

- On a motion by Dennis and second by Frank to approve the VT Revolving Loan Fund RF#3-464-2.0 in the amount of \$77,300. All in favor.

Town Manager's Report:

- Chad Whitehead, Town Manager provided the following report.
- The Town is approximately 30% through the flood recovery. All roads are open and emergency services vehicles can get through.
- DPW continues to work on road repairs and prepare for winter. Stay mat is being placed and the grader is out working everyday. The street sweeper will be out later this week.
- The Public Safety Task Force met today to discuss the recent public meeting. The meeting on July 29th hosted at the St. Johnsbury Public School Hs 132 attendees that signed in to discuss law enforcement, housing and homelessness and mental health and addiction. He explained that the community is ready and wants to be involved in the change.
- Tomorrow is NEK Capital for the Day. Starting the day off with a discussion around outdoor economy in Burke followed by a discussion on Public Safety here in St. Johnsbury.

Other Business:

- Jim Brown inquired about where outside of the Special Services District Patrick and Kelly Kennedy lived. Dennis said Parker Ave.

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

August 29th Select Board: