

Select Board Members

Peter Hood, Chair
 Liz, Scharf, Vice Chair
 Randy Drury
 Vic Dwire
 Phil Hyjek

MIDDLESEX SELECT BOARD
TUESDAY, DECEMBER 20, 2022
Town Hall and via Zoom
5 Church Street
Middlesex, Vermont 05602
(802) 223-5915

MINUTES

PRESENT: Peter O. Hood, Chair, Liz Scharf, Vice Chair. Members Randy Drury (also a member of the Budget Committee) and Vic Dwire, who is also Road Commissioner. Treasurer Dorinda Crowell. Road Foreman Eric Metivier. Rubin Bennett, owner of rbTechnologies. Budget Committee members Mark Harris* and Elias Gardner*. The meeting was recorded on Zoom and by ORCA. Select Board Assistant Sarah Merriman took the minutes. (*signifies attendees via Zoom)

Call to Order

Peter called the meeting to order at 5:00 PM and welcomed guests. There were no amendments to the agenda.

FY24 Budget Workshop**Meeting with rbTechnologies's Owner Rubin Bennett**

Peter said a recent meeting with rbTechnologies helped clear up some communication issues the Town was having. Rubin agreed.

Email: Dorinda said there is one ongoing issue regarding the ease of using Rackspace email – she cannot send emails from her treasurer email to her treasurer email and this is causing communication issues with the bookkeeper. Rubin said Rackspace is not a great service, though it's cheap, noting Rackspace has been a victim of ransomware. He referred to a liability waiver the Board signed at rbTech's insistence for that reason when the Town signed on with Rackspace. Rubin suggested one email program across the board for the entire town, though that might be a more expensive option. He suggested using Office365 and, perhaps, a more expensive option to provide for archiving. He said Rackspace doesn't offer archiving and discovery and therefore does not follow a "best practice" model for a governmental entity. The cost per user is \$8/month for 365. Randy asked about Google workspace. Rubin said if you're using Word and Excel, then you might as well go with 365.

Randy said if there's not a significant difference in cost, then he would prefer to go with Office365.

Peter asked how to move forward; Rubin confirmed that Town officials would not lose their middlesexvermont.org email addresses if they switch to 365. Dorinda and Peter asked for costs for budgeting purposes. Rubin said he would have to put a project together since rbTech will have to determine where the emails currently live.

As part of a mail migration, rbTech will work with users, Rubin said. However, he discouraged using shared email due to lack of accountability. Peter asked Rubin to give the Board a rough number to plug into the FY24 budget before it's finalized in January 2023. Liz asked what his other clients use; Rubin said most use 365.

Server: Rubin estimated a new server will cost between \$18,000 – \$20,000 for hardware, software and installation, though that cost is heavily contingent on the supply chain. Rubin said it's a solid number for budgeting. The Town's current server goes out of support in October and Rubin said the goal would be to install the new server in early summer. Randy asked about ordering now due to lead times. Rubin said rbTech will invoice closer to the time of purchase because there's no lag time. When the server is installed, computer services will be down for a day in the Town offices. The users need to be present.

Other costs: Rubin said there's not much else in a multi-year plan. He said rbTech will put together an executive summary during contract-renewal time, which happens to be in the autumn. Rubin said he would be happy to meet with the Select Board at that time. Dorinda asked about the life expectancy of a new server; Rubin said four years. The Town's server is showing signs of aging. Randy asked about moving to a cloud-based system; Rubin said that's possible. However, the Town requires a database backend that requires a physical-based server.

Peter asked about what the Town should consider during its renovation of Town Hall; Rubin said think about access points. Rubin left the meeting.

Capital Planning Committee Presentation

Mark referred to a Capital Improvement Planning funding proposal that would dedicate \$60,000 in FY24 to a CIP fund to save for large purchases such as fire and highway trucks and smaller expenditures such as grant matches. He noted that some of the big capital expenditures - such as a new fire truck – have no "runway," while others are down the road. The costs in the spreadsheet ballpark a 5% interest rate though they have not been updated for inflation.

Debt service over the next 3-5 years will potentially increase significantly from the current debt service of \$183,000. Debt service must be paid and will eat into the budget, creeping from 10% to 15% of its costs depending on the size of the budget, Mark said.

Liz said the Town has historically taken out loans for Town vehicles. Would this fund eliminate loans? Randy said the Town won't be in that position for quite some time. However, by feeding a CIP fund, the Town can smooth out the peaks and valleys of good years and bad years.

The Board discussed the idea of using a ratio of funds and loans to pay for CIPs in the beginning as the fund is built up. Peter said he's been opposed to designating tax monies to funds to pay for big equipment because the taxpayers of today will not reap the benefits of the purchase in the future. That said, he liked the idea of being able to make a substantial down payment on big purchases. He also liked the planning aspect.

Dorinda said the paving fund is a good example of this model. With state grants plus money from the paving fund, the Town was able to execute two big road projects without going into debt.

The Board discussed asking the voters at the March 2023 Town Meeting to create a new fund. Dorinda recommended a designated Capital Improvement Fund which would be an umbrella with subsections into various funds (road, bridge, equipment, etc.) This has been under discussion with the Budget Committee. If the Highway Department is doing a good job maintaining equipment, for example, then those funds should not be robbed by other needs, Randy said. Sarah told the Board that there will have to be an article on the 2023 Town Meeting Warning to create a fund that will cover savings that can be rolled over year to year for those goals not covered by current funds.

Liz asked about borrowing versus using a fund to buy trucks, which the Town buys regularly. Mark said a lot depends on interest rates. Liz said she likes the flexibility a fund would offer.

Peter said all this aside, he's concerned about tax impact of \$60,000 increased funding to the CIP fund. Mark said the budget is going to be about a 10%-15% increase because there's no fat in the budget to cut. The Town may not fund \$60,000, but at least start the process of annually funding capital replacement.

Randy reminded the Board that this capital planning effort was undertaken at the request of the townspeople. If the Town doesn't start chipping into the fund now, the impact of future costs is going to be devastating. Liz said it's important to explain to the voters that the Town will be budgeting differently; the first year is going to have a pain point. Mark said, in the short term, the purpose of the CIP fund will be to soften the impact. Liz said she was in favor of the Budget Committee's proposal of adding \$60,000 into various funds. Mark said this committee was looking for a consensus of a CIP fund going forward. Randy said he likes the CIP fund because people will see the Town is investing in its future. Mark left the meeting.

General Budget Discussion

The draft FY24 budget includes wage increases of 3%. Peter questioned the 3% raise considering the current economy. Randy noted employees have 100% of their health insurance paid for, along with life insurance, and that they received mid-year raises in 2021 as well as a 5% bump on July 1. He said he'd like to see the whole package of wage plus benefits. Dorinda said currently all the employees take Town insurance, except for one who's paid \$1,800 annually in compensation. The increase in insurance is a cost-of-living adjustment that doesn't affect the Town employees, Randy said. Most places are shifting the cost of health insurance to their employees. Peter added that, unlike a pay raise, an increase in health insurance premiums is not taxed. The Board estimated that, very roughly, a 1% increase in pay costs the town about \$3,000 – though that number doesn't account for other costs such as the Town's proportional increased obligations for disability and retirement per employee.

The Board decided to remove \$198,000 in the proposed highway budget to cover repaving Shady Rill Road since that could come out of the paving fund. The Board discussed reducing mud mitigation – currently proposed at \$75,000 – to half or one quarter of that amount. Dorinda noted never has the Town budgeted for mud mitigation.

Randy said he'd prefer to see gravel in the CIP, otherwise the budgeted amount disappears every year. Eric said gravel should be added to roads every year. Liz said buildings and equipment are for the CIP; municipalities are discouraged from putting roads on a CIP. Randy asked about stock-piling gravel. The Board settled on \$38,500 for mud mitigation. Eric left the meeting.

The budget so far appears to be a 15% increase over last year's budget, which was a 9.76% increase over the previous year. The Board decided to devote most of its January 3, 2023, meeting to going through the budget line by line, at Dorinda's behest.

OTHER BUSINESS

MOTION: Liz moved, and Randy seconded approving the minutes of the December 6, 2022, Select Board meeting. The motion passed and the minutes were signed.

MOTION: Vic moved, and Liz seconded, accepting Theo Kennedy's resignation from the Budget Committee. The motion passed and the Board thanked Theo for his service.

MOTION: Liz moved, and Vic seconded accepting Margaret Schwartz's resignation as Emergency Management Coordinator. The motion passed and the Board thanked her for her service.

Peter read an email from Board Member Phil Hyjek in which he stated that he would not be running for reelection when his term expires in March 2023.

Randy said he'd like to see more outreach to fill vacant positions when Town officials resign. Liz agreed, noting spreading the word improves transparency.

All orders were signed.

Sarah referred the Board to MVFD Jeff Koonz's email with monthly updates (below) and that Eric Metivier was reelected Chief. The Board congratulated him.

The meeting adjourned at 7:26 PM

Respectfully submitted by Sarah Merriman, Town Clerk/Select Board Assistant

THE ABOVE MINUTES WERE APPROVED AS A WARNED AGENDA ITEM AT A REGULARLY SCHEDULED MEETING OF THE MIDDLESEX SELECT BOARD ON JANUARY 3, 2023.

PETER O. HOOD, CHAIR

ELIZABETH SCHARF, VICE CHAIR

RANDY DRURY

VIC DWIRE

N/A
PHIL HYJEK

20 Dec SB Meeting Notes from the MVFD

Total calls to date: 69	E-1 out 7 times
Calls over the last month: 8	E-6 out 2 times
Mutual Aid out: 0	T-1 out 3 times
Mutual Aid in: 0	R-1 out 3 times
Max members respond: 5	Tk-14 out 1 time
Min members respond: 3	
Avg members respond: 4.125	

Calls:

16 Nov, I-89, car slide off, E-1, 3 responders

4:20 PM

December 21, 2022

26 Nov, Shady Rill Road, Tree in road, E-1, 5 responders
26 Nov, Rt 12, Tree in road, E-1, R-1, 4 responders
26 Nov, East Hill Road, Tree in road, E-1 5 responders
02 Dec, 1080 US 2, Fire Alarm activation, false alarm, 3 responders
 Canceled by VSP before any vehicles could respond
04 Dec, Nellie Chase Road, CO detector activation, E-1, R-1, 4 responders
 Nothing found
13 Dec, Shady Rill Road Vehicle on it's side, E-1, E-6, R-1, 5 responders
 Vehicle was on all 4 wheels and had only gone off the road surface.
17 Dec, US 2, Tree burning on power line, E-1, 4 responders

Training: Emergency vehicle operations class room portion, driving will be held Sat 7 Jan.
 New air pak training Sat 7 Jan

Repairs: Heating system is back up and running.

Purchases:

Officer elections were held 6 Dec; Chief Eric Metivier, Asst Chief Jeff Koonz, Capt Bill Glennon, Capt Brendon Lareau

FAST Sq:

9 total for the reporting period
8 medical only calls
1 in conjunction with FD calls