

**MINUTES OF THE ANNUAL MEETING
OF THE
EDWARD FARRAR UTILITY DISTRICT
MAY 8th, 2019**

Present at the first Annual Meeting of the Edward Farrar Utility District:

Board of Commissioners: P. Howard Flanders, Chair; Natalie Sherman, Lawrence Sayah and Cynthia Parks.

District Staff: William Shepeluk, Manager and Carla Lawrence, Clerk.

Public: Gary and Sally Dillon, John Sherman, Alec Tuscany, Jan Gendreau, Beth Jones, Anne Imhoff, Marie-Andre Gervais, Mary Koen, Everett and Annie Coffey, and Catherine Flanders.

The inhabitants of the Edward Farrar Utility District who are legal voters in the District are hereby notified and warned to meet at the Steele Community Meeting Room at 28 North Main Street, Waterbury, Vermont on Wednesday May 8th, 2019 at 7:30 P.M. in the evening to act on the following matters:

ARTICLE 1: To act on the reports of the officers of the Edward Farrar Utility District.

Alec Tuscany made a motion to accept the reports of the officers of the Edward Farrar Utility District. The motion was seconded. William Shepeluk distributed the budget for the general fund of the Village that was inadvertently excluded from the Annual Report. Although the Village expired on June 30, 2018, there were expenditures and receipts of revenue that carried forward. P. H. Flanders explained that the Annual Report is a transitional report from the Village of Waterbury to the Edward Farrar Utility District. He then gave a brief history on Edward Farrar that is included in the report. The motion passed by voice vote.

ARTICLE 2: To elect by Australian ballot, the following officers: Two District Commissioners for a term of one year; and one District Commissioner for a term of three years.

With 16 votes cast by Australian Ballot, the results of Article 2 are as follows:

For District Commissioner for a term of one year:

Lawrence Sayah	12
Natalie Sherman	12
Blanks	7
Write-Ins	1

For District Commissioner for a term of three years:

Cynthia Parks	16
Blanks	0
Write-Ins	0

ARTICLE 3: To set the compensation of the District officers for the ensuing year.

Jan Gendreau made a motion to set the compensation of the Edward Farrar Utility District Commissioners for the ensuing year as follows:

Chair	\$1,450
Commissioners	\$1,250 each
Clerk	\$ 550

The motion was seconded and passed by voice vote.

ARTICLE 4: To see if the District will authorize the Commissioners to borrow a sum of money by note, for a period not to exceed five years, to make improvements to the water system.

Cynthia Parks made a motion to authorize the Commissioners to borrow up to \$200,000 by note for a period not to exceed 5 years on terms agreeable to the Commissioners to pay for improvements and equipment for the water department. The motion was seconded.

William Shepeluk explained that the authorization is given in the event it is necessary to borrow. The prediction at this point in time is that borrowing will not be necessary. The major improvement under consideration for the water department is the work that is being done as part of the Main Street reconstruction project. Mary Koen asked if the potential borrowing is authorized just for this year. W. Shepeluk explained that the authorization stays in effect in perpetuity until unauthorized by the voters. The expectation is that this amount, if approved, is enough to get through the three year reconstruction project. The motion passed by voice vote.

ARTICLE 5: To see if the District will authorize the Commissioners to borrow a sum of money by note, for a period not to exceed five years, to make improvements to the wastewater system.

Lawrence Sayah made a motion to authorize the Commissioners to borrow up to \$275,000 by note for a period not to exceed 5 years on terms agreeable to the Commissioners to pay for improvements and equipment for the wastewater department. The motion was seconded.

W. Shepeluk explained that, similar to the previous article, the anticipated borrowing is related mostly to the Main Street Reconstruction project. He noted that last year's authorization for borrowing was from the voters of the Village of Waterbury and so to be clear, this motion will authorize the Utility District to borrow if necessary. The motion passed by voice vote.

ARTICLE 6: To see if the District will provide direction to the Commissioners concerning the disposition of and future uses of the assets now held in the Tax Stabilization Fund of the District.

Natalie Sherman made a motion to establish a Utility Capital Reserve Fund for the Edward Farrar Utility District through the adoption of the following resolution:

**A RESOLUTION FOR THE CREATION OF A
UTILITY CAPITAL RESERVE FUND**

BE IT RESOLVED THAT, on the charts of account of the Edward Farrar Utility District, there is hereby created a capital reserve fund pursuant to 24 VSA 2804(a), to be known as the Utility Capital Reserve Fund, under the control of the District Board of Commissioners, and dedicated to the repair, replacement, acquisition and enhancement of capital assets now or hereafter integrated into the District's public water supply and sewage disposal systems; and

BE IT FURTHER RESOLVED THAT, the sum of \$337,272.39 as of December 31, 2018 is hereby appropriated from the Tax Stabilization Account within the District's General Fund and transferred to the Utility Capital Reserve Fund, which appropriation, together with subsequent deposits shall be used for the purposes for which Reserve Fund is created; and

BE IT FURTHER RESOLVED THAT, the balance of the Tax Stabilization Account, following the transfer of \$337,272.39 as of December 31, 2018 to the Utility Capital Reserve Fund, shall be maintained within the General Fund in a General Property Management Account for the purpose of preservation, upkeep and improvement of various real estate owned by the District.

The motion to establish a Utility Capital Reserve Fund for the Edward Farrar Utility District through the adoption of the afore-read resolution was seconded.

W. Shepeluk brought the voters' attention to page 14 of the Annual Report. He indicated that as of December 31, 2018 there was \$447,273 in the Tax Stabilization and CIP Funds. The hope of the Commissioners is to have no more taxes in the District; therefore there is no reason to have a Tax Stabilization Fund. There is still the authority to issue a tax bill if the water and wastewater revenues do not generate enough money to pay bonds when due.

The Commissioners discussed establishing a fund to cover upkeep of the properties owned by the District, distinct from expenses related to water and wastewater. Water and wastewater revenues can only be used for expenses related to their respective departments. The District owns properties that are not related to water or wastewater for which it pays general liability insurance. This article serves to transfer money from the Tax Stabilization Fund to set aside funds for the improvements to the water and wastewater systems. If approved, this article will transfer \$337,272 from the Tax Stabilization Fund and rename it the Utility Capital Reserve Fund which shall be used for the water and wastewater systems. The remaining funds will be named the General Property Management Account for the purpose of preservation, upkeep and improvement of the various real estate owned by the District.

The demolition of the property at 51 South Main Street was discussed. Jan Gendreau asked the Commissioners what their intention is as to the disposition of the property in the future. P. H. Flanders stated that the Commissioners will be in discussions about the property but that it will be used for parking during the Main Street reconstruction project.

Mary Koen asked if there will there be paving or improvements to the lot at 51 South Main. When the building is down, the District will have to make the lot suitable for parking. Most likely, the extra parking will be a gravel lot. It is the Commissioners vision to provide off street parking for the loss of on street parking during the Main Street reconstruction project.

Alec Tuscany asked if any consideration has been given to the pros and cons of keeping the District properties. P. H. Flanders responded that the Commissioners will have a meeting sometime during the next year to discuss.

Gary Dillon asked if there is a timetable on when the parking lot at 51 South Main will be available. The expectation was that the building would be down by this time, but weather intervened. Main Street reconstruction started further south of the building so parking is not yet needed. A discussion was held as to the hazardous materials found in the building.

The motion passed by voice vote.

ARTICLE 7: To do any other business that may legally come before the meeting.

Everett Coffey recommended that the Commissioners return to an evening meeting and that such meeting be videotaped.

P. H. Flanders stated that he was remiss at not mentioning at the beginning of the meeting that Robert Finucane is in the Dominica with Engineers Without Borders and therefore was unable to attend the meeting.

There being no further business, the meeting was adjourned at 8:30pm.

Respectfully submitted,

Carla Lawrence, District Clerk

Approved on: _____

An audio recording of this meeting is available at the District Clerk's office.