

**TOWN OF UNDERHILL
SELECTBOARD MEETING MINUTES
6:00 p.m., Tuesday, April 1, 2014**

Selectboard: Seth Friedman and David Rogers

Town Staff: Nate Sullivan, Mona Sheppard, Brian Bigelow

Public: Janet Herrero, Pam Parshall, Jan Steinbauer, Chris Hunt, Bob Murphy

6:00 p.m. Meeting called to order.

6:01 p.m. **Public Comment** – None

6:05 p.m. **Town Departments** – Town Finance Officer Mona Sheppard discussed handouts dated April 1, 2014 that were provided to the Selectboard. Discussion was held on funding options and other considerations for the Capital Improvement Program (CIP).

Consensus of the Board was to revisit with a full Board in attendance to discuss: transfer approximately \$220,000 from the General Fund Reserve to the Capital Improvement Fund and further hone the dollar amounts of various capital items.

Road Foreman Nate Sullivan advised the Board that he was anticipating closing out the remaining FEMA sites this summer; with the Town performing the work at Sam Ward Rd., Repa Rd. and Daudelin Rd. The final work at Poker Hill Rd. and Cilley Hill Rd. would be contracted out.

7:01 p.m. **Old Business**

68 Range Road Access Application

Chris Hunt summarized the new application and revised engineering (O'Leary-Burke, dated 3/21/14) for driveway on land (RA068T) he has recently purchased. Consensus of the Selectboard was to review plan for the April 15, 2014 Selectboard meeting.

Stevensville Road Speed Study

The requested study has been received from the Chittenden County Regional Planning Commission. The recommendation was to retain the current 35 MPH speed limit but to remove brush and install additional signage. Area resident Bob Murphy offered to clear the brush. The consensus of the Selectboard was to follow the recommendations of the engineering study. Town Administrator to advise Road Foreman.

Renewal of Town Land Contracts. David Rogers moved to approve the renewal of the Town Land Contract for Paula and William VanDenenter at 23 Poker Hill Road. Seth Friedman seconded and the motion passed 2-0.

David Rogers moved to approve the renewal of the Town Land Contract for Greg and Laura-Jean Wolf at 41 Jackson Hill Road. Seth Friedman seconded and the motion passed 2-0.

David Rogers moved to approve the renewal of the Town Land Contract for Larry Westall at 172 River Road. Seth Friedman seconded and the motion passed 2-0.

David Rogers moved to approve the renewal of the Town Land Contract for Richard Heh Jr. at 52 Kelley Road. Seth Friedman seconded and the motion passed 2-0.

David Rogers moved to approve the renewal of the Town Land Contract for Walter and Marilyn Weir at 178 Poker Hill Road. Seth Friedman seconded and the motion passed 2-0.

David Rogers moved to approve the renewal of the Town Land Contract for John and Carol LaRue at 128 River Road. Seth Friedman seconded and the motion passed 2-0.

Chair reviewed Atty. John O'Donnell's email regarding TH #26. The litigated determination is that the middle section between New Road and Fuller Road is a trail. Time has been reserved on the April 29, 2014 Selectboard agenda to gather initial input on how to balance public use of the trail and access for abutting property owners within the local Trail Ordinance. Abutters have been notified by the Town Administrator.

8:12 p.m. Warrants and Minutes.

Review of 03/15/14 Minutes. David Rogers moved to approve the minutes of 03/15/2014. Seth Friedman seconded and the motion passed 2-0.

Current Warrants reviewed and signed.

8:16 p.m. Announcements/Schedule.

Announcement made of next regular Selectboard Meeting scheduled for April 15, 2014 at 6:00 PM.

7:38 p.m. Adjournment.

David Rogers moved to adjourn. Seth Friedman seconded and the motion passed 2-0.

Submitted by Brian Bigelow, Town Administrator

Read and Approved as submitted/amended.

Seth Friedman, Chair

Date



CAPITAL IMPROVEMENT PROGRAM - FUNDING

RaMona Sheppard
April 1, 2014

- 2010 – 2014
Total \$1,087,640
\$217,528 annual average
 - 2013 – 2018
Total \$2,108,000
\$351,333 annual average
 - 2014 – 2019
Total \$3,751,120
\$625,187 annual average
 - 2015 – 2020
Total \$3,610,000
\$601,667 annual average
- **Average annual increase -
\$384,139 !**





History of Underhill CIP

- 2009 CIP
 - ~~5~~³ vehicles = \$608,950
- 2012 CIP
 - Planning Commission - 7 vehicles = \$1,235,000
- 2013 CIP
 - Effect of GASB 34 - 6 vehicles = \$1,035,000
 - First year in budget
- 2014 CIP
 - 9 vehicles = \$1,575,000

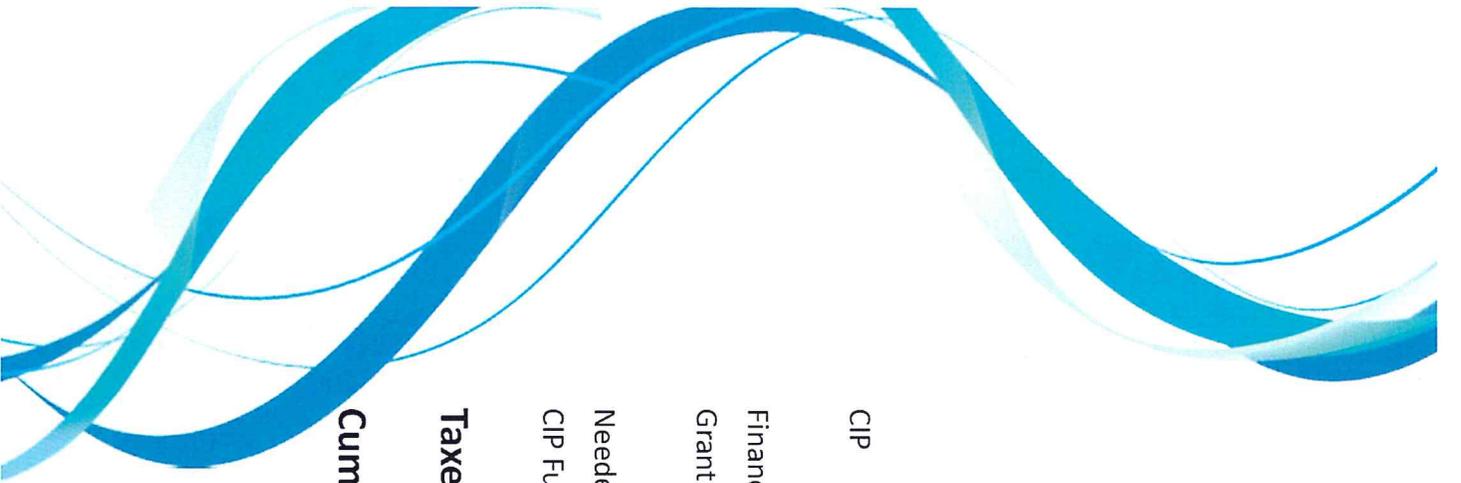


CIP Debt Projection - Vehicles

2011	\$105,311
2012	\$ 87,947
2013	\$ 85,111
2014	\$121,698
2015	\$118,063
2016	\$143,469
2017	\$159,445
2018	\$195,366
2019	\$193,765
2020	\$269,850
2021	\$307,411

Assumptions:

- First debt payment of principal and interest is due in the fiscal year following the fiscal year of purchase.
- No increase in interest rates. Current financed at 2.44% per annum.
- Cash purchase of pick up truck in FY 2018.



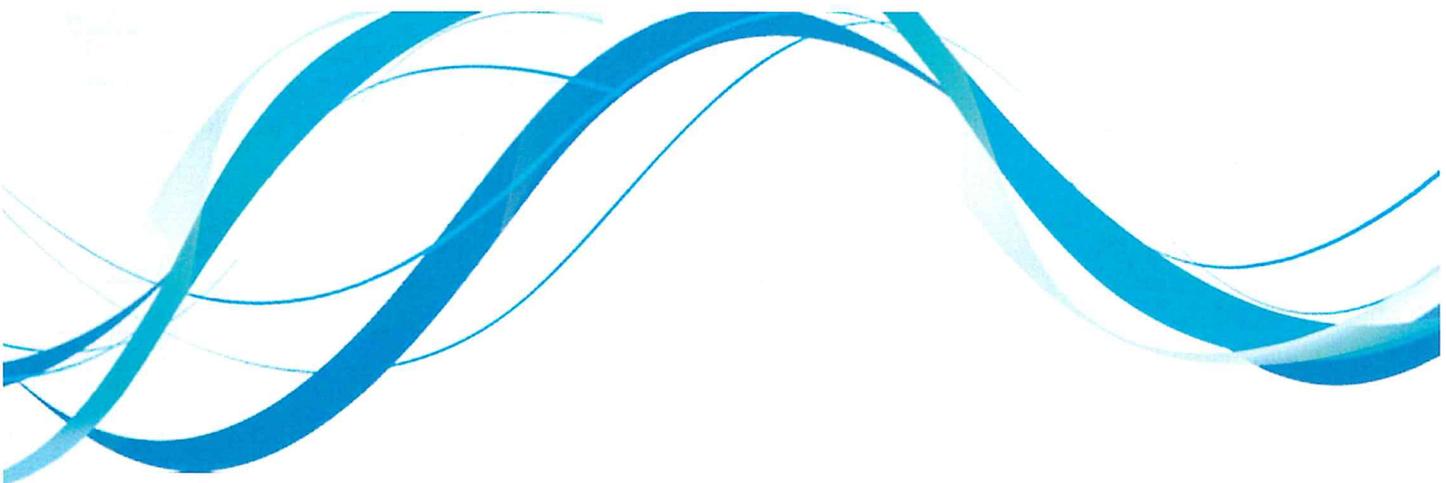
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
CIP	\$500,000	\$620,000	\$650,000	\$485,000	\$700,000	\$655,000
Financed	(160,000)	(200,000)	(200,000)	(210,000)	(425,000)	(380,000)
Grants	-0-	-0-	(120,000)	-0-	-0-	-0-
Needed Taxes	340,000	420,000	330,000	275,000	275,000	275,000
CIP Fund	-0-	125,000	200,000	225,000	225,000	225,000
Taxes	\$340,000	\$545,000	\$530,000	\$500,000	\$500,000	\$500,000

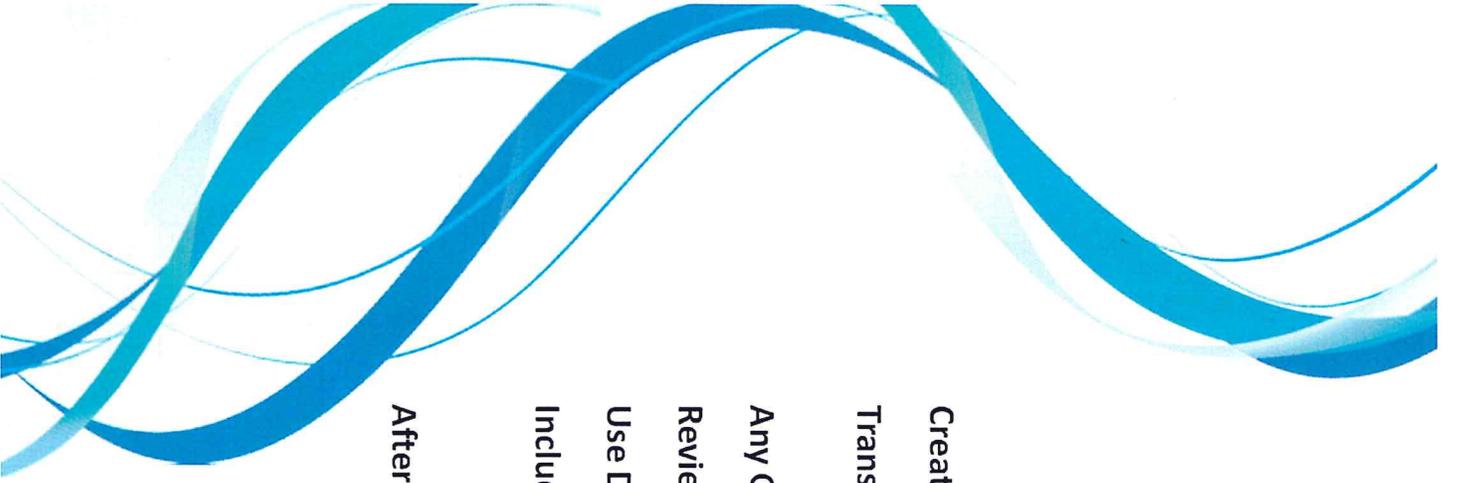
Cumulative transfers to Capital Improvement Fund:

-0-	\$125,000	\$325,000	\$550,000	\$775,000	\$1,000,000
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Town of Underhill
 Capital Improvement Fund
 Projection Thru FY 2020

	Highway	General	Total
2012 Surplus to Capital	165,000	20,000	185,000
Carry over of TH Roof		35,000	35,000
2013 Surplus to 2014	35,000	7,500	42,500
Subtotal	200,000	62,500	262,500
2014 Estimate			
Structure Grant	133,649	-	133,649
Transfer from Gen'l Fund - taxes	219,120	42,500	261,620
Sidewalk Grant	32,000		32,000
Capital Acquisitions	(383,620)	(62,500)	(446,120)
Fund Balance 6/30/2014	201,149	42,500	243,649
2015 - 2020			
Debt - Loans	2,345,000	-	2,345,000
Taxes to support CIP	2,115,000	95,000	2,210,000
Taxes for fund build up	895,000	105,000	1,000,000
Grants	120,000		120,000
Capital Acquisitions	(4,580,000)	(95,000)	(4,675,000)
Balance 6/30/2020	1,297,298	190,000	1,487,298





Create Capital Improvement Fund

Transfer Current Reserves to Capital Improvement Fund
At June 30, 2013 = \$262,500

Any Grants for Capital to Capital Improvement Fund

Review Vehicle/Equipment Acquisition Schedule

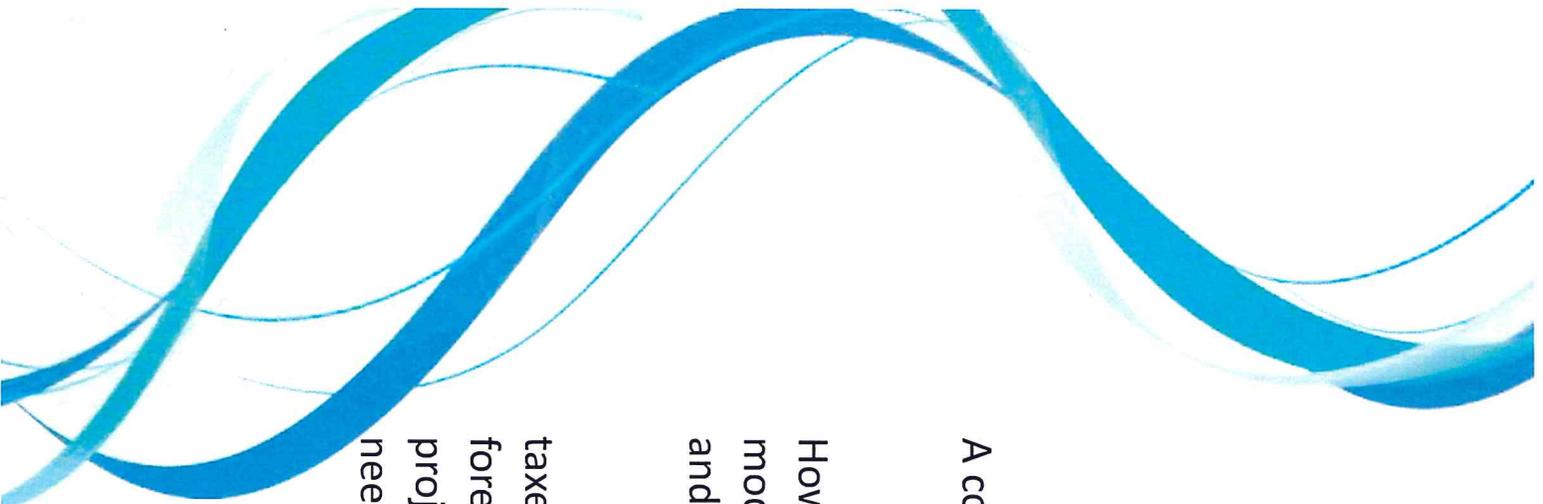
Use Debt Financing for Vehicle/Equipment Purchases thru 2020

Include Budget Line Annually for:

Transfer to Fund for Annual Acquisitions
Transfer to Fund to build up \$1,000,000 by June 30, 2020

After 2020:

Use Debt Financing Sparingly
Continue to Budget \$500,000 annually as either fund
replenishment or acquisitions



A comment on funding.

I see very few projects that would lend themselves to impact fees. However, it's possible that the recreation area could have it's upkeep and moderatization taken care of with impact fees. Recreation is easily separated and is an area readily available for use by all town residents.

The primary areas for funding will be loans, grants, and property taxes. I've only included one grant in the forecast because of the difficulty in forecasting them. Any grant monies received in connection with capital projects, could be used to build the fund balance or to reduce the amount needed in tax revenue.

Finance Department Handouts

April 1, 2014

Attached:

Underhill Birthday Celebration

Highway Structures Grant

Underhill Flats Sidewalk Grant

FEMA Revenue and Cost and Projection of Remaining Costs

Fiscal Year 2014 Capital Expenditures Budget Status

Contingency Reserve – Resolve to add \$45,306

In Process:

Highway Department Expenditure Forecast thru Fiscal Year End – Still in process. Will finish Monday.

Have met with Nate, but haven't finished working the numbers.

Underhill Birthday Celebration

Expenditures to 6/30/13:

Hartigan	\$ 733.80
Vermont Tent Company	2,334.00
First Step Printing	400.00
Rick Heh - misc expenses	1,111.35
Rick Heh -Lamell Lumber	35.00
Clean Green Sanitation	118.00
All Phase Property Maint	240.00
Total	\$ 4,972.15

Town agreed to pay :

	5,000.00
Balance Available	\$ 27.85

Receipts:

Hot Dog/Burger Donations	\$ 325.00
Roland Buerogis	100.00
All other donations	1,886.75
Total	\$ 2,311.75

Summary of Available Funds

Balance from town	27.85
Balance from collected	2,311.75
6/30/2013 Funds Available	\$ 2,339.60

FY 2014 Expenditures and Balance

8/29/2013 U S Postal Service	\$ 17.05
To Rick Heh:	
8/14/2013 Best Buy:Microphone and Digital Voice Recorder	\$ 90.68
10/10 - 10/12/13 Price Chopper & Dunkin Donuts:Napkins, cups, donuts	\$ 62.42
10/14/2013 UPS Store: Box for Time Capsule	\$ 15.87
11/16/13 Peter Demcon: Caller at Dance at Roger's Barn	\$ 100.00
11/16/13 Brian Perkins: Musician and sound system	\$ 275.00
11/16/13 Essex Equipment:Rental of heating for barn	\$ 156.88
11/06/13 Best Buy:Recorder and microphone	\$ 90.08
11/16/14 Price Chopper:Cider and donuts	\$ 67.88
To Mary Hill	
03/22/14 Michaek's - paint for banners	\$ 217.04
	\$ 1,092.90

6/30/2013 Funds Available	\$ 2,339.60
Expenses 2014 to date	(1,092.90)
04/01/14 Balance	\$ 1,246.70

Underhill Town Highway Structures Grant
Term July 1, 2013 to December 31, 2015

Source of Funds: State 100% Federal 0%

Maximum Award Amount - 90% up to ---- \$ 175,000.00

Payment Provisions:

Quarterly Progress Reports are due no later than the 15th of the month following quarter being reported:
 January 15, April 15, July 15, and October 15

Submissions to:

Dick Hosking
 District Program Manager
 Vermont Agency of Transportation
 District 5
 189 Troy Avenue
 Colchester, VT 05446

Total Cost	\$ 134,209.81
Grant	<u>\$ (120,788.83)</u>
Town Cost	<u>\$ 13,420.98</u>

Subcontractor bid accepted: G.W. Tatro Construction, Inc. \$ 124,380.00

Final Costs:

G.W. Tatro	\$ 128,598.00	Over their bid by \$ 4,218
Mike Weisel	3,182.72	
F. R. Lafayette	2,133.00	
Green Mountain Flagging	112.00	
Reprographics	91.79	
The Mountain Gazette	47.10	
Brian Bigelow - Mileage	45.20	

Total \$ 134,209.81

90% Reimbursement \$ 120,788.83

State Payment Received \$ 121,091.23

Overpayment \$ 302.40 VAT Notified of overpayment
 on January 9, 2014

Town of Underhill
4120 and 4140 FEMA Declarations
Revenue and Expenditures

<u>Revenue</u>	<u>2013</u>	<u>2014</u>	<u>Total</u>	
Federal 4120	150,025.74	161,712.98	311,738.72	
Federal 4140	-	23,388.80	23,388.80	
State 4120	30,005.15	32,342.60	62,347.75	
State 4140	-	4,677.76	4,677.76	
Total Revenue	180,030.89	222,122.14	402,153.03	
<u>Expenditures</u>				
4120	234,066.11	225,468.50	459,534.61	
4140	-	12,578.05	12,578.05	
Subtotal Actual Expenditures	234,066.11	238,046.55	472,112.66	
<u>Remaining Projects</u>				
4140				
Barett Lane	-	5,300.63	5,300.63	
4120				
Cilley Hill Road	-	20,769.50	20,769.50	Road Crew - 2 weeks
Daudelin Road	-	13,600.00	13,600.00	Road Crew - 1 week
Poker Hill	-	6,200.00	6,200.00	Armstrong Construction
Repa Road	-	3,500.00	3,500.00	Road Crew - 1 week
Sam Ward	-	12,975.00	12,975.00	Road Crew - 2 weeks
Subtotal Remaining	-	62,345.13	62,345.13	
Total estimated costs	234,066.11	300,391.68	534,457.79	
Net Loss	(54,035.22)	(78,269.54)	(132,304.76)	
Town 10% based on project workpapers			<u>44,683.67</u>	
Estimated overrun			<u>(87,621.09)</u>	
Receivables Due as of 4/1/2014				
Federal 4120	9,337.03	4,702.12	14,039.15	
State 4120	30,005.15	32,342.60	62,347.75	
Federal 4140	-	3,975.47	3,975.47	
State 4140	-	4,677.76	4,677.76	
	<u>39,342.18</u>	<u>45,697.95</u>	<u>85,040.13</u>	
			-	
			-	

General Government Capital			
<u>Description</u>	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
File Server	-	12,075	(12,075)
Air Conditioning	-	9,994	(9,994)
Internal Security and Workspace Renovation	5,000	-	5,000
Historical Preservation & Renovation - Building	50,000	17,774	32,226
Composting Toilet - Recreation	7,500	-	7,500
	62,500	39,843	22,657

Highway Capital			
<u>Expenditures</u>	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Page Road Box Culvert	70,000	133,649	(63,649)
Sidewalk	40,000	432	39,568
Paved Roads	143,620	-	143,620
Gravel Roads	130,000	-	130,000
Garage Roof Rebuild	-	785	(785)
Heaters	-	8,409	(8,409)
	383,620	143,275	240,345
<u>Sources of Revenues Used</u>			
			-
Page Road - Structures Grant	-	121,091	121,091
Sidewalk Grant	32,000	-	(32,000)
Paved Roads	75,000	-	(75,000)
Gravel Roads	-	-	-
Heaters	-	-	-
	107,000	121,091	14,091
<u>Excess of Expenditures over Revenues</u>			
Page Road - Structures Grant	70,000	12,558	57,442
Sidewalk Grant	8,000	432	7,568
Paved Roads	68,620	-	68,620
Gravel Roads	130,000	-	130,000
Heaters	-	8,409	(8,409)
	276,620	21,399	255,221

Town of Underhill
Contingency Reserve

<u>Date</u>	<u>Highway Budget</u>	<u>General Budget</u>	<u>Total</u>	<u>General Contingency</u>	<u>Highway Contingency</u>	<u>Total Contingency</u>	<u>Date of Entry</u>
2013 Budget	1,074,967.18	1,137,072.50	2,212,039.68	21,499.00	22,741.00	44,240.00	6/30/2012
2014 Budget	1,090,111.00	1,175,229.96	2,265,340.96	21,802.00	23,504.00	45,306.00	
2015 Budget	1,239,362.00	1,173,331.00	2,412,693.00	24,787.02	23,466.02	48,253.04	
Total	3,404,440.18	3,485,633.46	6,890,073.64	68,088.02	69,711.02	137,799.04	

Based on March 6, 2012 Town Meeting Australian Ballot Article 9:

Shall the voters establish a reserve fund, in an amount not to exceed 2% of the general and highway fund budget to cover unanticipated revenue shortfalls and to pay non-recurring and unanticipated general and highway fund expenses, in accordance with 24 V.S.A. § 2804(a)?

