CITY OF RUTLAND, VERMONT
Board of Aldermen Minutes
Monday, June 28, 2010

Members present; President Allaire, Aldermen Dress, Barrett, Notte, Larson, Tilden, Robinson, Sargeant, Coleman, and Davis. City Attorney Costello and City Clerk Heck. Alderman DePoy was absent.

President Allaire called the meeting to order at 6:00 PM

President Allaire stated that the Board was present to approve the FY 2011 water and sewer budget. He stated that there were several issues to decide based on Treasurer Wilton's proposed options to finance portions of the budget.

Treasurer Wilton explained her options based on rates proposed by business manager Mary Ann Dulli. The debate lasted for approximately 25 minutes, with several Aldermen stating concerns about the Treasurers proposal; other Aldermen stated that uncontrollable cost, the new water roof and prior debt have dramatically increased the cost of future rates. Other Aldermen thanked the Treasurer for her creative thinking on financing and trying to save the rate payers additional rate increases.

With no decision from the Board on the Treasurers proposal, President Allaire asked the Board to move on to the actual budget. Alderman Notte read his report with the following motions.

WATER TREATMENT:
A motion to approve the water treatment budget of $809,685 was made and seconded (Notte, Tilden). There was brief debate. **Motion passed.**

WATER DISTRIBUTION:
A motion to approve the water distribution budget of $641,860 was made and seconded (Notte, Tilden). Debate.
Alderman Larson made a motion to reduce the overtime line from $20,000 to $10,000. The motion was seconded by Alderman Barrett. Brief debate ensued from Alderman Notte and Larson. Commissioner Shelvey spoke out in support of the increase. By a vote of 4-5 the **motion failed.**

A motion was made and seconded (Barrett, Dress) to reduce the Machinery/Equipment line from $51,900 to $1,900. **Motion failed.**

Alderman Coleman made a motion to reduce the Machinery/Equipment line from $51,900 to $15,900. Motion was seconded by Alderman Davis. There was brief debate from Alderman Sargeant on the lease numbers presented by Treasurer Wilton. **Motion failed.**

Alderman Dress challenged the Chair in regards to the out come of the motion. President Allaire asked for a show of hands that supported the motion, four Aldermen raised their hand.

President Allaire stated that the Board was back to the original motion, to approve the water distribution budget of $641,685. He asked if there was any debate, seeing none the **original motion failed.** The Board recessed at 7:10 PM. At 7:20 PM the Board reconvened.

After brief discussion on the lease option for the truck a motion was made and seconded (Robinson, Notte) to cut the Machinery/Equipment line from $51,900 to $15,901. **Motion failed.**

Alderman Dress proposed cutting 1 fulltime position; the proposal needed a dollar value. A motion was made and seconded (Dress, Robinson) to reduce the salary line from the Water Distribution budget by $50,000. Debate. There were questions to the number of fulltime employees at water distribution and what the effect would be if an employee was terminated. **Motion failed.**

A motion was made and seconded (Dress, Robinson) to reduce the Machinery/Equipment line again from $51,900 to $1,901. Unsure of the vote results the Chair asked for a show of hands. **Motion passed** 6-3.

A motion was made and seconded (Larson, Robinson) to reduce the Training & Professional Development line in the Water Distribution budget from $2,000 to $1,500. **Motion passed.**

A motion was made and seconded (Larson, Robinson) to reduce the Topsoil and Seed line of the Water Distribution budget from $2,000 to $1,000. **Motion passed.**

The chair stated that the new budget total for Water Distribution was $590,360.

A motion was made and seconded (Dress, Larson) to reduce the Gravel, Sand and Stone line from $20,000 to $15,000. **Motion passed**.

The chair stated the new total for Water Distribution at $585,360, hearing no further debate or motions the vote was called. **Motion passed to approve the Water Distribution budget at $585,360**

Alderman Notte continued with his report.

<u>**WATER METER:**</u>
A motion was made and seconded (Notte, Tilden) to approve the Water Meter budget for $329,224. **Motion passed.**

<u>**WASTE WATER COLLECTION:**</u>
Alderman Notte stated coming out of committee there were no recommendations as his committee split their votes 2-2. President Allaire stated that the Board would start with the original budget of $635,672.

A motion was made and seconded (Barrett, Davis) to reduce the Repairs and Maintenance of Buildings line from $46,900 to $1,000. Debate. Alderman Sargeant had prepared a financial analysis chart, depicting the potential pay back from financing the project. **Motion passed**.

A motion was made and seconded (Dress, Barrett) to reduce the Machinery/Equipment line of the Waste Water Collection budget from $53,400 to 0. Debate. There was some debate to the fact that the line contained other monies than just for the truck that Alderman Dress wished to reduce. Alderman Dress amended his motion to leave the $3,400 in the line and reduced the line by $50,000. **Motion passed.**

A motion was made and seconded (Davis, Dress) to reduce the propane line from $7,000 to $5,000. **Motion passed.**

A motion was made and seconded (Barrett, Larson) to reduce the Seasonal Employee line from $6,500 to 0. Debate. Several Aldermen questioned the Commissioner on the duties and responsibilities of the seasonal employees and the potential cost savings if any, from eliminating the line. The Commissioner stated that there would be no savings and the cut would add cost, as highly trained employees would be used to "vac" instead of the seasonal lower paid employee. **Motion failed.**

A motion to approve the Waste Water Collection budget of $537,772 was made and seconded (Davis, Notte). **Motion passed.**

WASTE WATER TREATMENT:
A motion was made and seconded (Notte, Tilden) to approve the Waste Water Treatment budget of $2,280,060 (pending receipt of a $78,000 grant for a new blower). There was brief debate. **Motion passed.**

PUMP STATIONS:

River Street Station; A motion was made and seconded (Notte, Davis) to approve the budget of $9,170. **Motion passed.**

Country Club Station; A motion was made and seconded (Notte, Tilden) to approve the budget of $710. **Motion passed.**

Dorr Drive Station; A motion was made and seconded (Notte, Tilden) to approve the budget of $4,010. **Motion passed.**

Clement Road Station; A motion was made and seconded (Notte, Tilden) to reduce the budget to $3,060. Debate. The motion reduced the Machinery/Equipment line from $57,000 to 0 leaving $3,060 for a budget. Alderman Barrett questioned the need to upgrade the electrical and made a motion to increase the Machinery/Equipment line to $15,000. Motion was seconded by Alderman Notte. After brief debate on the motion, the new total for the Clement Rd. budget was $18,060. **Motion passed.**

Belden Road Station; A motion was made and seconded (Notte, Barrett) to approve the budget of $1,500. **Motion passed.**

North East Station; A motion was made and seconded (Notte, Tilden) to approve the budget of $1,900. **Motion passed.**

Lavern Drive Station; A motion was made and seconded (Notte, Tilden) to approve the budget of $1,360. **Motion passed.**

Marolin Acres Station; A motion was made and seconded (Notte, Tilden) to approve the budget of $1,050. **Motion passed.**

At this portion of the meeting the President stated that this concluded the Water and Sewer Budget, he addressed the option to debate Treasurer Wilton's options of financing. A motion was made and seconded (Dress, Davis) to accept the Treasurer's proposal. Lengthy debate ensued. A question as to what the rate increase would be after the cuts have been made was presented by Alderman Robinson. Business manager Dulli was working on those figures. At 8:40 PM the President recessed for 10 minutes. At 8:51 PM the Board reconvened. Business Manager Dulli presented the Board with projections based on the new budget approved by the Board. Debate again ensued. The Chair was in doubt on the vote and asked for a show of hands. The **Motion failed.**

A motion was made and seconded (Robinson, Notte) to approve the Rate Study of 14.9%. No debate. The Chair once again was unsure of the vote and asked for a show of hands. The **motion failed** 5-4.

There was discussion on the fact that the Board had met all of their obligations and they did not need to set the rate that evening. Further discussion evolved.

A motion to approve the 14.9% rate study contingent upon potential revenue sources (Advelorum) was made and seconded (Robinson, Tilden). Debate. There was discussion as to the ability to lower the tax rate based on the collection of uncollected taxes. With no further debate the Chair called the vote, unsure he asked for a show of hands. 6-3 **motion passed.**

There was one other issue that needed the Boards attention. A letter from Fred Rathjen asking the Board for special compensation about retirement and health insurance.

President Allaire asked for a referral, a motion to refer to General Committee was made and seconded (Davis, Robinson) the Chair asked the Clerk to send a copy of the letter to all members. Motion passed.

At 9:20 PM a motion to adjourn was made and seconded (Notte, Robinson). Motion passed.

Respectfully Submitted,

Henry Heck

Henry A. Heck
Rutland City Clerk