**VILLAGE DISTRICT OF EIDELWEISS**

**2023 Budget Hearing & Driveway Ordinance**

**Friday February 3, 2023**

The Board of Commissioners met at 6:00pm on Friday February 3, 2023.

In attendance for the public meeting were Commissioner Ralph Lutjen, Commissioner Mike Smith, Commissioner Jay Buckley, Donna MacKinnon-Administrator, Kelly Robitaille-DPW Foreman, Alexis Wagoner-Administrator, Larry Leonard, Terri Hill, Paula Doyle, Bob Ingram, Wooda McNiven and Kerry McNiven.

At 6:00pm Commissioner Ralph Lutjen calls the meeting to order

**Article 01 Voting for Officers**

Voting for the following offices for 2023:

Commissioner - 3-year term No one is running.

Clerk - 3-year term 2 people are running.

Treasurer - 3-year term 1 person is running.

**Article 02 Lease to Purchase Agreement of New 2022 John Deere Backhoe**

To see if the Village District will vote to allow the commissioners to enter into a seven-year lease-to-purchase agreement for a 2022 John Deere Backhoe Loader that started on October 26,2022 and will expire on October 31, 2028. The lease-to-purchase agreement has a non-appropriations clause. The initial payment made of $22,972.05 (Twenty-Two Thousand Nine Hundred Seventy-Two and Five Cents) was from the Highway Equipment CRF. Year two thru seven payments, each $22,972.05 (Twenty-Two Thousand Nine Hundred Seventy-Two and Five Cents) will come from the Operating Budget. Additionally, to see if the Village District will vote to raise and appropriate the sum of $22,972.05 for the year two payment due in October 2023. Funding for this appropriation will be raised by taxation.

Recommended by the Board of Commissioners (2-1)

(Majority vote required)

Ralph Lutjen states that the Volvo Backhoe had major issues in 2022 with the wiring harness and other problems. The timing of the completion of several repairs was erratic with long delays to a large extent due to the continuing lack of availability of parts. Volvo has discontinued our model and has not been consistent in supplying repair parts. Continued use of the Volvo backhoe is a high-risk issue due to lack of repair parts. A breakdown in winter could result in a lack of ability to plow and a resulting emergency. The VDOE does not have another piece of equipment that is capable of loading salt and sand in the event of an emergency. The Commissioners have entered into a lease to purchase agreement with John Deere for a 2022 Backhoe with an ability to terminate if the lease is not approved by the voters. It is a fine piece of equipment that will meet our needs for the foreseeable future. The John Deere backhoe is covered by a five-year warranty and parts are readily available.

Discussion on the Volvo backhoe and the over $10,000 in repairs that have already been done as well as the concern with future repairs being needed and there being no parts available. There are concerns about not having a back-up piece of equipment if the Volvo fails. The John Deere parts are much more available, and it is a new piece of equipment that won’t need repair in the near future. The trade in value for the Volvo would be a minimum of $25,000 and the cost of the John Deere was around $134,000. The price we got the John Deere at is about $25,000 less than if we were to buy new today. The John Deere also came with all the attachments the Village District needs at no additional cost.

**Article 03 Operations & Highway Budget**

To see if the Village District will vote to raise and appropriate the sum of $799,134.00 (Seven Hundred and Ninety-Nine Thousand One Hundred and Thirty-Four) for general municipal operations. This article does not include appropriations contained in special or individual articles addressed separately. Funding for this appropriation will be raised by taxation.

Recommended by the Board of Commissioners (2-1)

(Majority vote required)

Ralph Lutjen states that the operations budget has significantly increased due to many factors out of our hands; the large factor is inflation and the cost of doing business, which accounted for 45% of the increases.

Discussion on the increases in the operating budget and the reason behind those increases. Discussion on lowering the fuel cost line item no need to increase by 50%

Discussion on employee benefits: Pay, bonuses, medical insurance & dental insurance. Paula Doyle suggests taking the remaining money from the operating budget and using it to reduce the tax rate rather than have it sit in the unassigned fund. Discussion on the large increase on the asphalt budget line, this money is so that roads can be paved by need rather than having a warrant article which dictates which roads get fixed first even if another road that is worse off comes up first.

**Article 04 Water System Budget**

To see if the Village District will vote to raise and appropriate the sum of $199,594.00 (One Hundred Ninety-Nine Thousand and Five Hundred Ninety-Four) for General Water System Operations. Funding for this appropriation will be raised by water usage fees.

Recommended by the Board of Commissioners (3-0)

(Majority vote required)

Ralph Lutjen states that the water system budget has significantly increased due to the inflated cost of heating and electricity. There was also an increase in treatment and testing of the water system.

Discussion on the increases to the proposed water budget from the 2022 water budget.

**Article 05 Water System Engineering Study**

To see if the Village District of Eidelweiss will raise and appropriate the sum of $60,000.00 (Sixty Thousand) for the purpose of an engineering study to put together a 5-year strategic plan with risk assessment for future maintenance and improvements to the water system. Funding for this appropriation will come from the Water Line Extension CRF.

Recommended by the Board of Commissioners (2-1)

(Majority vote required)

Ralph Lutjen states that last year we engaged Horizon Engineering to write an Asset Management Report. The report cost $40,000 and was funded by a state grant at 50% and our funding at 50%. The report outlined the future projects that needed to be accomplished to provide for continued operation of the water system. The report stated that there were many costly projects that were critical in nature. The report indicated that there was about $4,000,000 of expected cost required to fund the required projects. The number and scope of these projects created an issue of having a realistic prioritization.

The next step is to use the initial information provided in the Asset Management Report to construct a plan that focuses on the highest priorities in terms of reducing the risks of operational failure and having the highest benefit. We want to engage our engineer, CMA, to prepare a report that sets forth a defined path of capital improvements based on the merits and value of the goal to be achieved. The report will be funded by the Water Line Extension Capital Reserve Fund. The current CRF has a balance of $135,848.43.

Our long-term operation of the water system has been focused on known risks and immediately required repairs. The most notable project was the Reinach tank replacement. The age of the system and number of known issues dictates that we need to address a higher level of investment in the system. The CMA report will be effective in establishing meaningful guidelines for our future capital improvements.

Ralph Lutjen discusses CMA taking the AMP plan from Horizons and reprioritizing it. Paula Doyle and Larry Leonard think it is a waste of time and money to put $60,000 into something that has already been done by Horizons and the water committee. The Commissioners need to take the current AMP plan and complete a project not spend more money on redoing something that is already done. Discussion on putting the $60,000 towards a project rather than towards more engineering.

**Article 06 Replenish "Road Construction" CRF**

To see if the Village District will vote to raise and appropriate the sum of $50,000 (Fifty thousand) to be deposited into the "Road Construction CRF". Funding for this appropriation will be $25,000 (Twenty-Five thousand) raised from taxation and $25,000 (Twenty-five thousand) coming from the Unassigned Fund Balance.

Recommended by the Board of Commissioners (3-0)

(Majority vote required)

Ralph Lutjen states that this article would be to replenish the road construction CRF to help prepare for future road construction projects like the paving of Eidelweiss Drive and the installation of a new Grison Culvert. This is also an important emergency fund in case a road was to ever give out we would have the funds to repair the road.

Currently only have $7,000 in the CRF there is a need to replenish this CRF for future projects.

**Article 07 International 7400 Truck Repairs**

To see if the Village District will vote to raise and appropriate the sum of $10,000 (Ten thousand) to be deposited into the "Equipment Repair CRF" for repairs on the International 7400 Truck. Funding for this appropriation will be raised by taxation.

Recommended by the Board of Commissioners (3-0)

(Majority vote required)

Ralph Lutjen states that this article would be to fund repairs on the International 7400 Truck. Making the repairs now will extend the life of the truck by as much as 5 years. This delays purchasing a new truck. Some of the repairs are the dump body rebuild, Front rotors and calibers, Front suspension, Rear springs, Sander rebuild & Tires.

Kelly Robitaille explains that the work can be done in-house and it’s a great truck that just needs some work to extend the life by 5 years before needing a new truck.

**Article 08 Replenish "Highway Equipment" CRF**

To see if the Village District will vote to raise and appropriate the sum of $15,000 (Fifteen Thousand) to be deposited into the "Highway Equipment CRF" and to authorize the Commissioners to deposit into said Fund the proceeds from the sale of the Volvo Backhoe. Funding for this appropriation will be raised by taxation and sale of the Volvo Backhoe.

Recommended by the Board of Commissioners (3-0)

(Majority vote required)

Ralph Lutjen states that this article is just to replenish the highway equipment CRF to allow for major repairs.

Discussion on proceeds from the Volvo backhoe funding part of the CRF.

**Article 09 Office Building Repairs**

To see if the Village District will vote to raise and appropriate the sum of $20,515 (Twenty Thousand Five Hundred Fifteen) for the purpose of repairs to the current Office Building. Funding for this appropriation will be raised by taxation.

Recommended by the Board of Commissioners (3-0)

(Majority vote required)

Ralph Lutjen states that the current office building is in need of repairs: an additional exit for safety reasons, a working toilet, a new floor and paint. These changes will help to increase the appearance and functionality of the office.

Discussion on the repairs that would be done to the office if this article passes and the need for a second exit.

**Article 10 "Office/Meeting Building" CRF**

To see if the Village District will vote to raise and appropriate the sum of $30,000 (Thirty thousand) to be deposited into the "Office/Meeting Building CRF". Funding for this appropriation will be raised by taxation.

Recommended by the Board of Commissioners (3-0)

(Majority vote required)

Ralph Lutjen states that putting funds aside to one day build a new office/meeting building. The idea is to create a space for people to gather and hold meetings that will also function as the District’s office. The current office is not handicapped accessible and not big enough to support meetings or functions. Putting money away now will give us the option to pay for a new building or cash or finance with a large down payment. Community Center Benefits: Offers services that ended with the sale of the lodge. Encourages community activities. Permits Village meetings that are now done offsite. Makes the office more accessible to the public. Improves safety of Village office operations. Addresses the future facility needs brought about by the growth of the Village. Upgrades the image of the Village creating favorable support of property values.

Discussion on the proceeds from the Lodge sale going toward the tax rate rather than into the unassigned fund. The Commissioners discussed the need for an office/meeting building and the voters spoke on reasons why another building is not needed. Conclusion was this article is to be taken off for the 2023 annual meeting.

**Article 11 Upgrade Pump House Security**

To see if the Village District of Eidelweiss will raise and appropriate the sum of $20,000 (Twenty Thousand) for the purpose of upgrading the security at the pump houses. Funding for this appropriation will come from the Water System Fund CRF.

Recommended by the Board of Commissioners (3-0)

(Majority vote required)

Ralph Lutjen states that a situation during the summer alerted us to the need to improve security. We would like to ensure the pump houses have adequate security measures in place to protect our water system.

Discussion on the event that occurred with the pump houses over the summer.

Larry Leonard questions what the new security would entail.

Mike Smith- Door security system and game cameras. Ian Hayes & EII would be the one monitoring and installing the systems.

Discussion on the warrant article from 5 years ago that also covered pump house security.

Paula Doyle suggests $6,000 comes from the unassigned fund balance that was left over from the previous warrant article.

**Article 12 Rafts**

To see if the Village District will vote to raise and appropriate the sum of $25,000 (Twenty-five thousand)for the purpose of new rafts for the ponds. Funding for this appropriation will be raised by taxation.

Recommended by the Board of Commissioners (2-1)

(Majority vote required)

Ralph Lutjen states that the purchase of new rafts is to ensure the safety of all users as well as protect the liability of the District. The current rafts are not safe and easily tippable which when used improperly can result in injury or death. If we purchase new rafts that are designed better we can decrease the liability. Additionally, the old rafts would be sold, and the funds would go to the Unassigned Fund Balance.

Discussion on the need for new rafts and how the current ones are made from wood which is not recommended by the insurance company but also that they are easily tippable. The voters feel there is no issue with the rafts but if you are going to do something then fix the current ones with a better anchoring system rather than purchasing new rafts.

**Article 13 Driveway Permit Fee**

To see if the Village District will vote to update the Driveway Ordinance to set the Driveway Permit fee at $500 (Five hundred) and the fee for updating an existing driveway at $150 (One Hundred and Fifty).

Recommended by the Board of Commissioners (2-1)

(Majority vote required)

Ralph Lutjen states that the current driveway fee is low in relation to the amount of work that goes into it. We recommend increasing the price slightly to account for the time and resources that go into approving the permits.

Discussion on who the change would effect and instances where it is applied to current homeowners.

**Article 14 Energy Agreement**

To see if the Village District will vote to allow the Commissioners to negotiate an electric rate and enter a contract for a term of up to 36 months.

Recommended by the Board of Commissioners (3-0)

(Majority vote required)Ralph Lutjen states that this will give the Commissioners the ability to lock into the best rate on electricity. With the ever-changing electric rates, waiting until the annual meeting can result in the loss of a contract since they have a short window of needing to be locked into.

Brief discussion on the matter.

**Mike Smith makes a motion to adjourn at 7:44pm, Jay Buckley 2nds, passes 3-0**

Respectfully submitted,

Alexis Wagoner, Administrator.