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**TOWN OF ASHLAND
BOARD OF SELECTMEN
MEETING MINUTES
TUESDAY, MARCH 30, 2021
CONFERENCE ROOM
6 COLLINS STREET
5:30 P.M.**

I. CALL TO ORDER -- Town of Ashland Chairman of the Board Eli Badger called the meeting to order at 5:30 p.m. and requested a roll call of the Selectmen. Chairman Eli Badger and Selectmen Ann Barney and Bob Letourneau were present in person. Selectmen Alan Cilley and Andy Fitch were present via the video conference, constituting a quorum of the board. Chairman Badger notified attendees that the meeting was occurring over video and teleconference, a provision authorized by the Governor's Emergency Order #12 that waived the physical presence of board members during the Covid-19 pandemic.

II. APPROVAL OF MINUTES

MOTION: Alan Cilley

To approve the meeting minutes of March 23, 2021

SECOND: Ann Barney

ROLL CALL VOTE: 5 (Badger, Cilley, Fitch, Barney, Letourneau)

MOTION PASSED

III. NEW BUSINESS

a. Ashland Sewer Department Septage Rates – Water and Sewer Superintendent Rusty Cross presented information about our septage rates and sales volumes from our major haulers. Ashland currently charges \$.08 per gallon and Plymouth charges \$.07. We have been losing sales to Plymouth; hence our income has been steadily decreasing since 2019. He proposed a tiered system based on volume that could encourage haulers to return to Ashland. The lowest volume, under 20,000 gallons, would be charged \$.08; up to 50,000 would be \$.075; up to 100,000 charge would be \$.07, and over 100,000 would be \$.065. Projected sales under this system would be at least \$500,000. The Board asked about the effect of adding increased volumes on the health of the lagoons. Rusty explained that we have the capacity to increase to about 6.7 million gallons per year with no concerns.

MOTION: Bob Letourneau

To approve proposed tiered septage rate system.

SECOND: Ann Barney

ROLL CALL VOTE: 5 (Badger, Cilley, Fitch, Barney, Letourneau)

MOTION PASSED

1 **b. Tree Trimming/Removal at the Campground** - Ann Barney presented three proposals
2 for tree trimming and removal at the Doggett Campground. Of the three proposals, she
3 recommended the proposal from Hixon Logging and Tree Service as they were most
4 responsive and realistic in their suggestions. The work should be completed by May 1
5 to open the campground on time. The cost would be \$12,800 and funds would come
6 from the Building and Grounds Capital Reserve Fund (CRF). The CRF currently has
7 \$42,000 but additional funds will be added this year after approval of the voters in the
8 March election.

9
10 **MOTION:** Andy Fitch

11 *To hire Hixon Logging & Tree Service to remove and trim all marked trees in the*
12 *campground at a cost of \$12,800. Funds to come from the Building and Grounds CRF.*

13 **SECOND:** Bob Letourneau

14 **ROLL CALL VOTE:** 4 – 0– 1 (Ann Barney abstained)

15 **MOTION PASSED**

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18 **IV. OLD BUSINESS**

19
20 **a. Ashland Electric Department (AED) Rate Increase** – Steve Farnham from Vermont
21 Public Power Supply (VPPSA), which supplies our power, presented two models
22 showing the effect of two different rate increases on income. The first model was based
23 on a 6%, or \$.01 increase to each tier in our existing system. The net result would be an
24 increase in income of approximately \$173,641 per year. The second model showed the
25 effect of using a \$.13/kwh flat rate. The increase in income would only be \$39,317. In
26 addition, the only tier that would increase is Industrial with all other categories showing
27 a decrease. This possibly puts an undue burden on the two industries in town while not
28 generating enough income to meet our shortfall. He suggested that the simplest step
29 would be the \$.01 increase for now. More study is needed to determine our actual cost
30 of service, revenues and income needed to cover all needed personnel, repairs and
31 infrastructure replacements and upgrades. We also need to examine the current tier
32 structure as to their appropriateness. For example, the electric heat tier was put in for
33 those heating their homes/condominiums with electric. Most are now using alternate
34 forms of heating such as pellet stoves, so this tier may no longer be needed.

35 Current costs reflect the excess power purchase in 2017 with a contract that does not
36 expire until 2023. The excess power is sold on the open market, but at a loss. In
37 addition, it is estimated that we lose about 10% of income from old meters. Revenues
38 are likely higher than they should be given that salaries are down because we lost our
39 superintendent and linemen. New hires will result in higher costs, but new meters and
40 an end to the current contract will likely yield greater profits.

41 Steve asked who has the authority in Ashland to approve a rate increase. Given that
42 AED is an Enterprise Fund, the rates were controlled in the past by the previous Electric
43 Department Commissioners. Now with a Town Manager form of government, the Town
44 Manager and Board of Selectmen have that authority.

1 Alan Cilley suggested that we need an operating budget of approximately \$3 million. To
2 achieve this, we would need to increase our yearly income by about \$300,000. He also
3 predicted a need of \$5 million to \$8 million for infrastructure in the next 5-10 years.

4 It was clear from the discussion that there is still much information needed before
5 appropriate rates can be set. The Board agreed to cancel the scheduled public hearing on
6 April 5.

7
8 **V. SELECTMEN ISSUES**

9 The Selectmen discussed a time for Town Manager interviews. The consensus was to
10 schedule them for April 6, 2021 from 11:00 AM until 3:00 PM.

11
12 **MOTION:** Eli Badger

13 *To cancel the April 5 scheduled public hearing.*

14 **SECOND:** Andy Fitch

15 **ROLL CALL VOTE: 5 – 0**

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17 **VI. ADJOURNMENT**

18
19 **MOTION:** Bob Letourneau

20 *To adjourn.*

21 **SECOND:** Andy Fitch

22 **ROLL CALL VOTE: 5 – 0 MOTION PASSED:** Meeting was adjourned at 6:50 p.m.

23
24 *Notes prepared by Frances Newton*