

**VILLAGE OF ESSEX JUNCTION
BOARD OF TRUSTEES
MINUTES OF MEETING
June 30, 2009**

BOARD OF TRUSTEES: Deb Billado, George Tyler, Peter Gustafson, John Lajza. (Larry Yandow was absent.)

ADMINISTRATION: Dave Crawford, Village Manager.

I. CALL TO ORDER and PLEDGE OF ALLEGIANCE

In the absence of Larry Yandow, Trustee Deb Billado called the meeting to order at 6:00 p.m. and led the assemblage in the Pledge of Allegiance.

MOTION by George Tyler, SECOND by Peter Gustafson, to appoint Trustee Deb Billado to serve as Acting Chairwoman in the absence of Larry Yandow. VOTING: 4 ayes; motion carried.

II. AGENDA ADDITIONS/CHANGES

Add to consent agenda:

- Bid on the Waste Water Tanker Truck

III. OLD BUSINESS

1. Action on FY10 Budget Reduction Plan & Revised Capital Plans

FY2010 Budget Reductions

MOTION by Peter Gustafson, SECOND by George Tyler, to approve the modifications to the FY2010 General Fund Budget as outlined in the memo "Village of Essex Junction – FY2010 Budget Possible Areas for General Fund Budget Adjustments", resulting in a total FY2010 General Fund Budget of \$2,946,999. VOTING: 4 ayes; motion carried.

Revised Capital Plans

MOTION by Deb Billado, SECOND by Peter Gustafson, to approve the revised capital plans as presented with the stimulus loan being left in place to be paid back over five years. VOTING: 4 ayes; motion carried.

2. Update on Recovery Act Applications

Dave Crawford stated there is no news on the highway applications to report at this time. Bids have been awarded and work has begun on the sewer lines and blower project.

3. Update on Pearl Street Streetscape & Paving Projects

Dave Crawford reported the signed Cooperative Agreement from VTrans has been received so Hamlin Engineering can proceed. There is a meeting next week with CVE to determine the budget breakdown. The project will be presented at the 7/28/09 Board of Trustees meeting.

George Tyler suggested doing a press release to explain the project to the public.

Dave Crawford also reported approval was received from VTrans for funding the change order for the West Street intersection. Paving will be done from West Street all the way through on Pearl Street.

The Board received a copy of the ruling/legal opinion on borrowing from the bond bank for projects.

IV. GUESTS/PRESENTATIONS

1. Resolution Honoring Mary Gauthier for 33 years of Service to the Village

Mary Gauthier was presented with a plaque honoring 33 years of service to the Village of Essex Junction as Trustee and a member of the Planning Commission and Zoning Board. Mary Gauthier was the 2nd female to serve on the Board of Trustees when her service started in 1975. Dave Crawford will research the first female to serve on the Board of Trustees (in 1939). Ms. Gauthier recalled major issues in 1975 included negotiations with the railroad and the sewer treatment plant. Mary Gauthier said it has been such a privilege to serve the community and work with the wonderful people on the boards as well as the staff and citizens. Ms. Gauthier encouraged everyone to get involved in community service.

2. Comments from Public on Items not on Agenda

There were no comments from the public.

3. Presentation by John O’Kane of IBM – Update on 2008-2009 Legislative Session

John O’Kane, Manager of Government Affairs at IBM, gave IBM’s perspective on the 2009 legislative session. Also present were Rep. Linda Waite-Simpson, Rep. Tim Jerman, Rep. Linda Myers. Diane Clemens (Village Planning Commission), Bruce Post (Essex Selectboard), Irene Wrenner (Chairwoman Essex Selectboard), Max Levy (Essex Selectboard), Pat Scheidel (Essex Town Manager), Todd Odit (Essex Assistant Town Manager), and Leslie Springer (School Board). John O’Kane said the 2009 legislative session was difficult due to the economy and uncertainty about stimulus programs. Many committees were hesitant to take action until financial issues were settled. Mr. O’Kane noted IBM only gets involved with the legislature if it is clear legislation will have an impact on IBM business. There must be a business connection. Mr. O’Kane said he scans every bill to determine if there will be an impact on IBM, and if so IBM tries to determine if there is an impact to other businesses as well in order to work in concert on a satisfactory resolution. IBM often works with chambers of commerce and GBIC. If a bill is unique to IBM, then IBM has a lobbyist law firm to represent their concerns and this group will testify directly to committees if warranted. It is not unusual for IBM to informally meet with the legislative leadership to discuss priorities.

Energy Efficiency Bill

Rarely does IBM promote a bill, continued Mr. O’Kane, but did so this year with the energy bill. Every electric bill includes a fee paid to Efficiency Vermont for services. The fee for IBM increased from \$300,000 to \$1.6 million. Businesses are supposed to recover the fee through energy savings after implementing recommendations from Efficiency Vermont. IBM has been involved in controlling costs and energy efficiency for a long time. IBM long ago switched to energy efficient light bulbs and continually seeks to increase energy efficiency in the manufacture of their product. IBM did not realize any added value from Efficiency Vermont. In fact, Efficiency Vermont had to hire a consultant to do an energy audit at IBM because the functions at IBM are out of their expertise. On January 15, 2009, IBM testified on how energy efficiency programs are handled and proposed a new class of electric ratepayer exempt from the

Efficiency Vermont fee if the payer has regulated, verified, and audited energy programs that are more efficient than any currently available. Other suggestions included:

- The payer must be certified under ISO (International Standards Organization).
- Decrease the annual maximum Efficiency Vermont fee a three year average of \$1 million.
- Expand the scope of the energy program to include thermal efficiency, not just electrical efficiency.
- Change the financial constraints so that money paid to Efficiency Vermont is not tied up for months while Efficiency Vermont verifies the energy changes are in place.
- Control expenses paid to the Public Service Board or an auditor to be cost based, not a flat fee.

Mr. O’Kane said the bill with the IBM proposal was combined by the legislature with another bill that actually increased the cost of electricity over time. The new bill paid a direct subsidy to renewable energy producers of solar, wind, and methane. The result equated to a cost increase of a couple of percent to all consumers. For IBM a small percentage increase on their \$35 million annual electric bill is significant dollars. Following further debate the bill was passed and included a three year pilot program of self management for better energy efficiency focused on IBM.

Flame Retardant Material Bill

John O’Kane stated the bill on brominates in flame retardant material was a troubling situation where science and fact was overcome by opinion. The bill concerns brominates in flame retardant materials for mattresses, pillows, clothing, and such. In Europe, the maximum allowable amount of bromide retardant in material was reduced from 20% to one half of one percent as the new standard. The bill proposed in the Vermont legislature stated not a single molecule of bromide retardant is allowed in material. If a molecule is found then a lawsuit for damages can be filed. IBM testified there is no practical way to measure for a molecule of a chemical and if that chemical has been used for the last 20 years it is highly probable to be found everywhere. IBM suggested the European standard of less than one half of one percent be applied since the standard of no molecule is unattainable and not measurable. The bill as originally presented was passed by the Senate and the House attached a version of the health bill that was acceptable to IBM.

Antifreeze Bill

Mr. O’Kane stated the unintended consequences of the bill related to making auto antifreeze distasteful to drink by animals by requiring the addition of a bittering agent would adversely impact IBM’s manufacturing process since ethylene glycol is used. IBM suggested the bill include an exemption for industrial uses of ethylene glycol provided all environmental protections are in place.

John O’Kane stressed IBM had to fight hard on bills that had a significant impact on IBM doing business in the state. On another matter, Mr. O’Kane said IBM is concerned about the cost and availability of housing in the state which makes it hard to recruit and hire people. The impact of the state income tax on employees is also a concern.

George Tyler asked about the impact on IBM by a national health care bill. John O’Kane said businesses are frustrated with the expense of health care. IBM supports the use of technology to save money and get more effective medicine over time. IBM wants a safe, effective health care system. If there is a single payer program, there should be provision for an optional buy-in for more insurance coverage.

Rep. Tim Jerman stated the pilot project for energy efficiency is not just for IBM. Other companies will benefit as well. Rep. Jerman stressed the flame retardant bill is an example of how the system should not work (interest groups can be very influential). With bills such as the “save the dogs” (antifreeze) bill it is helpful for legislators to receive information from both the supporters and the opposition so a better bill can be produced, said Mr. Jerman.

Deb Billado asked if the cap and trade bill will have an impact on IBM. John O’Kane said IBM has experience with carbon credits. The problem is when the amount of carbon credits gets rolled back and shortages occur which result in an increase in the cost of manufacturing. The carbon tax raises much money for the Federal Government and there is question as to what will be done with the funds. The United States is behind in research on energy usage and smart grids across the country. Smart grids will allow carbon reduction. Money needs to be invested in the development of solar and wind power, not just taxing energy and wondering how the funds will be spent by the Federal Government.

4. Joint Meeting with Essex Selectboard

Attendees from the Essex Selectboard included: Irene Wrenner (Chairwoman), Max Levy, Linda Myers, Dave Rogerson, and Bruce Post. Essex Town Manager, Pat Scheidel, and Assistant Town Manager, Todd Odit, were also present. Irene Wrenner called the Essex Selectboard to order at 7:45 p.m.

New Town Office Location

Irene Wrenner reported there are no plans to relocate the town office from the site on Main Street at this point in time. Pat Scheidel noted the money in the budget is a benchmark to study options. There was brief discussion of expanding the building on the current site using the land on the other side of the brook (where the basketball courts are located). Any construction would have to be built to the same level as the bridge since the land is in the 100-year floodplain. Peter Gustafson referred to the ongoing development in the town and agreed with using the largest population area as a guide to locating the largest investment in the town. John Lajza stated the town offices should be located within the village so that land records remain. The niche of business in the village will likely be attorneys, title companies, mortgage companies, and banks that need to access the land records. These businesses would be supported by small boutiques and restaurants. The retail development is taking place in the area towns. Deb Billado agreed to the need for more space at the town offices, noting the Village wants to be involved in the process of finding more space.

Investing Capital Funds in the Village

Irene Wrenner stated capital funds in the town’s budget do benefit the village. The Economic Development Plan which is town-wide including the village is an example. John Lajza stressed both municipalities should better utilize funds and combine their economic development plans.

Pat Scheidel pointed out any capital investment that benefits the Police Department or the Fire Department is a return on investment to the village in service delivery. Also, money spent in the Police Department to fight drug growth and other equitable sharing of money used by the police benefits all in the Essex community as a return on investment. George Tyler stated consideration should be given to the possibility of cost efficiencies in doing joint projects. Deb Billado noted the Village will be replacing the ladder truck in the next few years. The entire community will benefit from the equipment so perhaps the cost could be jointly covered. Peter Gustafson mentioned the cooperation that prevails between the town and village fire departments. John Lajza agreed the fire departments operate extremely reasonably; the volunteers provide a great gift to the community.

Tree Farm Soccer Fields on Old Colchester Road

Deb Billado mentioned the state wants to sell the 100 acre tree farm to one community or the other. Rep. Linda Myers confirmed the state is willing to sell all the acreage to one or both communities at fair market value stating at a minimum of \$70,000 and likely selling in the \$150,000 range. The state does not want to go through the subdivision process. The Town of Essex could buy the entire parcel, for example, and have an understanding with the Village on how the property is used and maintained. The owner of the property will have an agreement regarding the soccer fields. The high school is interested in the property as well. The state will not allow the school to use the property due to liability issues. Deb Billado said she is interested in the 50 acres within the boundary of the village, recognizing the Town is interested in the entire parcel (100 acres). The situation should be a win-win for everyone. Irene Wrenner clarified the boundary line will not change regardless of who owns the land.

Rep. Myers said the state is actively selling property, including Building 617 at Saxon Hill. Linda Myers also mentioned replacement of State Police barracks across the state. Deb Billado asked about the status of property owned by the state on West Street. Linda Myers said the property was not discussed in the Buildings & General Services Committee meetings.

4. Local Options Tax

Deb Billado reported the village voters authorized the Board of Trustees to study a local options tax in Essex Junction (understand what it means to the commercial and residential components of the village). George Tyler added the Trustees were thinking about the pros and cons of this tax when approached by the Selectboard last year.

Dave Rogerson spoke in support of interest in collaboration on issues, noting the town's economic study will be inclusive of the village and the town. Mr. Rogerson agreed the Village should be involved. Deb Billado urged when thinking of economic development to consider the matter of bringing in new businesses, fostering existing businesses, and seeing how commercial districts fit together and where growth will take place. Dave Rogerson said a vision is needed for the area if the Village is focusing on financial types of businesses rather than retail types of businesses. The economic development study needs to address what is envisioned for the Town Center, Lang Farm, Susie Wilson Road, and the village. A plan is needed to accomplish the vision. Irene Wrenner pointed out there is some industry in the Saxon Hill area to consider as well. Dave Rogerson stated housing needs to be addressed in the area. There was agreement that opportunity is facing both communities to keep existing businesses and fill empty store fronts.

Deb Billado noted Essex Junction is anticipating stimulus money for \$10 million of infrastructure work in the village which should be included in the economic development study. The Village is posturing itself to continue to move forward. George Tyler asked if there is any advantage for the two planning commissions to collaborate or coordinate efforts, and if there are any zoning conflicts. Pat Scheidel noted an invitation is always sent to the Village to participate in the Town's zoning updates. Typically the Village declines because update of the bylaws for the village is anticipated. Trustee Tyler said this may be a missed opportunity to work together. Pat Scheidel recalled there have been past efforts for joint discussions, and suggested starting with the Selectboard developing a vision for the town and village. John Lajza suggested the two boards meet jointly on a regular basis.

There were no further comments.

MOTION by Linda Myers, SECOND by Max Levy, to adjourn the Town of Essex Selectboard meeting. VOTING: unanimous; motion carried.

The Essex Selectboard meeting was adjourned at 8:30 p.m.

V. NEW BUSINESS

1. Adopt Amended FY10 Water, Wastewater, and Sanitation Budgets

MOTION by John Lajza, SECOND by George Tyler, to adopt the following amended budgets and amounts:

- **Water Fund** **\$2,741,631**
- **Wastewater Treatment Fund** **\$1,408,653**
- **Sanitation Fund** **\$ 437,308**

VOTING: 4 ayes; motion carried.

2. Adopt FY10 Water/Sewer Rates

MOTION by John Lajza, SECOND by Peter Gustafson, to approve the following rates:

- **Water** **\$0.02404 per cubic foot of metered water**
- **Wastewater Treatment** **\$0.01670 per cubic foot of metered water**
- **Sanitation** **\$0.01364 per cubic foot of metered water**

VOTING: 4 ayes; motion carried.

3. Adopt Large User Rate

MOTION by John Lajza, SECOND by Peter Gustafson, to approve the Large Water User Rate of \$0.061 per 1000 gallons of water used. VOTING: 4 ayes; motion carried.

VI. VILLAGE MANAGER'S REPORT

1. Meeting Schedule

- July 14 @ 6:30 – Regular Trustees Meeting
- July 28 @ 6:30 – Regular Trustees Meeting
- August 11 @ 6:30 – Regular Trustees Meeting
- August 25 @ 6:30 – Regular Trustees Meeting
- Sept. 8 @ 6:30 – Regular Trustees Meeting
- Sept. 22 @ 6:30 – Regular Trustees Meeting

- Oct. 13 @ 6:30 – Regular Trustees Meeting
- Oct. 27 @ 6:30 – Regular Trustees Meeting
- Nov. 10 @ 6:30 – Regular Trustees Meeting
- Nov. 24 @ 6:30 – Regular Trustees Meeting (Thanksgiving week)

2. Village Block Party

The annual village block party is scheduled for July 18, 2009.

3. Budget Deficit

Anticipated budget deficit is \$86,000.

4. Delinquent Water & Sewer Bills

Notices for delinquent water and sewer bills are being mailed. Typically 100 delinquent notices are mailed out, but this year the number increased to 163 notices (out of 3,200 users).

5. Budget Expenditure Detail

The Board received a detail of budget expenditures.

6. Street Signs on Stop Signs

Rick Jones, Public Works Supervisor, suggested posting street signs on top of Stop Signs as a money saving idea.

7. Railroad Connector from Burlington to St. Albans to the border

A meeting is scheduled with the Governor for endorsement and help in promoting the project through VTrans.

8. Train Station Rehabilitation

A letter is being drafted to NECR (New England Central Railroad) to ask for their assistance with the rehabilitation and paving around the train station in Essex Junction for safety purposes.

9. Multi-Use Path

A letter from NECR regarding right-of-way easements for the multi-use path is needed.

10. Sharing Information

Staff is discussing ideas on how the Board can share messages on the web for public viewing. Sawyer Joecks, pre-professional intern working with the Planning Department on issues in Essex Junction, spoke about different tools (echo, twitter, message boards, and such) that enable the Board to better communicate with each other and staffs. Mr. Joecks will contact the Secretary of State and further research any restrictions on government officials communicating with each other using these tools. Linda Waite-Simpson pointed out if three elected officials are conversing via email it is considered a meeting and must be publicly warned. Hard drives could be subpoenaed.

VII. TRUSTEES COMMENTS/CONCERNS

Peter Gustafson observed the sidewalks are greatly used in the village, confirming the course of action being following by the Board.

VIII. CONSENT AGENDA & READING FILE

MOTION by Peter Gustafson, **SECOND** by Deb Billado, to approve the consent agenda as follows with the addition of the waste water tanker truck sale for \$2100 to Lorenzo Whitcomb.

- **Approve Minutes of Previous Meetings (6/9/09, 6/15/09, 6/17/09)**
- **Approval Warrants**
- **Certification of Results of Special Meeting on 6/15/09**
- **Planning Commission Minutes (6/4/09)**
- **Authorize WWTF Truck Purchase via State Bid Process**
- **Authorize WWTF Purchase of Two Sludge Storage Pumps**
- **Authorize FY10 Lincoln Hall Leases for Essex CHIPS & Save the Greyhound Dogs**
- **Reading List Acceptance (letters & communications)**
 1. **VLCT Legislative Wrap Up**
 2. **VLCT 2009 Awards Program and Board Vacancy**
 3. **Thank You Notes to Department Heads and Employees re: Special Village Meeting**
 4. **Champlain Valley Exposition 2008 Annual Report**
 5. **Invitation to The Essex Culinary Resort & Spa Ribbon Cutting on 7/22/09**

DISCUSSION: George Tyler corrected the minutes from the Central Street Forum meeting to state 63 community members were present. Dave Crawford explained the emergency purchase of two sludge storage pumps due to failure of the primary and back up pumps.

VOTING: 4 ayes; motion carried.

IX. EXECUTIVE SESSION

MOTION by Deb Billado, **SECOND** by George Tyler, that the Board of Trustees goes into Executive Session to consider legal matters, contract negotiations and personnel matters, and potential budget changes related to personnel issues where premature general public knowledge would clearly place the Village at a substantial disadvantage, and to permit staff to be present for this session. **VOTING:** 4 ayes; motion carried.

The Board entered Executive Session at 8:45 p.m.

MOTION by John Lajza, **SECOND** by Peter Gustafson, to adjourn Executive Session. **VOTING:** 4 ayes; motion carried.

Executive Session was adjourned and the regular meeting reconvened at 9:38 p.m.

X. ADJOURNMENT

MOTION by Peter Gustafson, **SECOND** by John Lajza, to adjourn the meeting. **VOTING:** 4 ayes; motion carried.

The meeting was adjourned at 9:40 p.m.

RScty: M.E.Riordan