



TRUSTEES MEETING NOTICE & AGENDA
MONDAY, NOVEMBER 10, 2014 at 6:30 PM
LINCOLN HALL MEETING ROOM, 2 LINCOLN STREET

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE TO FLAG** [6:30 PM]
2. **AGENDA ADDITIONS/CHANGES**
3. **APPROVE AGENDA**
4. **GUESTS, PRESENTATIONS AND PUBLIC HEARINGS**
 - a. Comments from Public on Items Not on Agenda
5. **OLD BUSINESS**
 - a. None
6. **NEW BUSINESS**
 - a. FYE 16 Proposed General Fund Capital Plan – Lauren Morriseau
7. **MANAGER’S REPORT**
 - a. Various Meetings
 - b. Trustees meeting schedule
8. **TRUSTEES’ COMMENTS & CONCERNS/READING FILE**
 - a. Board Member Comments
9. **CONSENT AGENDA**
 - a. Approve Minutes of Previous Meeting 10/28/14
 - b. Approve Warrants Check #10050298 to Check #10050386 totaling \$120,629.34
10. **JOINT MEETING WITH THE ESSEX SELECTBOARD** [7:30 PM]
 - a. Presentation by Dennis Lutz, Essex Public Works Director, on Consolidated Delivery Service for Public Works, Storm Water and Highway
 - b. Discuss Establishing a Liaison Group to work with Global Foundries/Businesses
11. **ADJOURN**

Meetings of the Trustees are accessible to people with disabilities. For information on access or this agenda, call the Village Manager’s office at 878-6944.

**VILLAGE OF ESSEX JUNCTION
BOARD OF TRUSTEES
MINUTES OF MEETING
November 10, 2014**

BOARD OF TRUSTEES: George Tyler (Village President); Dan Kerin, Andrew Brown, Elaine Sopchak, Lori Houghton.

ADMINISTRATION: Pat Scheidel, Municipal Manager; Lauren Morrisseau, Assistant Manager & Finance Director; Jim Jutras, Water Quality Director; Rick Jones; Public Works Superintendent; Rick Hamlin, Village Engineer.

OTHERS PRESENT

Essex Town Selectboard: Max Levy, Irene Wrenner, Michael Plageman, Andy Watts, Brad Luck.

Essex Town Admin: Brendan Keleher, Doug Fisher, Dennis Lutz, Aaron Martin.

Citizens: Dorothy Bergendahl, Linda McKenna, Greg Morgan, Nick & Bridget Meyer, John Fitzgerald, Bruce Post, Don Weston, Jason Starr (*Essex Reporter*), Mike Donahue (*Burlington Free Press*).

1. CALL TO ORDER and PLEDGE OF ALLEGIANCE

Village President, George Tyler, called the meeting to order at 6:30 PM and led the assemblage in the Pledge of Allegiance.

2. AGENDA ADDITIONS/CHANGES

There were no changes to the agenda.

3. APPROVE AGENDA

MOTION by Elaine Sopchak, SECOND by Andrew Brown, to approve the agenda as presented. VOTING: unanimous (5-0); motion carried.

4. GUESTS, PRESENTATIONS, PUBLIC HEARINGS

1. Comments from Public on Items Not on Agenda

Consolidating Public Works Services

Linda McKenna, School Street, spoke of the quality work being done on School Street by the village public works crew and the great communication with the residents by the Village Engineer. Ms. McKenna expressed concern about portions of the public works consolidation plan because the village and town departments have different agendas, infrastructure, and histories, and with a combined list of priorities the ones identified by the village may get bumped and not done. For example, the village public works department has plowing issues that are different from the town's because the village has lots of sidewalk and children walk to school. Children in the town ride a bus to school. Ms. McKenna asked what the gain will be for the taxpayer by consolidating the public works departments. George Tyler explained the Trustees have the same concerns so the consolidation is a temporary trial run (three year MOU). In terms of engineering projects and control of the public works department nothing will change. The consolidation is at

the oversight and administrative level of the organization. The village and town and an independent entity will review and evaluate the consolidation at the end of the three year trial period.

Connector Road through IBM Property

Dorothy Bergendahl, Taft Street, suggested suspending the crescent connector and discussing with Global Foundries a connector road through the former IBM property to avoid Five Corners completely. George Tyler said the idea can be mentioned to staff, but significant funds have been invested in the crescent connector project and two years of work up to this point. Ms. Bergendahl was urged to talk to the Village Development Director, Robin Pierce, about the suggestion.

5. OLD BUSINESS

None.

6. NEW BUSINESS

1. FY2016 Proposed General Fund Capital Plan

Lauren Morrisseau reported the Capital Review Committee listed the following six projects in ranked priority order:

1. Railroad Avenue water line (Lincoln to Central)
2. Pearl Street sidewalk (West St. to Susie Wilson)
3. Algonquin water line (Cherokee to Iroquois)
4. Lincoln Hall restoration
5. Main Street sidewalk and lighting (possible grants to be received)
6. Central Street water line (Lincoln to Main)

The library requested new carpet to replace the existing carpet which is presenting a tripping hazard. The carpet is included in the capital plan though not ranked by the committee. A surplus is anticipated in the FY14 General Fund. Staff proposes the voters be asked to transfer \$74,529 from the General Fund to the Capital Fund and that the annual contribution to the Capital Fund be increased to 7.5%. The cost of the capital plan in FY16 is \$419,186 with \$30,825 additional cost from the General Fund.

Dan Kerin stated water line replacement should be the top priority due to health and safety issues and the potential cost to the community. Andrew Brown explained the ranking criteria used by the committee for prioritizing projects. Pearl Street sidewalk ranked higher than some water line work due to a high score on the safety and health criterion. Mr. Brown added if the contribution to the capital fund is not increased the village will not be able to complete the listed projects in the next 20 years. Lauren Morrisseau noted the first bond project went well and it may be possible to repurpose some of the funds toward other projects on the list.

Rick Hamlin, Village Engineer and member of the capital committee, explained the work to be done on Pearl Street to continue the narrowed travel lanes (from CVE to Susie Wilson Road) and add bike lanes, move back the curb and install 5' wide sidewalk. VTrans will be paving Class 1 highway (Route 15) and may move the curb so the village will not have that expense. The sidewalk can be installed later, but it is better to do the

work before the road is repaved to avoid damage to the new pavement. With regard to addressing the water line on School Street now, once the pipe was uncovered it was obvious replacement was necessary due to the condition of the pipe. The water line work on Railroad Ave. is to complete the water line loop and provide better fire protection and be able to sprinkler buildings per code. The water line work on Algonquin will loop what is now a dead-end line. There are water quality issues with dead-end lines. Main Street drainage enclosure will be done in the spring followed by the Maple Street culvert. Once school is out for the summer the Hillcrest drainage will be done and then the other projects on the list.

7. VILLAGE MANAGER'S REPORT

1. Meeting Schedule

- December 9, 2014 @ 8:00 – Budget Day (full day meeting)
- January 13, 2015 @6:30 – Regular Trustees Meeting
- January 27, 2015 @ 6:30 – Regular Trustees Meeting
- February 10, 2015 @ 6:30 – Regular Trustees Meeting
- February 24, 2015 @ 6:30 – Regular Trustees Meeting

Special Meetings/Events

- December 12 @ 6 PM – Tree Lighting and Train Hop

2. Daily Operations

Meetings continue with staff. Work is ongoing on the draft budget. There appears to be efficiencies to be realized with consolidation of services, but the consolidation needs to be tested to confirm this. Any savings will be transferred to future budgets.

3. Meeting in December

A second meeting will be scheduled in December if necessary.

8. TRUSTEES COMMENTS/CONCERNS & READING FILE

1. Board Member Comments

None.

9. CONSENT AGENDA & READING FILE

MOTION by Andrew Brown, SECOND by Lori Houghton, to approve the consent agenda as follows:

- 1. Approve Minutes of Previous Meeting 10/28/14**
- 2. Approve Warrants Check #10050298 to Check #10050386 totaling \$120,629.34.**

VOTING: unanimous (5-0); motion carried.

MOTION by George Tyler, SECOND by Andrew Brown, to recess until the joint meeting with the Essex Selectboard is convened. VOTING: unanimous (5-0); motion carried.

10. JOINT MEETING WITH ESSEX SELECTBOARD**1. Consolidated Services**

Essex Town Engineer, Dennis Lutz, prefaced his report on consolidating services in public works, highway, and storm water by noting the following:

- The plan must be driven by the plan and not personalities.
- Many people helped put the plan together and were cognizant of improving services and resolving perceived inequity in taxing of the village and town.
- Differences and issues must be dealt with, such as the employee union in the town and the employees association in the village, health care differences, separate books for the town and the village.

Shared Storm Water Cost

Mr. Lutz pointed out:

- There is a joint storm water committee with the village and town in place now.
- Both communities hold MS4 permits and have impaired waterways.
- There is a flow restoration plan for both the village and town.
- Both communities have budgets for storm water.
- The proposal will consolidate the budgets and remove storm water costs from the highway budget and put them into the storm water budget.
- There will be a separate town tax rate for storm water on the tax bill.
- The village and town will run their own programs.
- Impact on a house valued at \$280,000 at the current tax rate would be a \$14 reduction in village taxes and a \$10 increase in town taxes.

Jim Jutras, Water Quality Director, said it makes sense to work together. The joint storm water committee is off to a good start. Adjustments will be made as necessary. George Tyler added the village and town need to be in a good position going forward with storm water because the issue is not going away. Max Levy observed storm water is a community-wide issue.

MOTION by Dan Kerin, SECOND by Lori Houghton, that the Village Board of Trustees concurs with the Concept Plan for Storm Water Permitting and Management as set forth in the Town Public Work's Staff Study on the subject, dated 1 November 2014, and to direct the Municipal Manager to submit budgets to each respective board consistent with the plan. VOTING: unanimous (5-0); motion carried.

Shared Public Works Plan

Dennis Lutz noted:

- The overall goal is to provide quality service, maintain infrastructure, and protect the health and safety of the public.
- The town and village public works departments operate slightly differently with the town centralized under one department head and the village decentralized with different department heads or consulting services. Both the village and town public works departments report to the municipal manager.

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- Both departments have essentially the same equipment except the town has a grader (village does not) and the village has a vacuum truck (town does not). Both the village and town operate on a similar equipment replacement schedule.
 - The shared plan is to form a single public works department for a three year period that would report to the municipal manager. The superintendent positions in the village and town would report to the town public works director, but each would supervise their own departments. Water and sanitation would remain in the village. Water and sewer would remain under town utilities. Highway in the village would remain in the village budget and highway in the town would remain in the town budget. The consulting engineer for the village would continue in the village, but coordinate through the town public works department for long term infrastructure planning. Complaints would be handled by the town public works department.
 - The consolidated public works department cannot expand without the addition of an engineering tech employee plus added funds.
 - Village costs for paving and equipment would be separated out of the highway budget.
 - The village highway budget less paving would be incorporated into the town budget as a line item. The town budget is presented at annual meeting and voted by Australian ballot.
 - The public will have to be educated on the shared public works management plan.
 - Roads will have to be evaluated for future maintenance (road inventory and assessment would be done by a third party).
 - One capital equipment replacement fund will be formed in the future.
 - The village will continue to pay for paving and equipment replacement per the village schedule, and water and sewer costs in the village. Highway funds from the village will be part of the town budget and disbursed to the village for expenditure.
 - Tax impact of consolidated public works management on a house valued at \$280,000 is \$15.12 or a half cent tax increase to cover costs for both the village and town.
 - Impact of consolidating storm water, public works, and highway on a house valued at \$280,000 is a .16 cent tax decrease in the village of \$4.48 and about a 1.46 cent tax increase in the town or \$40.88.
 - Goals of the consolidated plan include:
 - One complaint point for efficient response
 - GIS for the entire community
 - Community-wide winter operations plan
 - Combined records in one location
 - Road inventory and assessment
 - Continued review of the highway budget to find cost savings
 - Streamlining of operations and public works specifications consistent with the town and village
 - Overview of the highways
 - Communications with both boards and the community
 - Plan for the future

- Seek public input

Mr. Lutz reviewed the recommendations outlined in the memo to Pat Scheidel, dated 3 November 2014, to concur with the proposed shared public works management plan and sign the three year MOU as the trial period.

TRUSTEES/SELECTBOARD/ADMINISTRATION COMMENTS

- Brad Luck said it would be helpful to demonstrate more immediate savings for the town, rather than an increase in cost with the shared plan. Also, per the proposal the Trustees approve the village highway budget and send the budget to the town as a line item in the town budget which is voted at town meeting. The village votes on the village highway budget at the village annual meeting. The village should voice comment at town meeting on the highway budget or at the town budgeting meetings prior to annual meeting and not vote at the village annual meeting. The village's voice is through the town budgeting process. Rather than showing village highway as a line item in the budget, the village and town public works budgets should remain whole and separate so the full cost is known. The Intergovernmental Transfer line item should be augmented with what goes back to the village.
- George Tyler commented with the plan the town is voting on the village highway budget as revenue and the village is voting on the highway budget as income and expenditure.
- Dennis Lutz said the procedure equates to who is paying for what and dispels the argument of paying for something and not receiving anything in return.
- Pat Scheidel pointed out there is one pot of money for one process. The village could decide to spend more on highways, but that would be a separate item. The vote at the March 2015 annual meeting will be on a budget that includes Year 1 (starting in July 2015) of the three year MOU. The budget numbers will be refined through the three year period.
- There was mention of potential for the budget to be amended or voted down at the town or village annual meeting. Lori Houghton questioned who decides how the line item will be changed should the budget be voted down by the townspeople. Pat Scheidel said staff would revise the budget for acceptance by the Essex Selectboard if the budget is voted down at the town annual meeting.
- Elaine Sopchak suggested the MOU include language requiring the Essex Selectboard to convene with the Village Trustees to discuss the budget if it is defeated at annual meeting.
- There was mention of the additional employee in the consolidated public works management plan. Dennis Lutz explained existing staff cannot be stretched any further to take on additional responsibilities and cannot be asked to make decisions outside their areas of expertise. Sharing services may free up some time as will contracting out tasks when necessary, but having the entire community under the town public works director adds 10,000 more people to be served which in all likelihood means more complaints to handle. An engineering assistant or civil inspector for public works plus the water and sewer departments is needed to help resolve problems. The consolidation plan will not work without the assistant

position. Pat Scheidel stated costs and additional revenue generated by the added person needs to be shown.

- Brad Luck said the proposal at cost neutral would be easier for the public to accept. Dan Kerin added people will not agree to the plan if there is a cost impact. Max Levy said there must be investment before there is savings. Doug Fisher calculated the shift is in Year 1. The savings is in trying to decrease future increases.
- Elaine Sopchak said the village has lots of road projects in the Capital Plan that are ranked in priority and this ranking needs to hold with the consolidation. Dennis Lutz explained the town road management plan is a schedule for resurfacing roads until rebuild and then the project goes into the capital plan so the entire package is reviewed. The three year trial period for service consolidation may set the stage for management of the road program in the future.
- Elaine Sopchak mentioned the village and town seeking bonds together in the future for roads in the collective community. Pat Scheidel confirmed this is a possibility.
- Pat Scheidel observed the community cannot continue to incur costs that are mounting. The approach has to be together as one community. Dennis Lutz added there is potential to secure better pricing by combining work for paving in one bid, for instance.
- Lori Houghton spoke in support of a three year trial period and being able to walk away thereafter if warranted. Ms. Houghton stressed there is a ‘village way’ and this should not be lost. It is hoped the entire community can act this way. There are some items in the consolidation that fall under the Selectboard realm which impact the village and these items need further discussion. Also, a matrix for success needs to be defined before moving forward with the consolidation.
- Dan Kerin stated the cost effectiveness of contracting services, rolling stock, and such versus consolidation needs to be researched.
- Dennis Lutz said he sees two roles: a leadership management role and a service provider role. Who is responsible for what needs to be defined.
- Rick Jones assured the public works crew works for the Trustees and will do what the Trustees decide with support of the voters. Elaine Sopchak said the Trustees are aware people are extremely happy with the service from the village public works department.
- Pat Scheidel acknowledged the ‘village way’ and assured the consolidation will not lose any quality of service, but with efficiencies hopefully improve service.
- Elaine Sopchak emphasized the need for concise, understandable, clear communications with the public to avoid confusion that could scuttle the plan. The communication has to say what the consolidation is trying to do and what the benefits will be. Max Levy agreed innovative outreach is needed.
- Elaine Sopchak urged thinking concurrently about governance now and in the future. The voters are being asked to consider much (shared services, how to vote the budget, consolidating school districts).

PUBLIC COMMENTS

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- Bruce Post, Cindy Lane, stated innovative outreach is reaching out to people before a decision is made. Complexity is being layered over the core problem that has not been dealt with and that is merger. The overlays may or may not lead to savings and the proposal is to have the consolidation done through the budget process that is approved by a small fraction of the voters who attend the annual meeting. The merger vote was voted by 8,000 people. Mr. Post urged having more fundamental discussion about the merger issue and not doing merger through the budget process.
 - Rick Hamlin, Mansfield Ave., stated the village engineer serves year-to-year and the Trustees and Municipal Manager can decide to make a change. Hamlin Engineering has served as village engineer since 1996, but that process will come to an end with the consolidation. Change is difficult and hard and involves risk. The safety net envisioned of going back to the way things were if the three year trial does not work is not realistic. The workers in the public works department are highly skilled and may not like the consolidation so they may migrate away. It has taken a long time for the village to build the team of workers and it may not be possible to rebuild the team three years from now.
 - Don Weston stated the town and village have different way of doing things and with the consolidation what works for the village may not work for the town and vice versa.
 - Bridget Meyer said if there is agreement philosophically that shared serves are beneficial on some level then those details need to be discussed, but governance needs to be discussed first. Also, communication is paramount. George Tyler noted there was a merger vote in 2006 that would have simply combined all departments. The change would have been drastic. The proposed consolidation is approaching sharing of services in steps. Max Levy added synergies and best practices have to be identified that likely would result in cost savings, but this will not be known without working together and providing the same quality services. Pat Scheidel cautioned against making too many promises because the consolidation may not work, but it is believed there will be a cost savings and if not then the next steps will become clear. There is confidence the employees will remain as today, but the community must do something to afford the same quality of services delivered presently.
 - John Fitzgerald, resident, urged finding a way to bring the consolidation before all the people and have a public ballot vote. George Tyler reiterated the proposal is for a trial run. Going forward the item will be on the ballot and the community will have input.

CLOSING COMMENTS

- Dennis Lutz observed there are two excellent public works departments providing quality services. The community needs to decide the vision five years in the future. The time is right to see if consolidation will work and if it does not then it is fine to maintain services as currently delivered. There are some cost shifts, but the consolidation cannot be done cost neutral.
- Max Levy said services maintained or improved is one of the elements in the matrix.

- Pat Scheidel said the intent is to show the true cost in a conservative way.
- Irene Wrenner asked if the additional engineer will be hired regardless of the consolidation of services. Dennis Lutz clarified the important point is to find the right mix for the future, not necessarily adding more staff.
- George Tyler said the Trustees need to decide if there is concurrence generally with the plan and if management and staff should proceed as recommended.
- Pat Scheidel explained the action is to give staff permission to proceed with continued work on consolidation of services, further define the MOU, and go forth publicly with the proposal.

ACTIONS

Essex Selectboard voted unanimously that the legislative bodies of the village and town concur with the plan for the shared public works management effort as discussed and amended on 11/10/14 and direct staff of the village and town to present an MOU to the legislative bodies.

MOTION by George Tyler, SECOND by Dan Kerin, that the Board of Trustees concurs with the plan with amendments discussed for approving the public works budgets and to present an MOU at a future meeting. VOTING: unanimous (5-0); motion carried.

2. Establish Liaison Group to work with Global Foundries/Businesses

The liaison group will have up to seven representative members of different sectors of the community. Pat Scheidel will advertise for volunteers and candidates will be interviewed. There was mention of the Essex Economic Development Committee with the role of advising the Selectboard on matters of economic development, not business recruitment. The liaison group will be adjunct to the Essex Economic Development Committee. Mike Plageman suggested finding out how Global Foundries may feel about the liaison group.

George Tyler, Max Levy, and Pat Scheidel will draft a purpose statement for the liaison group and qualifications for membership.

11. ADJOURNMENT

MOTION by Elaine Sopchak, SECOND by Andrew Brown, to adjourn the meeting. VOTING: unanimous (5-0); motion carried.

The meeting was adjourned at 10:55 PM.

RScty: M.E.Riordan

