



TRUSTEES MEETING NOTICE & AGENDA
TUESDAY, FEBRUARY 10, 2015 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. **GUESTS, PRESENTATIONS AND PUBLIC HEARINGS**
 - a. Comments from Public on Items Not on Agenda
 - b. Presentation on FYE 14 Audit Report – Chad Hewitt, Sullivan, Powers & Co.
 - c. Presentation on FYE 16 Town Budget – Max Levy, Selectboard Chair
4. **OLD BUSINESS**
 - a. Whitcomb Heights II Open Space – Robin Pierce
 - Email from Tom Weaver, Whitcomb Heights Developer
 - Legal Opinion and Explanation of an Easement from Attorney David Barra
 - Draft Trail Easement Deed
 - Draft Open Space Agreement
 - Minutes of previous meetings (10/28/14 & 1/13/15)
 - b. Adopt FYE 16 Budgets and Capital Programs – Lauren Morrisseau
 - c. Approval of Transfer of Fund Balance to Capital Reserve FYE 16 – Lauren Morrisseau
5. **NEW BUSINESS**
 - a. Bid Policy Waiver for Bid Work for Lincoln Hall Restoration Project - Pat Scheidel
 - b. Approval of Certificate of Highway Mileage – Pat Scheidel
6. **VILLAGE MANAGER’S REPORT**
 - a. Town Meeting Format/Other Budget Meetings
 - b. Trustees meeting schedule
7. **TRUSTEES’ COMMENTS & CONCERNS/READING FILE**
 - a. Board Member Comments
 - b. Minutes from other boards/committees:
 - Essex Economic Development Commission 1/12/15
 - Bike/Walk Advisory Committee 1/26/15
 - Block Party Committee 1/26/15
 - c. Letter from Williston Town Manager Regarding Surplus Sewer Capacity
 - d. Article in Vermont Biz Magazine about Whitcomb Farm Solar Array
 - e. Article by VT Digger about Chairman of State Natural Resources Board
 - f. Information about Rapid Rate Flashing Beacons for Pedestrian Crosswalks
8. **CONSENT AGENDA**
 - a. Approve Minutes of Previous Meeting 1/27/15
 - b. Approve Warrants including check #10050827 through #10050915 totaling \$139,232.46.
9. **ADJOURN**

**VILLAGE OF ESSEX JUNCTION
BOARD OF TRUSTEES
MINUTES OF MEETING
February 10, 2015**

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; Robin Pierce, Development Director.

OTHERS PRESENT Carl Lisman, Jan Jacobs, Shirley Zundell, Chad Hewitt, Jeremy Spaulding, Diane Clemens, Glenn Rogers, Joan MacKenzie, Julie Cimonetti, Jennifer Ryan, Scott Maille, Howard Deal, Paul Royer, Jaime Kelly, MJ Engel, Jon Harris, Steve Eustis, John Trombley, Linda Scholan.

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

Additions to Presentations:

- Copy of the presentation on the FY2016 Essex Town budget
- Questions and answer sheets on storm water, 81 Main Street, consolidation of highway services, and the administrative services position
- Announcement of the pasta dinner and available childcare preceding town meeting in March
- 2014 Annual Report for the Town of Essex

Additions to Old Business:

- Title search results on Whitcomb Heights 57 acres of open space
- Email from Steve and Cathy Eustis, dated 2/4/15

Addition to Reading File:

- Copy of minutes from the Economic Development Committee meetings July 2014-January 2015

3. APPROVE AGENDA

MOTION by Dan Kerin, SECOND by Elaine Sopchak, to approve the agenda as amended. VOTING: unanimous (5-0); motion carried.

4. GUESTS, PRESENTATIONS, PUBLIC HEARINGS

1. Comments from Public on Items Not on Agenda

None.

2. Presentation of FY2014 Audit Report

Chad Hewitt, auditor with Sullivan, Powers & Co., reviewed the FY2014 village audit which was done using generally accepted accounting principles. The audit results for the

Village of Essex Junction is an “unqualified opinion” (best rating to be achieved) with no comments or recommendations regarding internal controls, procedures, and processes. Staff and management are commended for the excellent audit. Mr. Hewitt highlighted fund balances (General Fund ended the year with a surplus) and exhibits in the audit report, noting the footnotes in the report provide detail on the village’s assets and liabilities. Chad Hewitt stressed that the most informative part of the audit report is the MD&A (Management’s Discussion and Analysis) which reports in plain English what happened during the year.

Pat Scheidel asked about the baseline value of the waste water treatment plant for depreciation purposes. Mr. Hewitt said there is no set guideline; the value is management’s assessment.

George Tyler explained when there is a fund balance (surplus) the Trustees will use some of the money to lower taxes, but also must maintain approximately 10% of the budget amount as a buffer to avoid having to borrow money to continue daily operations until the first tax installment. Money is also put into the capital reserve fund for the backlog of capital projects.

3. Presentation on FY2016 Town Budget

Max Levy, Chairman of the Essex Selectboard, gave a presentation on the FY2016 town budget highlighting the following:

- Both the village and town have undertaken an effort to find efficiencies by sharing services. There is no hidden agenda or stealth effort of merger, just simply looking for “smart governance” by eliminating duplicate work.
- Services have been consolidated community-wide with police, senior bus, the unified municipal manager (the village saved \$65,000 last year with a shared manager), tax billing/collection, and storm water. Next steps are permitting and management of storm water via shared services.
- There is a three year trial run of shared highway services (excluding paving and vehicles) by the village and town. There will be no layoffs. Results will be reviewed after the three year trial period to determine next steps.
- A new position of Administrative Services Director is proposed to oversee the shared services and look for further efficiencies. The new position is cost neutral and will allow the municipal manager to focus on the goals and objectives of the entire community. The Administrative Services Director will report to the Municipal Manager. Human Resource, IT, Clerk/Treasurer, Assessor, and Finance will report to the Administrative Services Director.
- The proposed FY2016 town budget is \$12.59 million (increase of \$1.2 million over FY2015) and though this is a 10.5% increase there is less than a 2% increase in the net tax rate due to shared services. Breakdown of the 10.5% increase shows 2.7% increase (\$313,000) in normal operations including IT, Essex Rescue, salt, police facility, liability and workers compensation, and salaries, a .9% increase (\$97,000) in village storm water, and 6.9% increase (\$787,000) in village highway.

- The impact on an average house valued at \$280,000 assuming 1% growth in the grand list and using \$123,000 of fund balance to reduce taxes is \$187 increase in the town and \$162 decrease in the highway rate in the town for a net change of \$25, and \$177 decrease in the village for a net change of \$10.

George Tyler commented residents of the village are also members of the town. Villagers have been paying 100% of the village highway budget plus a portion of the town highway budget. Townspeople outside of the village have paid an additional tax into the town highway fund. Distribution of the village highway budget into the town budget spreads the money across the entire community. The benefit is tax equity for villagers and a reduction in the town highway tax for townspeople outside the village.

Elaine Sopchak pointed out the \$15 increase between the net change in taxes for the town (\$25) and the village (\$10) is for FY2016 only. Going forward the rate will be the same for all.

5. OLD BUSINESS

1. Whitcomb Heights II Open Space

George Tyler stated the Trustees value the environment, open space, trees, green space, making the village more walkable, and, in fact, have established various village committees charged with those objectives, but legal counsel, the Municipal Manager, the Community Development Director, and Public Works Director have all advised against the village taking ownership of the open space at Whitcomb Heights II. Stevens Park is an example of a parcel of land given to the village that at first was well used, but now is no longer being used or supported financially as envisioned so the park has gone fallow and become a problem area. The School District has installed parking area lights where their property is contiguous with the Stevens Park to increase safety for their staff. The Recreation Department finds the area difficult to deal with from a maintenance perspective and there are no programmed activities for the parcel. Staff has proposed that the village have a perpetual easement for the Open Space and the nature trail on the Whitcomb Heights II property. The easement language has been reviewed by legal counsel.

Robin Pierce, Community Development Director, further explained the easement deeds for the open space and nature trail through the PRD (planned residential development) which allow the property to be used as envisioned no matter who owns the land. The land will be open in perpetuity for all residents and the trail will remain a nature trail in its natural condition without improvement. Ownership will be through the Homeowners Association. If the Village owns the land the condominium property would be made nonconforming because there would not be enough land area to justify the number of units built. The open space must remain with the PRD and owned by the Homeowners Association. Language in the Land Development Code allows donation of land or having an Agreement for open space and a nature trail in perpetuity.

COMMENTS

Julie Cimonetti, Poplar Court, asked about public access if the property is owned by the Homeowners Association and liability for off leash dogs or people camping in the woods, for example. Robin Pierce confirmed there will be public access to the property and the police should be contacted for any problem situations.

Steve Eustis, Wilkinson Drive, suggested focusing on common goals and incorporating these into the conservation easement. Mr. Eustis volunteered to be involved in the endeavor. George Tyler noted the village may not be able to impose all that is wanted on the property owner. There will have to be negotiations. Mr. Eustis asked if the easement will allow public access for activities such as bird watching. Robin Pierce confirmed this.

Jeremy Spaulding, Greenwood Ave., asked who should be contacted if a tree from the open space or trail falls on a house or shed. George Tyler advised contacting the property owner which is the Homeowners Association.

Shirley Zundell, Cushing Drive, asked who is responsible for insurance coverage on the property, especially if there is public access. Robin Pierce said the Homeowners Association will have insurance coverage. Pat Scheidel added if the perpetual easement on the trail is accepted by the Trustees then the Village will hold title to anything on the trail.

Tom Weaver, South Street Associates, explained there are two Homeowners Associations for Whitcomb Heights, one for Cluster I and one for Cluster II. The open space of 57 acres is over 50% wetlands and cannot be used. There are three entities each with attorneys that need to come to agreement on the easements with the Village: The master homeowners association (which will be activated), Clusters I & II, and South Street Associates.

Jon Harris, South Street, pointed out the public access is to the nature trail and open area, not space around the condominiums. It was noted the trail runs from South Street to Cascade Street, but there is also a trail connection from South Street to West Street (the old Whitcomb Road). The trail to West Street already has an easement.

Following further discussion by the Trustees there was concurrence that the first step is for the Homeowners Associations to agree on the matter and then the Village can get involved. Tom Weaver announced all three Homeowners Associations are in agreement with the easements in principle, but the language in the easements should be reviewed before signing. Pat Scheidel reiterated staff is recommending the Village not take ownership of the land, but have easements and negotiate use. Dan Kerin commented the land is open to the public to walk unless posted. The easements will clarify the land is open in perpetuity. Whitcomb Farm is adjacent to the open space and through the tax stabilization agreement with the village signed in April 2011 people can be on the land away from the farm operation. The nature trail will be left as is, not maintained or repaired.

MOTION by Dan Kerin, SECOND by Lori Houghton, to not exercise the option to take ownership of the open space and trails on the Whitcomb Heights II property and to instruct the Municipal Manager and staff to negotiate the Open Space and Nature Trail Agreements to protect the homeowners at Whitcomb Heights II and ensure the open space and trails are available to all village residents in perpetuity. VOTING: unanimous (5-0); motion carried.

2. Adopt FY2016 Budgets and Capital Programs

George Tyler recognized the excellent job done by staff in handling the difficult challenges this budget year presented with the work with the town to consolidate services in areas.

MOTION by Lori Houghton, SECOND by Andrew Brown, to adopt the FY2016 budgets in the following amounts as noted in the memo from Lauren Morrisseau, dated 2/10/15:

- **General Fund** \$3,799,390
- **Water Fund** \$3,393,933
- **Waste Water Treatment Fund** \$1,834,060
- **Sanitation Fund** \$ 456,147
- **General Fund Capital Reserve** \$6,344,682
- **Rolling Stock Fund** \$ 196,165
- **Water Fund Capital Reserve** \$ 184,768
- **WWTF Capital Reserve** \$ 2,457
- **Sanitation Fund Capital Reserve** \$ 224,746
- **Estimated tax rate to support the General Fund Budget is \$.02388 (decrease of 15.5%).**
- **Utility rates to support the enterprise funds (water, waste water, sanitation) are estimated to increase 2.4%**

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

3. Transfer of Fund Balance to Capital Reserve FY2016

MOTION by Andrew Brown, SECOND by Elaine Sopchak, to approve an article on the annual meeting warning asking the voters to approve the transfer of \$75,000 from the fund balance in the General Fund to the Capital Reserve Fund as recommended by staff. VOTING: unanimous (5-0); motion carried.

6. NEW BUSINESS

1. Bid Policy Waiver for Work on Lincoln Hall Restoration Project

Pat Scheidel explained the request to waive the bid policy to allow sole sourcing of the work on Lincoln Hall to John Alden of Scott + Partners. John Alden has done much pro bono and volunteer work on public buildings in the village and has extensive experience and qualifications. Andrew Brown expressed concern about sole sourcing to a member of the Village Planning Commission and giving the impression of impropriety. Also, the member would have to recuse himself if the project is under review by the Planning Commission. Dan Kerin echoed the concern of giving the appearance of impropriety that cannot be overlooked.

MOTION by Elaine Sopchak, SECOND by Lori Houghton, to waive the purchasing policy and approve hiring Scott + Partners, Inc. to prepare the bid package for the Lincoln Hall restoration project. VOTING: 3 ayes, 2 nays (Andrew Brown, Dan Kerin); motion carried.

There was discussion of the purchasing policy being too restrictive (\$10,000 threshold) and allowing sole sourcing in certain circumstances or up to a specified dollar amount. Andrew Brown mentioned federal regulations that allow sole sourcing for projects up to \$25,000.

2. Approve Certificate of Highway Mileage

MOTION by George Tyler, SECOND by Elaine Sopchak, to approve the Certificate of Highway Mileage year ending February 10, 2015 for 35.259 miles of Class 1, Class 2, Class 3, and state highway in the village. VOTING: unanimous (5-0); motion carried.

The Trustees signed the document.

7. VILLAGE MANAGER'S REPORT

1. Meeting Schedule

- February 24, 2015 @ 6:30 – Regular Trustees Meeting
- March 10, 2015 @ 6:30 – Regular Trustees Meeting
- March 24, 2015 @ 6:30 – Regular Trustees Meeting
- April 14, 2015 @ 6:30 – Regular Trustees Meeting
- April 28, 2015 @ 6:30 – Regular Trustees Meeting
- May 12, 2015 @ 6:30 – Regular Trustees Meeting
- May 26, 2015 @ 6:30 – Regular Trustees Meeting

Special Meetings/Events:

- April 1, 2015 @ 6 PM – Village Community Supper
- April 1, 2015 @ 7 PM – Village Annual Meeting
- April 14, 2015 – Australian Ballot Voting
- May 23, 2015 @ 10 AM – Memorial Day Parade

2. Essex Town Meeting Format

There will be a community supper preceding town meeting and a table with the question & answer handouts on consolidated services and the budget (the tax increase for the town taxpayer is less than 2% assuming 1% growth in the grand list). Max Levy will do the presentation on the budget. Next steps will be looking at the planning and zoning boards in the village and town in terms of consolidating community development services.

8. TRUSTEES COMMENTS/CONCERNS & READING FILE

1. Board Member Comments

- The Trustees commented positively on the budget presentation by Max Levy. Dan Kerin suggested how the percentage change pertains to a property be explained in a simplified and easy to understand way for the taxpayer.

2. Reading File

- Minutes
 - Essex Economic Development Commission 1/12/15
 - Bike/Walk Advisory Committee 1/26/15
 - Block Party Committee 1/26/15
- Letter from Williston Town Manager re: Surplus Sewer Capacity
- Article in Vermont Biz Magazine re: Whitcomb Farm Solar Array
- Article in Vermont Digger re: Chairman of State Natural Resources Board
- Information re: Rapid Rate Flashing Beacons for Pedestrian Crosswalks

9. CONSENT AGENDA & READING FILE

MOTION by Andrew Brown, SECOND by Elaine Sopchak, to approve the consent agenda as follows:

1. **Approve Minutes of Previous Meeting 1/27/15**
2. **Approve Warrants Check #10050827 to Check #10050915 totaling \$139,232.46.**

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

10. ADJOURNMENT

MOTION by Andrew Brown, SECOND by Dan Kerin, to adjourn the meeting.

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

The meeting was adjourned at 8:53 PM.

RScty: M.E.Riordan

