1. **CALL TO ORDER** [7:45 PM]

2. **AGENDA ADDITIONS/CHANGES**

3. **APPROVE AGENDA**

4. **PUBLIC TO BE HEARD**
   a. Comments from Public on Items Not on Agenda

5. **BUSINESS ITEMS**
   a. Presentation of Building Needs Study, Phase 1
   b. Introduction to taxation plan—Sarah Macy
   c. Update from Governance Subcommittee

6. **CONSENT ITEMS**
   a. Approve minutes: August 27, 2019 – Joint Meeting

7. **READING FILE**
   a. Board Member Comments
   b. Email from Dan Richardson re: Drafting Charter Language
   c. Memo from Sarah Macy re: Joint Board Budget Goals

8. **EXECUTIVE SESSION**
   a. An executive session is not anticipated

9. **ADJOURN**

Members of the public are encouraged to speak during the Public to Be Heard agenda item, during a Public Hearing, or, when recognized by the Chair or President, during consideration of a specific agenda item. The public will not be permitted to participate when a motion is being discussed except when specifically requested by the Chair or President. This agenda is available in alternative formats upon request. Meetings, like all programs and activities of the Village of Essex Junction and the Town of Essex, are accessible to people with disabilities. For information on accessibility or this agenda, call the Unified Manager's office at 878-1341.

Certification: 09/06/2019
SELECTBOARD: Elaine Haney, Chair; Max Levy; Patrick Murray; Annie Cooper; Andrew Watts.
TRUSTEES: Andrew Brown, President; George Tyler; Raj Chawla; Dan Kerin; Amber Thibeault.
ADMINISTRATION and STAFF: Evan Teich, Unified Manager; Greg Duggan, Deputy Manager; Sarah Macy, Finance Director/Assistant Manager; Dennis Lutz, Public Works Director
OTHERS PRESENT: Nan Abbott-Hourigan; Jim Bernegger; Nicole Clayton; Diane Clemens; Patty Davis; Bonnie Doble; Jose Dorlu; Gillian Franks; Barbara Holingdale; Lisa LaBerge; Karlenorovitz; Cindy Rubalca; Bill Riley; Ken Signorello; Margaret Smith; Harry Summerfield; Carl VonStritzky; Irene Wrenner.

1. CALL TO ORDER
Elaine Haney called the Essex Selectboard back to order from the recess of their regular meeting, and Andrew Brown called the Village of Essex Junction Trustees to order. They entered into the Special Joint Meeting of the Village of Essex Junction Trustees and the Town of Essex Selectboard at 8:37 PM.

2. AGENDA ADDITIONS/ CHANGES
No changes or additions to the agenda were suggested.

3. AGENDA APPROVAL
With no changes to the agenda, no vote to approve was needed.

4. PUBLIC TO BE HEARD
a. Comments from Public on Items Not on Agenda
Ken Signorello spoke about two terms used in recent meetings he attended to describe efforts related to the Town and Village merger. In his point of view, the term “merger process” suggests a merger is already in process and he would prefer the term “merger study” be used instead. He also explained his point of view that the term “tax equalization” suggests taxes are currently unfair but, because taxes were voted on and passed by residents, he does not see them as unfair. With this reasoning, he suggested the term “tax shifting” be used instead.

5. BUSINESS ITEMS
a. Presentation of Building Needs Study, Phase 1
Mr. Alden, of Scott + Partners Architecture, presented Phase 1 of the Building Needs Study they are conducting for the Town and Village to determine facility needs, planning up to 30 years out. He explained that the study’s focus is on administrative space and facility needs in the Public Works, Fire, and Parks & Recreation departments. He pointed out that the Phase 1 report includes a careful analysis to determine adequacy of space as compared to current codes and ideal physical structures for specific operations. He talked about findings, including that many of the facilities are experiencing wear and tear and some have been ignored because there seems to not have been incentive to change. Scott + Partners received suggestions from departments when they were asked what is needed. These included a
suggestion that Essex would benefit from an indoor gym and a year-round pool. He reviewed current vs. required square footage of buildings and sites, pointing out that, with the exception of Village Parks & Recreation, the existing building and site footage is about half of what the functional needs require. He reviewed the cost difference of where the Town is and where it will need to be and described the next phases of the study, which will include drawing solution to address the needs.

The Selectboard discussed opinions about what is needed for space in the three department areas of the study. Mr. Levy clarified with Mr. Alden that the projected square footage needs outlined in the study is over a 20- to 30-year projection. Mr. Alden, when asked by Mr. Murray if he had any ideas about what may be most important, pointed out that it is easy to focus on some of the most visible and interesting space needs, like a gym, but it is important to focus on safety concerns and more urgent upgrade needs, like installing exhaust systems in the Town Fire Station. Ms. Cooper advocated for the addition of facilities for indoor swimming, to encourage people to engage in healthy lifestyles, growth and development. Mr. Brown and Mr. Chawla discussed with Mr. Alden the role multi-use spaces and combining facilities could play in achieving some of the space needs noted in the study. Mr. Kerin discussed the possibility of growing buildings taller, while considering site sizes, and functionality of spaces. Mr. Teich pointed out that the timeline for space upgrades would be tied closely to the critical nature of some of the building needs and the importance of following codes.

b. Introduction to taxation plan—Sarah Macy
Ms. Macy presented key taxation planning concepts that would need to be considered and included with a merger. In order to illustrate how the community could end up, over time, with one tax rate she utilized a zero-growth model. In her model and demonstration she illustrated how the tax amount raised by the Village General Fund could be spread out over the entire grand list. She provided illustrations of what the average tax increase/decreases would look like if done in 3, 5, 7, 10 or 12 years. She illustrated the tax increases on a PowerPoint presentation, in her report for the board members and with a demonstration using water.

Mr. Kerin asked what the taxes would look like if the Town outside the Village becomes its own municipality, instead of merging. Ms. Macy explained that this would look like a similar tax change because the Village would need to begin accounting for or contracting for its own finance, IT, human resources and manager expenses. Ms. Cooper added that a separation model would need to account for the costs associated with what is currently a shared police department and Mr. Murray pointed out that the tax rate of the schools would change with a separation plan as well.

Mr. Teich, Ms. Macy and Ms. Haney discussed the fact that the Zero Growth Model was used in the presentation in order to simplify the conversation, but future projects, inflation, grand list growth, and more would play a role in the true numbers within a merger and would require open conversations of all of the related assumptions.
Mr. Watts wondered if there could be another way to show the merger tax projections. He expressed concern that people may misunderstand the tax increase as presented in one of the charts because if it is done over 12 years it looks like a smaller increase.

Ms. Macy expressed hope that the next community survey would reveal what tax change timeline would be acceptable and tolerable by residents. She pointed out that various items should be discussed that could make a meaningful impact on the tax rates, such as the possibility of introducing a non-property tax revenue (local option tax) or holding down staff growth.

- Irene Wrenner commented that if the Town outside the Village separated, there would be equal representation and local control. She pointed out that the Essex Police Department could be paid by all districts, and school separation does not need to take place if the Village and the Town outside the Village separate. She encouraged the board members to educate and inform the community about separation as much as they are doing with merger options.

c. Update from Governance Subcommittee
   Mr. Tyler explained that the Governance Subcommittee provided final revisions to the next community survey, which will be ready for final review on Thursday, September 12 and will be ready to go live next week through the beginning of October. He said that the results of this survey should be tabulated and available to the board members by the October 29th joint meeting. He said the hope, for this survey, is to find out from the community what tax rate increase/decrease timeline would be reasonable or tolerable.

   Mr. Tyler said that the Subcommittee has been re-looking at the possibility of having “special tax districts” within a municipality and determined a flaw in their original understanding of this. He explained that a special tax district can only be for a downtown designation, not for a parks and recreation designation. Ms. Haney clarified that this “special tax district” model is now off the table as an option in the merger discussions. Mr. Duggan explained that special tax districts in Vermont need to account for special services being provided to a certain area of a town, such as a downtown district that has special lighting or sidewalk plowing.

6. CONSENT AGENDA
   a. Approve minutes: August 27, 2019 – Joint Meeting

      MAX LEVY made a motion, seconded by PATRICK MURRAY, that the Selectboard approve the Consent Agenda items with Selectboard comments.
      The motion passed 5-0.

      DAN KERIN made a motion, seconded by GEORGE TYLER, that the Trustees approve the Consent Agenda. The motion passed 5-0.

7. READING FILE
   a. Board Member Comments
      - Mr. Brown pointed out the memo from Ms. Macy about budget goals.
b. Email from Dan Richardson re: Drafting Charter Language

c. Memo from Sarah Macy re: Joint Board Budget Goals

8. EXECUTIVE SESSION

a. An executive session is not anticipated

9. ADJOURN

DAN KERIN made a motion, seconded by ANDREW BROWN for the Trustees to adjourn the meeting. The motion passed 5-0 at 10:16 p.m.

ELAINE HANEY called for the Selectboard to recess the Special Meeting of the Village of Essex Junction Trustees and Town of Essex Selectboard, to re-enter the Selectboard meeting at 10:16 p.m.

Respectfully Submitted,
Cathy Ainsworth
Recording Secretary