1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE TO FLAG**

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. Work session on FY2021 operating budget
   b. Approve FY2021 operating budget
   c. Warn public hearing for FY2021 operating budget
   d. *Update on public union contract negotiations – Evan Teich
   e. **Discuss evaluation of a public employee

6. **CONSENT ITEMS**
   a. Approve minutes: January 14, 2020
   b. Check Warrant #17182—01/17/2020; #17183—01/24/2020

7. **READING FILE**
   a. Board Member Comments
   b. Email from Bridget Downey-Meyer re: Gather at the Table
   c. Memo from Robin Pierce re: Village Center Development
   d. Essex No. 19 Hydroelectric Project (FERC No. 2513) Relicensing Pre-Application Document
      Information Questionnaire
   e. Email from Charles Baker re: I89 Study initial public meetings
   f. Upcoming meeting schedule

8. **EXECUTIVE SESSION**
   a. *An executive session is anticipated for labor relations agreements with employees
   b. **An executive session is anticipated to discuss the evaluation of a public employee

9. **ADJOURN**

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Certification: ________________
________      _______________
Date Posted Initials
TRUSTEES PRESENT: Andrew Brown (arrival at 7:10 PM); George Tyler; Raj Chawla; Amber Thibeault; Dan Kerin

ADMINISTRATION and STAFF: Evan Teich, Unified Manager; Sarah Macy, Finance Director/Assistant Manager; Brad Luck, Parks & Recreation Director

OTHERS PRESENT: Irene Wrenner

1. CALL TO ORDER and PLEDGE OF ALLEGIANCE
   Mr. Tyler called the meeting to order at 6:30 p.m. and led the assemblage in the Pledge of Allegiance.

2. AGENDA ADDITIONS/ CHANGES
   Mr. Teich added a letter regarding the Essex Sting Basketball Club to the reading file as item 7g.

3. APPROVE AGENDA
   RAJ CHAWLA made a motion, and AMBER THIBEAULT seconded, that the Trustees approve the agenda as amended. VOTING: 4-0; motion carried.

4. PUBLIC TO BE HEARD
   a. Comments from public on items not on the agenda.
      There were no comments from the public at this time.

5. BUSINESS ITEMS
   a. Work session on FY2021 operating budget
      Mr. Brown arrived during this discussion at 7:10 PM

      Ms. Macy discussed the changes made to the FY21 budget since the all-day budget meeting, including decreased revenue from License and Zoning fees; increased hours for the Community Relations Coordinator position; and increased computer expenses at EJRP because a proposed reduction was taken twice. She also explained changes in Transfers and Miscellaneous Expenditures to the Capital Fund; from the Rolling Stock; to EJRP capital; and to the Fire department. She said, without further changes, the budget increase from FY2020 is 4.49% and annual taxes for a $280,000 home would increase to $28.85. She invited the Trustees to discuss potential cuts to the budget so the increase from the previous year is not as large. Ms. Macy also asked the Trustees to discuss additional items that had been identified as operating budget needs by the Buildings Manager and Public Works Director, since the budget day - a Brownell Library roof evaluation and an electrical distribution project.

      The Trustees discussed multiple strategies for decreasing the budget and talked about the additional items presented that were not already in the budget.
      • Ms. Thibeault wondered what would happen if the transfer to the Capital Fund decreased from 15% to 10%. Ms. Macy explained that this would change the budget increase to 4.4% with a $24 increase to the average home. Mr. Tyler, Ms. Thibeault and Mr. Chawla talked about the eventual risk of not having enough funding for capital projects if the transfer goes to only moving 8%-10% to capital. The Trustees decided to keep this change to 10% for FY21.
      • The Trustees acknowledged the importance of the $80K one-time air pack filling station expense for the fire department, which was the biggest increase in the budget since budget day.
• Regarding the additional items to be considered for the budget, Ms. Thibeault pointed out that it is challenging to have these come so late in the budget process. She noted that a study and discussion of the electrical project was not presented to the Trustees. Mr. Chawla added that the Brownell Library roof project was not included in the buildings report.

• Mr. Chawla wondered if less money should be moved to rolling stock and Ms. Macy suggested making reducing this line item by $5000 would be reasonable.

• Ms. Macy suggested that the Trustees could decide to bring the Community Development Legal funds to $6000 instead of $12000, which would still be an increase from FY20 actual and should suffice. The Trustees agreed with this strategy.

• Mr. Tyler discussed with Mr. Luck whether or not they should cut back on the community events line. Mr. Luck talked about the politics related to cutting arts and culture from a budget which, in his opinion, could define a board. The Trustees decided to not make cuts to this line.

• The Trustees discussed how any reduction in paving would not change the Village tax rate.

Ms. Thibeault began a discussion about Village revenue and fee structures. She pointed out that the Village’s $25 zoning compliance certificate is $75 less than Colchester’s fee, suggesting that more equitable fee structures should be adopted. Mr. Kerin said that increased enforcement of fines should be considered. Mr. Chawla and Mr. Brown talked about apartment code enforcement practices and the possibility of a rental registry requirement passing from the legislature. Mr. Teich suggested that it would be reasonable to add $5000 to the fees revenue line and would provide a fee study to the Trustees for discussion at a future meeting.

Mr. Luck discussed the history of EJRP’s capital plan. He shared how it has been funded over the past 18 years up to the current funding strategy. He said that the EJRP capital plan is currently funded by the Village of Essex Junction by a calculation based on a penny-on-the-tax-rate formula. He explained how the FY21 capital funds would be spent on multiple projects. Mr. Brown expressed his disagreement with EJRP’s Maple street sign strategy, pointing out its multi-year expense and the proliferation of signs if the Village proceeds with establishing a municipal sign as well. The Trustees decided to keep funding for the EJRP sign in the budget because it would need to go through the Planning Commission and gain approval from the Trustees in order to be implemented. Mr. Luck also discussed using the Pool Bond payment, which concludes in FY20, of $107K annually for EJRP’s large capital projects. The Trustees considered keeping this $107K allocation in the budget beyond the Pool Bond but decided not to for FY21, because of the urgent one-time $80K expense to the fire department. Mr. Luck outlined the imminent, big EJRP capital projects that would have been funded by this money, including resurfacing the pool, fixing roofs and fixing the Maple Street parking lot. Mr. Brown stressed the importance of starting to save for these big projects. Mr. Chawla urged Trustees to consider leaving the $107K investment, then making the case to voters that the $80k to the fire department is urgent and a one-time expense. Mr. Teich and Ms. Macy cautioned that increasing the budget this much could negatively affect the tax rate merger process, if the merger passes this year.

The Trustees discussed how to address capital project equity next year and into the future, considering the unique capital projects in Fire, EJRP, Buildings, Roads, etc. Mr. Tyler pointed out that the penny-on-the-tax-rate economic tax will sunset and a new strategy will need to be defined in the next budget season. Mr. Brown noted that the $80k investment into the Fire Department capital can be allocated to a different department next year, perhaps to EJRP capital projects. Ms. Macy said that the Trustees might want to consider including the buildings capital needs into the general capital plan. Mr. Tyler brought up the Special Tax District possibilities being discussed with the merger planning and potential revenue if a Local Options Tax is adopted.

b. Approve FY2021 operating budget

Ms. Macy summarized the FY21 operating budget, highlighting changes to budget day:
• A change the capital plan allocation to 10% this year;
• A decrease in transfer to the rolling stock fund by $5K;
• A new Sidewalk Plow replacement strategy, which moved up 2 years but does not negatively affect the budget’s bottom line;
• No change to the EJRP program budget, which is 100% subsidized by fees;
• No change to the Senior Center budget;
• A slight change in the Water, Sewer and Sanitation budget, resulting from water costs, capital and general personnel increases, as well as an increase to Global Foundries sale of water. The Trustees discussed the implementation of metered water and the start-up of using new online software for water and sewer billing with usage data accessible by billed water and sewer users. Mr. Chawla urged staff to be clear about how the third party in this arrangement will be using the data the Village will need to share with them, within this arrangement. Mr. Teich noted that the Wastewater Treatment Facility Tri-Town budget was approved for FY21 with increases for sludge maintenance and transfers to capital. He also talked about a resolved equipment defect issue at the facility.

Ms. Macy noted that the changes to the general fund result in a 3.93% overall budgetary increase, a $202,741 increase from FY20, which results in taxes on an average household of $20.28

GEORGE TYLER made a motion, and AMBER THIBEAULT seconded, that the Trustees approve the FY21 Budget as edited and worked on tonight. VOTING: 5-0; motion carried.

c. Warn public hearing for FY2021 operating budget

GEORGE TYLER made a motion, and AMBER THIBEAULT seconded, that the Trustees warn a public hearing for the fiscal year 2021 proposed budgets and capital programs for the Village of Essex Junction to be held Tuesday, February 11, 2020 at 6:30 at 2 Lincoln Street. VOTING: 5-0; motion carried.

d. *Update on public union contract negotiations – Evan Teich
   This agenda item took place under 7a.

e. **Discuss evaluation of a public employee
   This agenda Item took place under 7b

6. CONSENT ITEMS

AMBER THIBEAULT made a motion, and DAN KERIN seconded, that the Trustees to approve the Consent agenda:

a. Approve minutes: January 14, 2020
b. Check Warrant #17182—01/17/2020; #17183—01/24/2020

VOTING: 5-0; motion carried.

READING FILE

a. Board Member Comments
   • Mr. Tyler noted his appreciation of the email from Ms. Downey and the Memo from Mr. Pierce.
   • Mr. Brown pointed out that both meetings scheduled for 1/3/20 will be at the Highschool.
   • Mr. Teich noted that staff are working on a 2 Lincoln staffing strategy. He also mentioned a recent policing incident and a budget discussion with the governor.

b. Email from Bridget Downey-Meyer re: Gather at the Table

c. Memo from Robin Pierce re: Village Center Development
d. Essex No. 19 Hydroelectric Project (FERC No. 2513) Relicensing Pre-Application Document Information Questionnaire

e. Email from Charles Baker re: I89 Study initial public meetings

f. Upcoming meeting schedule

7. EXECUTIVE SESSION

a. *An executive is anticipated for labor relations agreements with employees

ANDREW BROWN made a motion, and DAN KERIN seconded, that the Trustees make the specific finding that premature general public knowledge of the Village’s position concerning ongoing contract negotiations and labor relations agreements with employees would place the Village at a substantial disadvantage AND that the Trustees enter into executive session to discuss contracts and labor relations agreements with employees pursuant to 1 V.S.A. § 313(a)(1)(A) and 1 V.S.A. § 313(a)(1)(B), to include the Unified Manager. VOTING: 5-0; motion carried at 8:30 PM.

b. **An executive session is anticipated to discuss the evaluation of a public employee

ANDREW BROWN made a motion, and GEORGE TYLER seconded, that the Trustees enter into executive session to discuss the evaluation of a public employee in accordance with 1 V.S.A. Section 313(a)(3). VOTING: 5-0; motion carried at 8:31 PM.

DAN KERIN made a motion, and RAJ CHAWLA seconded, that the Trustees close executive session. VOTING: 5-0; motion carried at 9:40 PM.

ADJOURN

DAN KERIN made a motion, and RAJ CHAWLA seconded, that the Trustees adjourn the meeting. VOTING: 5-0; motion carried at 9:40 PM

Respectfully Submitted,
Cathy Ainsworth