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**CITY OF ESSEX JUNCTION
CITY COUNCIL
REGULAR MEETING
MINUTES OF MEETING
January 8, 2025**

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COUNCILORS PRESENT: Raj Chawla, President; Amber Thibeault; Vice President; Tim Miller, Clerk;
Marcus Certa, Elaine Haney.

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ADMINISTRATION: Regina Mahony, City Manager; Jess Morris, Finance Director.

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OTHERS PRESENT: Dennis Chereshanskiy, Thomas Coen, Cora Delucia, George Dunbar, Brian Shelden, Marlon Verasamy, Resa.

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1. **CALL TO ORDER**

City Council President Chawla called the meeting to order at 6:30 P.M.

2. **AGENDA ADDITIONS/CHANGES**

Councilor Certa requested moving #6c from the consent agenda to be Business Item #5d.

3. **APPROVE AGENDA**

Councilor Certa made a motion, seconded by City Council President Chawla, to approve the agenda as amended. The motion carried 5-0.

4. **PUBLIC TO BE HEARD**

a. Comments from public on items not on the agenda

George Dunbar expressed concern about the \$14 million figure used for the total FY24 budget, saying that it is higher than what was approved by voters and that it doesn't align with prior annual reports for FY24 or FY23, nor the outcome of the budget vote for FY24. He said he is aware that the amount was changed through a vote of the City Council that took place last March, but said he is struggling to understand how the amount was changed from the voter-approved amount of \$11.4 million. He suggested the City confirm that the recommendations from VLCT and the City's auditor were implemented properly, as well as how the City is maintaining its accounts related to ARPA funds and other sources of revenue. City Manager Mahony noted that the FY24 change relates to ARPA funding being incorporated into the General Fund, and that the City consulted with its financial auditors and VLCT on how to bookkeep related to ARPA funding.

Resa said that as she was looking through the preliminary budget information, she was surprised that the City's logo and signage won't be changing until FY26. City Council President Chawla replied that yes, it will be changed during FY26, and that they are trying to be thoughtful and intentional in the design of the new logo.

5. **BUSINESS ITEMS**

a. Discussion regarding holding Virtual Council Meetings as a Zoom Webinar rather than a Zoom Meeting
City Manager Mahony said this item relates to the City Council's meetings being disrupted by attacks from "Zoom bombers", and that this could be prevented if the virtual portions of meetings were held as a Zoom webinar rather than a Zoom meeting. She said participants in Zoom webinars are only able to raise their hand, rather than come off mute without host or panelist approval. She noted that this is being test-driven at tonight's meeting. Councilor Certa noted that this is becoming a commonplace practice for municipalities but expressed concern that it places too much of a burden on the host (City Manager Mahony) to facilitate much of the meeting and also run the technological portions of the meeting. City Manager Mahony said she would ask if a Councilor or another staff-person would continue to be another panelist to assist with running the Zoom portion of the meeting. Resa commented as a member of the public that it is often difficult for online participants to have their raised hands noticed in a timely manner, and it feels that online participants are

55 becoming less included in public meetings. Councilor Thibeault noted that even as a panelist, she cannot
56 see all attendees. She also noted that she is happy to monitor and flag if online members have raised hands.

57
58 b. *Interviews and Consideration of Appointments to the Governance Committee
59 The City Council interviewed Thomas Coen, Dennis Chereshanskiy, and Marlon Verasamy for seats on the
60 Governance Committee. Each candidate spoke briefly about their background and interest in serving on the
61 Committee. Councilors asked questions of each candidate, and candidates were given the opportunity to ask
62 questions of the Council.

63
64 See item #9a below for appointments.

65
66 c. Discussion and Consideration of CCRPC UPWP Applications and match – due Jan. 17th
67 City Manager Mahony began by noting that the Unified Planning Work program (UPWP) is an annual
68 application to the Chittenden County Regional Planning Commission (CCRPC), where the City notifies
69 CCRPC of which programs the City will likely seek technical assistance and support on in the coming year.
70 She said that the priority list of programs and projects this year includes GIS Services, a TV condition
71 assessment of select stormwater pipes, assistance with Comprehensive Plan updates, Pearl Street
72 pedestrian crossing planning, and Crescent Connector and Five Corners traffic counts. Councilor Certa noted
73 that some of these projects have funding in the proposed FY26 budget and asked if any of these projects
74 are at risk if the FY26 budget fails. City Manager Mahony noted that CCRPC doesn't finalize its work program
75 until April or May of each year, by which time the City will know if they have an approved budget or approved
76 funding for certain projects.

77
78 **City Council President Chawla made a motion, seconded by Councilor Certa, that the City Council**
79 **authorize staff to submit the UPWP request applications as proposed. The motion passed 5-0.**

80
81 d. Approve the City Council Meeting Policy and Participation Guidelines **was Consent Item #6c**
82 Councilor Certa noted that the language in the draft policy specifies that City Council meetings are held at 2
83 Lincoln Street, and asked if this is problematic, given that 2 Lincoln Street is undergoing renovation and in-
84 person City Council meetings are currently being held at the Police Department. He also asked whether the
85 language doesn't allow flexibility to reschedule meetings due to holidays and other circumstances. City
86 Manager Mahony agreed that it would be good to revise the draft language to be more flexible, given the
87 reasons Councilor Certa cited. Councilor Thibeault suggested adding "unless otherwise designated" to the
88 date, time, and location information in the draft policy. Other Councilors agreed with this approach.

89
90 **Councilor Certa made a motion, seconded by City Council President Chawla, to adopt the City**
91 **Council Rules of Procedure for Meetings as amended to include proposed language to Section 3,**
92 **paragraph 1. The motion passed 5-0.**

93
94 e. Discussion and Consideration of the Proposed Fiscal Year 2026 General Fund Budget
95 City Manager Mahony said this item relates to the proposed FY26 General Fund budget. She said the
96 meeting materials also include questions and responses to questions raised during Budget Day in December
97 2024, additional budget items with slight modifications, and proposed next steps for the FY26 budget
98 approval process. She asked the Council for guidance on further budget modifications so that staff can bring
99 those to the Council for its consideration on January 22, 2025 and then to present to the public during the
100 community meal presentation on January 25, 2025. City Council President Chawla added that there will also
101 be time after the community meal to incorporate feedback and additional modifications in February prior to
102 warning the budget for a vote.

103
104 City Manager Mahony walked through the questions and responses from the Budget Day meeting. She noted
105 a question around cannabis license revenue and noted that each municipality receives \$100 per cannabis
106 license and said this is incorporated into the budget. She noted questions around proactively addressing the
107 fund balance, saying that the City currently operates under a voter-authorized unassigned fund balance

108 policy, but that the Council could explore moving to a Council policy to more nimbly make changes to align
109 with best practices, if needed. She noted that there is interest in achieving an unassigned fund balance of at
110 least 15% (rather than the currently-approved 15% maximum), and shared staff projections of how the City
111 could achieve a 15% unassigned fund balance by FY32 (with an assumed 4% annual budgetary increase).
112

113 Councilors discussed the unassigned fund balance topic in further detail. City Council President Chawla
114 noted that the projections show an almost-tripled unassigned fund balance amount by FY32 (which is what
115 a 15%-minimum unassigned fund balance policy would require), and said the Council would also need to
116 think about how the budget and projects are funded, if more money is being put into the unassigned fund
117 balance, and whether it would be funded through a mix of cash and bonding. City Manager Mahony noted
118 that there is an extensive list of capital projects and will likely be one for a number of years. Councilor Haney
119 said she is in favor of getting to the 15% threshold for the unassigned fund balance as quickly as possible
120 and then reverting to funding the capital and rolling stock at current levels. Councilor Certa asked if the City
121 could develop a budget for FY26 with a 3% increase (as opposed to the current 2.1% increase) and then use
122 the extra 0.9% to help build up the unassigned fund balance. City Manager Mahony noted that municipalities
123 need to be careful about raising taxes to build up an unassigned fund balance, especially given that the
124 current policy for the City requires an unassigned fund balance of up to 15% but doesn't specify a minimum
125 threshold. City Council President Chawla said that it will be important to obtain voter buy-in for this policy
126 change, and also said that it doesn't necessarily require increasing the tax rate to get to that unassigned fund
127 balance threshold of 15%. Councilor Haney also noted that any amount above 15% in the unassigned fund
128 balance is returned to the taxpayers in the form of buying down future tax increases. Councilor Thibeault
129 asked about the implications for the capital plan of reallocating capital and rolling stock transfers to the
130 unassigned fund balance to build up that fund. City Manager Mahony replied that staff will research looking
131 into changing the fund balance policy. She asked how the Council would like to pursue building up the
132 unassigned fund balance, with an eye specifically toward FY26 (which currently proposes allocating \$75,000
133 that would have gone into the capital fund into the unassigned fund balance instead). Finance Director Morris
134 noted that that reduced \$75,000 into the capital fund wouldn't affect anything immediately, but the effects
135 would be seen over time as those reductions accumulate year-over-year. Councilor Haney said that she
136 thinks the policy needs to change prior to allocating more funds to the unassigned fund balance, and City
137 Manager Mahony replied that staff will look into this and be prepared to give a recommendation in February.
138 Councilor Thibeault spoke in opposition to decreasing the capital fund/rolling stock transfer amount for FY26.
139 City Council President Chawla and Councilor Haney spoke in favor of decreasing the allocation to build up
140 the unassigned fund balance (acknowledging that a policy change is required). Councilor Miller expressed
141 concern about rolling stock funds meeting current obligations, let alone decreasing the transfer amount.
142 Councilor Certa said he needs to consider the matter further. Councilor Certa also asked about the need for
143 the Fire Department's additional command vehicle, and City Council President Chawla said it would be good
144 to obtain more clarifying information from the Fire Chief prior to making a decision on that line item.
145

146 The Council then discussed rolling stock and the schedule for vehicle replacement. Finance Director Morris
147 provided more information on the public works vehicles included in rolling stock, which include a loader and
148 a sweeper. She noted that both of these were scheduled to be replaced in FY31/32, which is almost double
149 their useful life cycles, at a projected future cost of \$300,000 and \$455,000, respectively. She said that she
150 was able to move them both up in the schedule to FY29/30, but that if the City wants to replace these items
151 sooner, it would need to transfer more funds into the rolling stock sooner. City Manager Mahony said they
152 could look at how the schedule would be affected if they removed the Fire Department's command vehicle
153 from the schedule for FY26.
154

155 The Council talked about other questions that were raised during Budget Day discussions, as well as
156 additional budget items for consideration. City Council President Chawla noted that the City Council approved
157 of the GMT special assessment at its last meeting. Councilors expressed support for the \$25,000 to support
158 DEI work with an equity policy advisor through CCRPC. Councilors expressed support for including the Essex
159 Community Historical Society's ask of \$1,500-\$2,000 in the FY26 budget, and for setting up a human services
160 grant process similar to that of the Town, for future requests from entities. They discussed leaving the

161 Strategic Action Plan Project List as it currently stands, without additional changes. Councilor Haney noted
162 that she has reached out to GBIC (re: their request for \$3,750) but is awaiting a response. Councilors agreed
163 to support including an additional \$50,000 for salary/wages and benefits.
164

165 Councilor Certa asked when they can expect to see a facility study on the Parks & Recreation and Public
166 Works facilities, and whether that study would look at all City facilities or just those two. City Manager Mahony
167 replied that there is a Recreation Master Plan Facilities Study in the works but she will follow up on a more
168 concrete timeframe for completion, and that there is a process to start looking at the Public Works facility
169 and how to set up for a bond vote (anticipated for next year). She noted that there isn't a study that
170 encompasses all City facilities at this time. Councilor Certa asked about the \$30,000 included for
171 maintenance building expansion for Maple Street Park facilities, and City Manager Mahony replied that she
172 will follow up with more information. Councilor Certa asked if the City should review and re-prioritize the
173 future projects on the building maintenance fund list, and City Manager Mahony replied that the list is a
174 placeholder list that does not need to be prioritized at this time, but that a prioritization exercise is
175 contemplated for the future.
176

177 f. ****Discussion and Consideration of an Executive Session to discuss Personnel**
178 See item #9b below.
179

180 **6. CONSENT ITEMS**

- 181 a. Approve Meeting Minutes: December 11, 2024, and December 18, 2024
182 b. Approve Legislative Letter for Funding Support for Green Mountain Transit
183 c. Approve the City Council Meeting Policy and Participation Guidelines ****now Business Item #5d****
184

185 **Councilor Haney made a motion, seconded by Councilor Certa, to approve the consent agenda as**
186 **presented. The motion passed 5-0.**
187

188 **7. COUNCILOR COMMENTS & CITY MANAGER REPORT:** City Manager Mahony noted that the Fire
189 Department's ladder truck is back from repairs. She also noted that there are two youth applicants for the
190 Recreation Advisory Committee, one of whom will come to the January 22 City Council meeting for an
191 interview, and one of whom will need an outside interview set up. She also noted that the City has two
192 vacancies in the Public Works Department and asked for patience from the public with snow removal,
193 particularly for sidewalks.
194

195 **8. READING FILE**

- 196 a. Check Warrant #24065 – 12/27/2024
197 b. December Financial Reports
198 c. 2024 Equalization Study Reports
199 d. Act 68 of 2023 Legislative Report on Reappraisals
200 e. CVE Annual Permit Applications
201 f. Regional Boards and Committees Minutes Memo
202 g. Development Review Board Minutes 12/19/2024
203 h. Police Community Advisory Board Minutes 12/17/2024
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205 **9. EXECUTIVE SESSION**

- 206 a. ***An Executive Session may be needed to discuss the Appointment of Public Officials**
207

208 **City Council President Chawla made a motion, seconded by Councilor Certa, that the City Council**
209 **enter into executive session to discuss the appointment of public officials, pursuant to 1 V.S.A. §**
210 **313(a)(3) to include the City Manager. The motion passed 5-0.**
211

212 **City Council President Chawla made a motion, seconded by Councilor Certa, to exit executive**
213 **session. The motion passed 5-0 at 9:10 P.M.**

214
215 **City Council President Chawla made a motion, seconded by Councilor Haney, to appoint Steve**
216 **Eustis, Deb McAdoo, Candance Morgan, Brian Shelden, Gabrielle Smith, Marlon Verasamy, and**
217 **Thomas Coen to the Governance Committee until the completion of the outlined work or by**
218 **November 1, 2025. Member terms will last for the full duration of the Committee’s existence. The**
219 **motion passed 5-0.**

220
221 b. ****An Executive Session may be needed to discuss Personnel – City Manager Evaluation**
222

223 **City Council President Chawla made a motion, seconded by Councilor Haney, that the City Council**
224 **enter into executive session to discuss a personnel evaluation, pursuant to 1 V.S.A. § 313(a)(3) to**
225 **include the City Council and the City Manager. The motion passed 5-0.**
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227 **10. ADJOURN**
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229 **Councilor Haney made a motion, seconded by Councilor Certa, to adjourn the meeting. The motion**
230 **passed 5-0 at 9:12 P.M.**

231
232 Respectfully Submitted,
233 Amy Coonradt