1. CALL TO ORDER
George Tyler called the meeting of the Village of Essex Junction Trustees and Town of Essex Selectboard Subcommittee on Governance (hereafter referred to as “Subcommittee on Governance”) to order at 7:02pm.

2. AGENDA ADDITIONS/CHANGES
Ann Janda suggested adding an item to the meeting to discuss the future meeting schedule. This item will be added to the agenda as Agenda Item 5F.

3. AGENDA APPROVAL
MAX LEVY made a motion, and RAJ CHAWLA seconded, that the Subcommittee on Governance approve the agenda as amended. Motion passed 4-0.

4. PUBLIC TO BE HEARD
Betsy Dunn asked, regarding the draft representation proposal, what type of majority would be used for voting. She also asked about the use of “temporary” when describing the model in the chart. Mr. Tyler replied that the Village’s attorney advised that the charter explicitly state that this is a temporary model and will revert to another, yet to be determined model, after a fixed period of time. Ms. Dunn asked why at large representation was chosen for the proposed model, and Mr. Tyler replied that the proposal includes a hybrid model of representation, to reflect the mixed results from the KSV-fielded survey.

Ken Signorello further questioned the Subcommittee’s interpretation of certain survey results. Mr. Tyler responded that the draft proposal is a recommendation to the Joint Boards and that it would be a temporary and transitional model. Andy Watts added that KSV’s findings stated that it looked like the model with the most support in the survey would be a mixed representation model of at-large and district representation, which is in alignment with this proposal.

Brian Sheldon voiced concerns with any approach that would divide rather than unite the community, and also stated that the current proposal may not be legal, according to voter rolls in each district as currently laid out.
Irene Wrenner noted that the oath that elected representatives need to take when being sworn in does not contain language promising that the member will represent their constituency, and that caution should be used when discussing that oath in this context.

5. BUSINESS ITEMS

a. Discuss taxation proposal and consider next steps

Mr. Watts recused himself from this discussion due to the appearance of conflict of interest with his employment.

Mr. Tyler introduced the topic, stating that the subcommittee is looking at a phase-in option for tax reconciliation and the idea that the phase-in of the grand lists will occur over either a 7 or 12 year period. He further stated that the subcommittee and staff are looking at ways to reduce the impact to the Town outside the Village residents. One proposal included creating a special tax district within the Village so that certain costs are not transferred from that district until after the end of the tax phase-in. This proposal targets Village capital expenditures, which would amount to around $490,000, and only includes capital projects that the Village would pay for.

Sarah Macy walked the subcommittee through a presentation on Comparative Taxation Plans, which included several models, looking at either a 7-year phase-in or a 12-year phase-in, both with and without the creation of a special tax district. She noted that the total amount of change to the Town outside the Village is around $330 per household. She explained that figures were developed by compared the average amount over the projected timeframe. The total amount ends up being the same whether the scenario includes the district or not, and same average, whether the scenario includes the districts or not. One assumption is that none of the projected figures factors in changes in grand list or changes in budget.

Mr. Tyler suggested that the subcommittee discuss the tax issue and the representational model and develop several recommendations to bring to the Joint Boards. He also suggested that the tax issue could be discussed independent of the merger proposal and the Boards could potentially solicit community feedback on it.

Ms. Janda noted that Dan Richardson, the Village’s general counsel, expressed concern about the proposed lengths of transition periods, and that it may be difficult to pass through the legislature. She noted that it would also be more difficult to get these changes through legislatively if it the transition can’t be tied to a specified period of time.

Raj Chawla expressed a preference for a shorter amount of time for tax equalization, but noted that while a 12-year plan would sync up with the Village’s debt repayment timeline, he does not see a marked difference between the two timeline options.

Max Levy echoed that, stating that he couldn’t see a clear difference between a 7 year and a 12 year plan, but that it would be good to ensure that any tax equalization timeline matched up with other Village timelines (such as the debt repayment timeline or any potential transitional representation sunset). Ultimately, Mr. Levy and Mr. Chawla agreed that a tax equalization proposal should align with the Village’s debt repayment timeline and other subcommittee members concurred.
Mr. Tyler requested that staff draft a proposal based on the above discussion for Dan Richardson’s consideration the following week.

b. Discuss representation proposal and consider next steps

This item has been combined with Item 5C below.

Mr. Tyler began the discussion, noting that the current representation proposal is looking at a 7-year transition period for representation, if the merger goes forward. The current proposal recommends a mix of district and at-large member elected to a governing Board, with the potential for transitioning to a new model after 7 years.

Evan Teich noted that if districts are redrawn based on this proposal, the Town and Village need to consider potential voter confusion, as residents may not know which district they live in if district lines change. Mr. Watts also voiced concern about potential discrepancies between any new local district lines and state-designated district lines.

Mr. Levy confirmed that the system would revert to all at-large representation if the transitional representation period sunsets without a replacement model in place.

The subcommittee also discussed the potential of forming neighborhoods from which representatives could be drawn, such as a ward system similar to that of Burlington. Ms. Janda noted that such a system could be researched and explored during the transition period. Mr. Chawla and Mr. Watts asked what constitutes a neighborhood, with Mr. Watts noting that more rural areas don’t necessarily need or have a sense of neighborhood.

Mr. Watts asked why the discussion of Town and Village governance is linked to the discussion about the merger. Mr. Tyler replied that this decision entails not just a large revision of the Town’s charter but the merging of the Town and Village charters, which would need to include details of the representational model for governance. Ms. Janda noted that an approach that considered these two actions separately would be more complex and would run counter to the current course of action. Mr. Tyler stated that considering a change in the current approach is beyond the scope of this subcommittee, which was tasked with issuing recommendations for a new community charter to the Joint Boards.

Mr. Chawla added that many outstanding questions have been put on hold for years in order to discuss and determine how a merger could take place, with the understanding that a potential merger could impact those other outstanding issues. He stated that these other issues, such as the question of Australian ballots and of governance are still being considered, but have been incorporated into the merger conversation.

Mr. Tyler will present an update on progress to date by this subcommittee to the Town Selectboard on Monday, December 16. He proposed reviewing draft recommendations and outstanding questions on representative models and taxation with Mr. Richardson next week, after which the drafts will be combined into a report and presented to the Joint Boards.
c. Review and consider approval of draft report on representation proposal

This item was combined with Item 5B above.

d. Review updated infographic and consider approval

Ann Janda walked through changes to the proposed infographic, stating that she would like to use the infographic in both the annual reports as part of advertisement for annual meetings as well as presentations given by the subcommittee chair on the possible merger proposal. Changes included bringing in language that both Boards approved, changing “why merge” statements to “why explore merger”, and creating icons. She requested that this group send her any additional edits they have around the infographic.

e. Approval of minutes

November 14, 2019:
MAX LEVY made a motion, and ANDY WATTS seconded, to approve the Subcommittee on Governance meeting minutes from November 14, 2019 as written. Motion passed 4-0.

November 19, 2019:
MAX LEVY made a motion, and RAJ CHAWLA seconded, to approve the Subcommittee on Governance meeting minutes from November 19, 2019 as written. Motion passed 4-0.

f. Discussion of next week’s meeting:

The next meeting of this Subcommittee will be on December 19, 2019 at 7:00pm at 2 Lincoln Street.

Reading file:

a. Draft charter for merged municipality with boilerplate language

Ms. Janda described the sources used to draft the charter included in the reading file. Her approach was to take current charter language or language from charters of other comparable communities, match transitional provisions to the 2006 proposal where it made sense, and proposed draft language where gaps remained. She stated that there are still some gaps where content is not yet available. She then stated that this document is a draft for this subcommittee to react to.

6. ADJOURN:

GEORGE TYLER made a motion, and RAJ CHAWLA seconded, to adjourn the meeting. Motion passed 4-0. The meeting adjourned at 8:53pm.

Respectfully Submitted,
Amy Coonradt
Recording Secretary

Approved this______day of__________, 2019

(see minutes of this day for corrections, if any)