

VILLAGE OF ESSEX JUNCTION TRUSTEES
TOWN OF ESSEX SELECTBOARD
SUBCOMMITTEE ON GOVERNANCE - SPECIAL MEETING
December 12, 2019

SUBCOMMITTEE MEMBERS: George Tyler, Chair; Raj Chawla; Max Levy; Andy Watts.

ADMINISTRATION: Evan Teich, Unified Manager; Ann Janda, Project Manager; Sarah Macy, Finance Director/Assistant Manager; Greg Duggan, Deputy Manager;

OTHERS PRESENT: Irene Wrenner, Ken Signorello, Betsy Dunn, Brian Sheldon.

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.

45 Irene Wrenner noted that the oath that elected representatives need to take when being sworn in
46 does not contain language promising that the member will represent their constituency, and that
47 caution should be used when discussing that oath in this context.
48

49 **5. BUSINESS ITEMS**

50 **a. Discuss taxation proposal and consider next steps**

51 Mr. Watts recused himself from this discussion due to the appearance of conflict of interest with
52 his employment.
53

54 Mr. Tyler introduced the topic, stating that the subcommittee is looking at a phase-in option for
55 tax reconciliation and the idea that the phase-in of the grand lists will occur over either a 7 or 12
56 year period. He further stated that the subcommittee and staff are looking at ways to reduce the
57 impact to the Town outside the Village residents. One proposal included creating a special tax
58 district within the Village so that certain costs are not transferred from that district until after the
59 end of the tax phase-in. This proposal targets Village capital expenditures, which would amount
60 to around \$490,000, and only includes capital projects that the Village would pay for.
61

62 Sarah Macy walked the subcommittee through a presentation on Comparative Taxation Plans,
63 which included several models, looking at either a 7-year phase-in or a 12-year phase in, both
64 with and without the creation of a special tax district. She noted that the total amount of change
65 to the Town outside the Village is around \$330 per household. She explained that figures were
66 developed by compared the average amount over the projected timeframe. The total amount ends
67 up being the same whether the scenario includes the district or not, and same average, whether
68 the scenario includes the districts or not. One assumption is that none of the projected figures
69 factors in changes in grand list or changes in budget.
70

71 Mr. Tyler suggested that the subcommittee discuss the tax issue and the representational model
72 and develop several recommendations to bring to the Joint Boards. He also suggested that the tax
73 issue could be discussed independent of the merger proposal and the Boards could potentially
74 solicit community feedback on it.
75

76 Ms. Janda noted that Dan Richardson, the Village's general counsel, expressed concern about the
77 proposed lengths of transition periods, and that it may be difficult to pass through the legislature.
78 She noted that it would also be more difficult to get these changes through legislatively if it the
79 transition can't be tied to a specified period of time.
80

81 Raj Chawla expressed a preference for a shorter amount of time for tax equalization, but noted
82 that while a 12-year plan would sync up with the Village's debt repayment timeline, he does not
83 see a marked difference between the two timeline options.
84

85 Max Levy echoed that, stating that he couldn't see a clear difference between a 7 year and a 12
86 year plan, but that it would be good to ensure that any tax equalization timeline matched up with
87 other Village timelines (such as the debt repayment timeline or any potential transitional
88 representation sunset). Ultimately, Mr. Levy and Mr. Chawla agreed that a tax equalization
89 proposal should align with the Village's debt repayment timeline and other subcommittee
90 members concurred.

91

92 Mr. Tyler requested that staff draft a proposal based on the above discussion for Dan
93 Richardson's consideration the following week.

94

95 **b. Discuss representation proposal and consider next steps**

96 This item has been combined with Item 5C below.

97

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

102

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

107

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

110

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

116

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

125

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

131

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

136

**SUBCOMMITTEE ON GOVERNANCE
(DRAFT)**

December 12, 2019

137 **c. Review and consider approval of draft report on representation proposal**

138 This item was combined with Item 5B above.

139

140 **d. Review updated infographic and consider approval**

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

147

148 **e. Approval of minutes**

149 *November 14, 2019:*

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

152

153 *November 19, 2019:*

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

156

157 **f. Discussion of next week’s meeting:**

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

160

161 Reading file:

162 a. Draft charter for merged municipality with boilerplate language

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

169

170 **6. ADJOURN:**

171

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

174

175 Respectfully Submitted,

176 Amy Coonradt

177 Recording Secretary

178

179

180 Approved this _____ day of _____, 2019

181

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