

VILLAGE OF ESSEX JUNCTION NEWS

“In the whole world, there is only one Essex Junction”

Issue No. 37

March 2014

Government can set the stage but it can't write the play. – David Brooks

Village at a Crossroads

By George Tyler, Village President

On behalf of the Trustees I'm pleased to report that 2013 marked another year in which the Essex Junction government provided high quality municipal services at reasonable costs to our citizens. This year we also pay special tribute to the vibrant spirit of volunteerism within the Village, with grateful thanks to the many citizens who donated their time to help successfully organize and manage important community-building events such as the Memorial Day Parade, Train Hop, and Farmers Market. Some of the year's other highlights include:

- The Village Trustees and Essex Town Selectboard collaborated on having a single municipal manager for both governments; so far the arrangement has proven highly successful.
- The Essex Heart & Soul project, funded with a grant from the Orton Foundation and a match from the Village and Town governments, brought hundreds of Essex community members together to identify common values which will inform planning and policy efforts for both governments in years to come.
- The renovation of the wastewater treatment plant has neared completion, on schedule and within the budget.
- The Lincoln Street sidewalk project, funded by a grant, was completed on schedule and within the budget.
- The Crescent Connector project, scheduled for construction in 2015, which will provide alternative driving and walking routes within the Village center and provide more opportunities for economic development, was given final approval with a funding commitment by the state and regional planning commission.

- The Village and Town governments designated a task force to develop a unified storm water policy for the entire community.

However, 2013 also brought the Village community to a crossroads which will require making some game-changing decisions in three areas: 1) Funding of infrastructure repairs; 2) Further unification of Village and Town municipal services; 3) Redevelopment of the Village downtown.

Infrastructure Repairs – For the first time in many years we felt it necessary to seek the voters' permission to borrow money for basic repairs of Village roads and sidewalks. To be blunt, the Village government has not been able to keep pace with the number of infrastructure problems in need of repair. The severe weather we've experienced recently has accelerated the problem. Traditionally, the Village transfers about 18 percent of the money collected into its general fund each year to capital funds that pay for capital infrastructure repairs and major purchases, such as trucks and snowplows. That has usually sufficed to keep bridges, roads, sidewalks, and waterlines in good condition, and the Village's rolling stock in good order. But in 2013 we realized that was no longer the case.

Short term, the choices available to address this problem are stark: 1) Increase property taxes well beyond the rate of inflation; 2) Make significant cuts in other Village services; 3) Borrow money with a 20-year municipal bond. We believe the third option is the most reasonable and acceptable to the majority of Village citizens.

However, this “short term” problem is likely to be repeated if we don't make long term structural changes. Twelve years ago revenues from IBM paid for fifty percent of Essex Junction's general

fund costs. By 2013 that number was reduced to less than ten percent, and may decline even further. The non-IBM grand list has grown during that time, but not nearly enough to compensate for the loss. The bond proposal, if approved, will give us some breathing room. But we cannot borrow our way out of this problem. Our job as elected leaders, acting on your behalf, is to study problems and identify solutions. But there are times when solving community problems require having a community conversation. This is one of those times.

Unification of Municipal Services – In addition to sharing one municipal manager, the Trustees, Village staff, and Essex Town government have been exploring other ideas for unifying municipal services. We believe there may be opportunities for more financial and service efficiencies for our constituents with this approach. In this era of economic uncertainty, we also believe we must strengthen the bonds between the two governments to coordinate economic development and community planning efforts. However, there is a tipping point at which we must consult with voters to ensure that the changes we are making are aligned with the community's sense of identity and values.

Redevelopment of the Downtown – This year we also saw approved two building projects – the Crescent Connector, and a multistory building on the former People's Bank property – that will significantly alter the character of the Village core

around Five Corners. Both those projects conform to the Village's Comprehensive Plan and, we believe, with the wishes of the majority of citizens for a more vibrant, walkable, and economically sustainable downtown. However, some Village residents have expressed concerns about the impact these projects will have in the downtown. It's unlikely that any large infrastructure or building project will conform to everyone's ideals. We all feel a sense of ownership of the Village downtown; we all have ideas about how things might be changed (or not) to make them better. With more redevelopment projects likely to occur, the Trustees have decided that it's time to develop a practical, achievable long range vision for improving the downtown that incorporates a consensus of citizen input to the greatest extent possible. We believe this envisioning effort will not only serve as a guide for property owners and developers, but will help inform Village residents about the possibilities and constraints for downtown redevelopment.

Let's not end on a bleak note. I can say without hesitation, on behalf of the Trustees and Village staff, that we believe the challenges we face, though daunting, are the challenges that any healthy, dynamic community must face in the course of its history. We are eager to face them. We love this community, we are honored to serve it, and we are ready, with your guidance and support, to roll up our sleeves and get to work. Thank you.

JOIN FRONT PORCH FORUM

If you haven't already, sign up for your neighborhood's e-newsletter today. Hear from your clearly identified nearby neighbors and post messages yourself. No fees, no spam, all local. It won't overflow your inbox. There are 5 neighborhoods in Essex Junction which have their own forums: Five Corners North, Five Corners South, Fairview Farms, Countryside and Essex West.

After just a few months on FPF, people often report feeling more connected to their neighbors, more tuned in to local goings on and more a part of their community. You'll see postings looking for a contractor, a lost pet, organizing a group yard sale, etc. Check it out at frontporchforum.com. Online conversations help neighbors connect and build community.

Water quality and stormwater info at smartwaterways.org and ccstreamteam.org

Frequently Asked Questions for Utility Rate Structure

What process did the Village follow to evaluate the utility rate billing structure?

The Village hired Aldrich + Elliott, a local engineering firm with extensive experience in water and sewer rate studies for Vermont municipalities. A rate study committee was created and included participation from members of the Board of Trustees, Village staff, and the consultant. Several workshops and meetings were conducted starting in May 2012.

Why did the Village want to evaluate the utility rate structure?

Concerns have been raised about rate fairness, adequacy of rates for revenue stability and predictability of rates.

Why did the rate structure need to be modified?

Recent trends indicate declines in water usage per customer over the past decade causing a reduction in revenues. Billing solely on water volume may not capture the costs of these customers. Rates needed to be set to reflect the full cost of providing service.

What was the prior utility rate structure?

Each customer paid based on the volume of water used. The fees for water, sanitation, and sewage treatment were based on metered water usage, and a minimum fee was billed based on a minimum usage of 1,500 c.f. per 6 months.

How do Village water and sewer rates compare to other utilities and the State average?

For FYE 13, Village combined utility costs were approximately \$45.50 per month compared to \$75 per month for the State average. In FYE 14, the Village of Essex Junction water customer is paying the 2nd lowest cost in Chittenden County for water and sewer.

What are the fixed costs for the utility budgets?

As an example, 50% of the expenses for the water budget are fixed which means the Village incurs approximately 50% of the cost before any water is purchased from Champlain Water District. For the sanitation and sewage treatment budgets, the fixed portion of the expenses range from 65% to 75%. These fixed expenses include labor and benefits, debt retirement, insurance, etc.

What changes have customers seen on the bill?

The new rate structure includes a separate base rate and usage fee for each utility. To cover the fixed expenses of the water, sanitation, and sewage treatment budgets, the new rate structure includes a quarterly base rate. This base rate is applied to each customer and is intended to capture the fixed expenses. A usage fee will continue to be applied based on the volume of water usage to cover the variable portion of the expenses. Fixed charges will be charged quarterly, while usage will be charged semi-annually until all meters have been replaced with radio read meters.

What utility rates will these changes effect?

Village water, sanitation, and sewage treatment.

Did the billing cycle change?

Yes, customers used to receive utility bills 2 times per year. Under the new structure bills are sent 4 times per year. Fixed charges are charged quarterly, while usage will be charged semi-annually until all meters have been replaced with radio read meters.

When did these billing changes begin?

Billing changes began July 1, 2013 of fiscal year 2014. As of July 2013, bills are sent out each year at the end of July, the end of October, the end of January, and the end of April. As soon as the entire Village has meters with radio transmitters, the meters will be read for all 4 billing cycles in the year.

What changes did residential customers experience in utility costs?

Based on FYE 13 rates, the minimum user at 1,500 c.f. per 6 months saw an increase from \$203.43 to \$327.90 per year in utility costs. A typical residential customer with average usage saw no change in the annual costs.

What changes did non-residential (multi-family, commercial, institutional) customers see in the utility costs?

Based on FYE 13 rates, the minimum user at 3,000 c.f. per year saw an increase from \$271.24 to \$354 per year in utility costs. All other non-residential customers saw an increase of less than 1.5%. Residential customers are assessed 1 unit of fixed cost per utility per residence. Non-residential customers' unit costs are based on their prior year's water usage. 1 unit represents usage of 120 gallons per day. Non-residential customers who use more than 120 gallons per day are assessed additional units of fixed charges.

What other public education and outreach was performed?

The utility rate evaluation was presented to the Board of Trustees on January 22, 2013. An informational meeting was held and information was posted on the Village website, press releases were issued, and other social media resources were employed to convey the information. A brochure was given out to residents and business owners at the Village Office, and information concerning the rate structure change was included in the March 2013 newsletter.

VILLAGE OF ESSEX JUNCTION
2 Lincoln Street
Essex Junction, VT 05452-3154

PRST STD
US POSTAGE
PAID
Burlington, VT
05401
Permit #675

ECRWSS

POSTAL PATRON

IMPORTANT DATES FOR VILLAGE RESIDENTS

<u>March 17, 2014</u>	2 nd installment of property taxes due
<u>April 2, 2014</u>	Community Supper, 6 pm, Essex High School Cafeteria Annual Meeting , 7 pm, Essex High School Auditorium
<u>April 8, 2014</u>	Village Annual Meeting ballot and bond voting 7 am-7 pm, EHS
<u>May 24, 2014</u>	Memorial Day Parade, 10 am
<u>May 30, 2014</u>	Water/sewer bills due
<u>May 30, 2014</u>	Five Corners Farmers Market opens
<u>July 4, 2014</u>	4 th of July Celebration with fireworks at Maple St. Park
<u>July 19, 2014</u>	13 th Annual Block Party, Railroad Avenue, 5-10 pm
<u>Sept. 1, 2014</u>	Water/sewer bills due
<u>Sept. 15, 2014</u>	First installment of property taxes due
<u>Dec. 1, 2014</u>	Water/sewer bills due

Community Supper Before Annual Meeting, April 2 at 6:00 PM

Join your friends and neighbors for the Community Supper on Wednesday, April 2, 2014 at 6 PM in the Essex High School cafeteria. The supper is free and dessert will be provided. The supper is followed by the Village Annual Meeting in the auditorium at 7 PM. **Free on-site child care is provided during the meeting.**

2013 Annual Report

The 2013 Village Annual Report will be available at the Annual Meeting or may be picked up at the Village office or the Brownell Library by March 21. It will be also online at www.essexjunction.org. The FYE 13 Audit Report is also available on the Village website or at the Village office.

WARNING
VILLAGE OF ESSEX JUNCTION ANNUAL MEETING
APRIL 2 & 8, 2014

The legal voters of the Village of Essex Junction are hereby notified and warned to meet at the Essex Community Educational Center on Educational Drive in the Village of Essex Junction on Wednesday, April 2, 2014 at 7:00 PM to act upon any of the following articles not involving voting by Australian ballot, said meeting to be adjourned to reconvene at the Essex Community Educational Center, on Tuesday, April 8, 2014 to vote for Village officers and transact any business involving voting by Australian ballot, said voting by Australian ballot to begin at 7:00 AM and close at 7:00 PM.

ARTICLE 1. Shall the voters act upon the report of the auditor?

ARTICLE 2. Shall the voters approve an annual General Fund Budget in the amount of \$3,468,826 for fiscal year July 1, 2014 to June 30, 2015, \$2,942,914 of which is to be levied in taxes against the Village Grand List?

ARTICLE 3. Shall the voters approve holding the 2015 Annual Meeting on Wednesday, April 1, 2015 to act upon any articles not involving voting by Australian ballot and to reconvene on Tuesday, April 14, 2015 to vote for the Village officers and transact any business involving voting by Australian ballot?

ARTICLE 4. To transact any other business that may lawfully come before the meeting?

BALLOT QUESTIONS

ARTICLE 5. To elect Village officers required by law including: Moderator (one year term); two Village Trustees (three year terms); one Library Trustees (five year term)?

Dated this 25th day of February, 2014

VILLAGE OF ESSEX JUNCTION
BOARD OF TRUSTEES

By: Daniel Kerin, Vice President
Andrew Brown, Trustee
Elaine Sopchak, Trustee

ATTEST:
Susan McNamara-Hill, Village Clerk

VILLAGE OF ESSEX JUNCTION GENERAL FUND REVENUES

Account	FYE12	FYE13	FYE13	FYE14	FYE14	FYE15
	Actual	Amended Budget	Actual	Budget	Estimated Revenues	Proposed Budget
1 Unrestricted Fund Balance		35,000		35,000	0	35,000
2 Property Taxes	2,520,386	2,666,989	2,652,852	2,806,463	2,806,463	2,942,914
3 State for Pilot & Current Use	2,577	2,000	4,079	2,500	2,892	2,500
4 IBM Subsidy	121,123	60,578	60,578	0	0	0
5 Penalties/Interest Delinq. Taxes	7,346	7,000	10,855	7,000	7,000	8,000
6 License & Zoning Fees	61,060	30,000	60,199	35,000	80,000	35,000
7 Service Fee - Water	112,993	110,169	110,169	111,336	111,336	106,840
8 Service Fee - WWTP	56,497	55,085	55,085	55,668	55,668	53,420
9 Service Fee - Sanitation	112,993	110,169	110,169	111,336	111,336	106,840
10 State District Court Fines	1,929	2,000	3,708	2,000	2,500	2,000
11 State Highway Aid	109,059	100,000	113,128	100,000	113,461	100,000
12 EJSD Tax Collection Fee	46,569	47,000	47,956	47,000	47,000	48,000
13 Lincoln Hall Rentals	0	0	1	0	1	1
14 Parking Space Fees	4,800	4,800	4,400	4,800	4,800	4,800
15 Miscellaneous Fire Receipts	25	0	1,231	10	10	10
16 Block Party Donations	1,790	1,500	1,550	1,500	1,500	1,500
17 Miscellaneous Street Receipts	3,701	3,000	2,850	3,500	3,500	3,000
18 Miscellaneous Library Receipts	641	450	708	600	600	500
19 Lost Book Revenue	3,397	0	3,855	0	2,600	0
20 Essex Town Contribution to Library	15,000	15,000	15,000	15,000	15,000	15,000
21 Interest Earnings	1,432	1,000	1,644	1,000	1,500	1,500
22 Miscellaneous Grants	24,992	0	52,591	0	28,342	0
23 Misc. Receipts	6,964	4,600	2,343	5,000	7,500	2,001
24 Sale of Asset	0	0	500	0	0	0
TOTALS	3,215,274	3,256,340	3,315,451	3,344,713	3,403,009	3,468,826

GENERAL FUND BUDGET SUMMARY

	FYE12	FYE13	FYE13	FYE14	FYE14	FYE15
	Actual	Amended Budget	Actual	Budget	Estimated Expenditures	Proposed Budget
25 GENERAL GOVERNMENT:						
26 Administration	588,180	597,386	558,524	598,797	553,612	561,785
27 Transfers & Misc Expenditures	556,412	596,412	596,412	620,051	620,051	649,623
28 Grant & Non-Budgetary Expenditures	39,107	0	109,288	0	30,942	0
29 Seniors Support	0	0	0	0	0	7,960
30 Fire Department	263,181	270,189	280,668	287,208	287,208	298,075
31 Library	629,689	652,785	647,061	684,479	684,210	736,207
32 Lincoln Hall	46,505	38,053	52,136	38,452	50,826	55,057
33 Community Development	215,576	242,852	207,210	244,740	231,528	250,678
34 Economic Development/Community Ever	53,994	83,318	75,283	79,628	81,161	94,838
35 Street Department	707,953	775,345	740,425	791,358	790,730	814,603
GENERAL FUND TOTAL	3,100,597	3,256,340	3,267,007	3,344,713	3,330,268	3,468,826

**WARNING
VILLAGE OF ESSEX JUNCTION
SPECIAL VILLAGE MEETING
APRIL 8, 2014**

The legal voters of the Village of Essex Junction, Vermont are hereby notified and warned to meet at the Essex High School on Educational Drive in the Village of Essex Junction on Tuesday, April 8, 2014 between the hours of seven o'clock (7:00) in the forenoon (a.m.) at which time the polls will open, and seven o'clock (7:00) in the afternoon (p.m.) at which time the polls will close, to vote by Australian ballot upon the following Articles of business:

ARTICLE 1. Shall general obligation bonds of the Village of Essex Junction in an amount not to exceed three million three hundred thousand dollars (\$3,300,000), be issued for the purpose of making certain public improvements, viz.; road reconstruction, water and sanitary sewer improvements, sidewalk replacement, drainage improvements and curb installation on various streets in the Village; such improvements estimated to cost three million four hundred twenty thousand nine hundred thirty-one dollars (\$3,420,931)?

The legal voters and residents of the Village of Essex Junction are further warned and notified that an informational meeting will be held coincident with the annual Village meeting at the Essex High School in the Village of Essex Junction on Wednesday, April 2, 2014 at seven o'clock (7:00 p.m.) for the purpose of explaining the subject proposed public improvements and the financing thereof.

The legal voters of the Village of Essex Junction are further notified that voter qualification, registration and absentee voting relative to said special meeting shall be as provided in 24 VSA §1303, and Chapters 43, 51 and 55 of Title 17, Vermont Statutes Annotated.

Adopted and approved at a special meeting of the Board of Trustees, of the Village of Essex Junction held on March 4, 2014. Received for record and recorded in the records of the Village of Essex Junction on March 4, 2014.

ESSEX JUNCTION BOARD OF TRUSTEES

George A. Tyler, Village President
Daniel S. Kerin, Vice President
Elaine H. Sopchak, Trustee

Received for record this 4th day of March, 2014 in the records of the Village of Essex Junction.

Susan McNamara-Hill
Village Clerk

Village of Essex Junction 2014 Bond Q&A

What is the issue?

On Tuesday, April 8, Village voters will be asked to approve a bond issue for \$3,300,000 to complete five of the most pressing capital improvement projects identified by the Capital Review Committee.

What will it cost?

86% of the bond will be paid through the general fund, causing a property tax increase of \$18.64 per average household for the first year of the bond, \$57.62 per average household for the second year of the bond, and then decreasing each year for the remaining 18 years. These increases are for the average home in the Village valued at \$266,000. Fourteen percent (14%) of the total bond will be paid for through user fees from the water fund.

Why bond?

At the last Village Meeting a straw poll was taken and attendees overwhelming supported bonding versus a one-time tax increase of approximately \$1,300 per average household for the projects.

What capital improvement projects will be paid for?

- Leaking water and sewer line on School Street;
- Underperforming drainage pipe at Maple Street and Shawn's Way;
- Briar Lane road reconstruction, waterline, and sidewalk replacement;
- Hillcrest Road and North Hillcrest Road drainage improvement;
- Enclose flooding and eroding ditch and on the west side of Main Street and install new curb on the east side of Main Street from the bridge near the Town Office (81 Main Street) to the veterinarian's office (129 Main Street).

Why should this matter to me?

School Street's water and sewer lines have never been replaced. They experienced one water line failure and are likely to fail again if not replaced. Providing clean water and sound wastewater lines are at the core of what must be provided by a municipality. The storm drainage pipe at Maple Street and Shawn's Way is not at an appropriate size to handle rainstorms like we experienced this past spring. Without replacing and updating the drainage, flooding across this major route is possible and should be prevented. Briar Lane's road and sidewalk quality is among the worst in the Village; one side of the street will have its sidewalk replaced by grass as the Village plows and maintains only one side of the street. Hillcrest Road residents have experienced wet basements that can be lessened by improving the drainage. This project will also allow the disconnection of a storm drain that is currently connected to the sanitary sewer line. Enclosing the drainage at Main Street near the Town Office will prevent the spread of debris and water on Main Street during rainstorms.

What is the Capital Review Committee?

This five-member committee meets the first Tuesday of every month at 5:30 PM at the Village Office and prioritizes Village projects that exceed \$10,000. Meetings are open to the public. The committee utilizes a scoring system that includes the following elements:

- Safety and Health
- Mandates
- Community Support
- Financing Source
- Timing and Linkages
- Positive Economic Impact
- Cost of Deferral
- Efficiencies
- Service Improvements
- Efficiencies
- Alignment with Village Priorities
- Other