Town of Essex Selectboard
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PUBLIC HEARING & REGULAR MEETING AGENDA

Monday, December 20, 2021 – 5:30 pm
81 Main St., Essex Junction, VT 05452

This meeting will be held both remotely and in person. Available options to watch or join the meeting:

- **WATCH:** the meeting will be live streamed on Town Meeting TV.
- **JOIN ONLINE**: Join Microsoft Teams Meeting.
- **JOIN CONFERENCE CALL**: (*audio only*): (802) 377-3784 | Conference ID: 788 679 290#

1. **CALL TO ORDER** [5:30 PM]
2. **GRIEVANCE HEARING**
   a. *Discussion and potential action on grievance
3. **AGENDA ADDITIONS/CHANGES**
4. **APPROVE AGENDA**
5. **PUBLIC TO BE HEARD**
   a. Comments from Public on Items Not on Agenda
6. **PUBLIC HEARING** [6:45 PM]
   a. Public hearing on the proposed 2022-2023 municipal budget for the Town of Essex
7. **BUSINESS ITEMS**
   a. Presentation of proposed fiscal year 2023 capital budget and five-year plan
   b. Discussion and potential action to adopt fiscal year 2023 budget or warn second public hearing
   c. **Discussion and potential action on tentative agreements about shared services between Town of Essex and independent City of Essex Junction
   d. Discussion and potential action to take formal position on separation of the Village of Essex Junction from the Town of Essex
   e. ***Discussion and potential action about contract
8. **CONSENT ITEMS**
   a. Approve minutes: December 6, 2021; December 13, 2021 (Joint)
   b. Check Warrants: #17934—12/17/2021
9. **READING FILE**
   a. Board member comments
   b. Memo from Annie Costandi and Dennis Lutz re: Supplemental Grant for LDS Church Stormwater Project (Information)
   c. Memo from Dennis Lutz re: Multi-purpose Path along VT15 from Susie Wilson Road to the West Gate of Fort Ethan Allen (INFORMATION)
   d. Memo from Greg Duggan re: Preparing for 2022 annual Town Meeting
   e. Upcoming meeting schedule
10. **EXECUTIVE SESSION**
    a. *An executive session is anticipated for a grievance

b. **An executive session may be needed to discuss negotiation of contracts and agreements between the Town of Essex and Village/City of Essex Junction
c. ***An executive session is anticipated for a contract

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Certification: ________________________ 12/17/2021

TOWN OF ESSEX
SELECTBOARD MEETING MINUTES
Monday, December 20, 2021

SELECTBOARD: Andy Watts, Chair; Susan Cook; Tracey Delphia; Dawn Hill-Fleury

ADMINISTRATION & STAFF: Evan Teich, Unified Manager; Courtney Bushey, Interim Town Finance Director; Caitlin Corless, Essex Free Library Director; Greg Duggan, Deputy Manager; Ron Hoague, Chief of Police; Dennis Lutz, Public Works Director; Sarah Macy, Finance Project Specialist; Owiso Makuku, Community Development Director; Susan McNamara-Hill, Clerk; Rob Paluba, IT Director; Travis Sabataso, HR Director

OTHERS PRESENT: Gina Halpin Barrett; Andrew Brown; Bob Burrows; Alise Certa; Marcus Certa; Kevin Collins; Annie Cooper; Matt Carmolli; Raj Chawla; Joe Coracchia; Erin Dickinson; Betsy Dunn; Steve Eustis; Axel Handy; Rep. Lori Houghton; Daniel Kerin; Chris Kline; Rachel Lizotte; Deb McAdoo; Timothy Miller; Greg Morgan; Nate O'Connor; Joe P.; Roseanne Prestipino; Zachary Sears; Brian Shelden; Ken Signorello; Gabrielle Smith; Harlan Smith; Margaret Smith; Mike Sullivan; Dennis Thibeault; Irene Wrenner; Lorraine Zaloom; RR

1. CALL TO ORDER
Mr. Watts called the Essex Selectboard to order at 5:30 PM.

2. GRIEVANCE HEARING
a. ***Discussion and potential action on grievance**

SUSAN COOK made a motion, seconded by DAWN HILL-FLEURY, that the Selectboard make the specific finding that general public knowledge of a grievance would clearly place the Town at a substantial disadvantage. The motion passed 4-0.

SUSAN COOK made a motion, seconded by DAWN HILL-FLEURY, that the Selectboard enter into executive session to conduct a grievance hearing, pursuant to 1 V.S.A. § 313(a)(1)(D) to include the Unified Manager, Town Legal Counsel and witnesses, the employee and his or her witnesses and Robert Fletcher, Legal Counsel for the Selectboard. The motion passed 4-0.

3. AGENDA ADDITIONS/ CHANGES
There were no changes to the agenda.

4. AGENDA APPROVAL
With no changes to the agenda, approval was not required.

5. PUBLICTO BE HEARD
a. **Comments from Public on Items Not on Agenda**
Mr. Watts requested that speakers uphold specific behaviors of civility during this agenda item.

Ms. Wrenner asked that high fiber networks and/or ARPA funds be used to connect rural Essex to the internet.

Mr. Handy said he opposes the Essex mask mandate due to its impact on business owners.

6. PUBLIC HEARING
a. **Public hearing on the proposed 2022-2023 municipal budget for the Town of Essex**
Mr. Watts opened the public hearing at 6:57 PM.

Ms. Macy provided an overview of the proposed fiscal year 2023 municipal budget for the Town of Essex, which, updated from the last budget discussion, is $16,599,603 (a 4.2% increase from FY22) with a proposed tax levy of $14,920,707 (a 4.6% increase from FY22) and resulting in an estimated tax rate of $0.5469 (a 3.9% or $0.0205 increase from FY22). Ms. Macy explained what the Selectboard and staff priorities were as they entered into the budgeting process: continued emphasis on equity and inclusion; addressing climate change; funding energy efficiency; diversifying revenue to offset the cost of potential separation; reorganizing staff and dissolving consolidated management structures to address the impact of potential separation. She reviewed the budget summary page, pointing out changes to non-tax revenue planned for large expenses big projects. She said there was a cost increase for Essex Rescue. She also said Green Mountain Transit recently requested a significant increase, greater than what was expected. Ms. Macy talked about the proposed uses of the $431,000 fund balance to offset costs related to Police Department vehicles and changes to the Finance Department, which will be structured differently between the Town and Village, moving forward. She talked about the impact of the loss of $120,000 from the Village would have on the administration costs of the Town.

Ms. Wrenner said she was concerned that the Town pays to use Front Porch Forum because they may remove people, resulting in a forum that is not open to all residents. She suggested the budget be revised to fully fund the two new Fire Department per diem positions requested by the Fire Chief.

Ms. Macy said the Fire Department requested two 40-hour per diem positions but only one position was included in the budget to start July 1. The Selectboard discussed the costs associated with adding another person and considered whether to begin a second position halfway through the year or on July 1.

DAWN HILL-FLEURY made a motion, seconded by SUSAN COOK, to end the hearing. The motion passed 4-0 at 7:16 PM.

7. <u>BUSINESS ITEMS</u>

a. Presentation of proposed fiscal year 2023 capital budget and five-year plan

Mr. Lutz presented the proposed $2,840,246 fiscal year 2023 capital budget and the five-year plan. He reviewed the capital budget binder's cover memo and where to find commentary and project summaries. He said major allocations in the plan come from an operating capital equipment fund transfer as well as grants and impact fees. He said 61% of a large stormwater project is planned to be funded by grants. He said a portion of the expenses for buildings, highways, and equipment would also receive grant funding. He talked about how these projects were prioritized and planned. He said other funding in the capital budget is from the 2-cent capital tax, and from undesignated capital reserves. He identified projects these funds would go toward: the replacement of the roof and windows on the Fort Ethan Allen water tower; fixing building deterioration at the front of the library; and for police and fire radio equipment. Mr. Lutz said the biggest future capital needs will be stormwater fixes, which could amount to $5 million over 17 years, and building needs. He encouraged greater annual allocations toward stormwater. He said building projects could include two bays at the highway garage; renovations to a building at the Public Works complex to house all Public Works staff; and an expansion of the salt building.

Ms. Cook asked what the Police Station building funds in the FY23 budget would be used for. Mr. Lutz described how they plan to fix windows to prevent moisture and mold problems.

Mr. Certa asked about the status of work on Memorial Hall. Mr. Lutz said $2,000 is budgeted for structural work, if needed, and there is an additional $12,000 in unspent funds. They talked about the status of installing the HVAC system in the building, fixing the front entrance, and replacing slate.

Mr. Teich and Mr. Lutz discussed the impact of inflation on the capital projects, noting that many items are more expensive.

Mr. Smith asked what work needs to be done to the Indian Brook Dam. Mr. Lutz said the state of Vermont considers it a high risk dam so Public Works will be applying for grants to conduct a needs assessment.

The Selectboard agreed to review the capital plan binder and come to the next Selectboard meeting with more questions. They hope to adopt the capital budget and plan on January 18, 2022.

b. **Discussion and potential action to adopt fiscal year 2023 budget or warn second public hearing**

Ms. Macy and the Selectboard discussed possible changes to the FY2023 budget and decided to hold another public hearing during the first Selectboard meeting of January. They talked about the possibility of legislation which may allow municipalities to vote by Australian ballot again in 2022, or to postpone Town Meeting to later in the year. The Selectboard members also considered the holiday schedule, and availability of Ms. Macy when planning the next hearing. Ms. Hill-Fleury wanted to know if the Town is paying a person to train the Village Finance Department and new Village Finance Director and Ms. Macy said the Village will pay a part-time person for this. Ms. Cook asked for clarity on the position responsibilities of the two Fire Department per diem positions requested in the FY2022 budget by Chief Cole. After discussing the merits and responsibilities of these positions, the Selectboard members were in consensus to add both positions to the budget to start the beginning of the fiscal year on July 1, 2023, as a strategy to alleviate wait times for people who need first responders. The Selectboard requested that staff ask Green Mountain Transit to explain their reasoning and calculations for their increased funding request. They also discussed a Health Officer's pay increase request.

c. ****Discussion and potential action on tentative agreements about shared services between Town of Essex and independent City of Essex Junction**

Mr. Watts introduced the issue of whether the Selectboard would approve the list of approved storm water projects as part of the Stormwater Agreement between the Town of Essex and Village of Essex Junction. He explained that the Selectboard had precluded a decision on this with determinations on Town stormwater capital projects. The Selectboard members had no concerns with the shared services agreement and said they intend to collaborate with the Village on these projects in the future when needed.

TRACY DELPHIA made a motion, seconded by DAWN HILL-FLEURY, that the Selectboard approve the list of approved storm water projects as part of the Stormwater Agreement between the Town of Essex and Village of Essex Junction. The motion passed 4-0.

d. **Discussion and potential action to take formal position on separation of the Village of Essex Junction from the Town of Essex**

Mr. Duggan introduced the issue of whether the Selectboard would draft a position to communicate to legislators when they testify about Essex's separation. He suggested they consider a statement that acknowledges important points about the process they have been going through and how they would like to move forward. Ms. Cook referenced an email from Mr. Watts, supporting his statement that the Selectboard members "do not want to stand in the way of the separation of the Village from the Town and will do [their] best to limit the impact if they separate." Mr. Watts wondered how they would communicate concerns about the steep tax increase upon separation, so the legislature may help, and if they should talk about challenges related to voting timelines for elected officials if the City becomes its own entity July 1. Ms. Cook wondered whether they would be drafting something to read to the legislature and, if so, at what level should they approach it. Mr. Duggan suggested it be a big picture statement, and Mr. Teich said it should provide enough information, considering they may only have one opportunity to speak. The Selectboard members agreed to give thought to their key concerns and top 3-5 items they think should be communicated, to be prepared to discuss this at their January 3 meeting.

Mr. Signorello said that voting districts are not a major issue to bring up as they testify.

Ms. Certa said she was concerned that this item was on the agenda at this juncture because taking a position to support or not support separation should be done with public input.

Ms. Wrenner said the issue of representation is important. She encouraged the Selectboard to consider that the Town residents outside the Village did not have an “exclusive conversation” and did not have “exclusive representation” on the issue of separation because a member of the Village has been serving on the Selectboard.

Ms. Cooper asked Mr. Watts how many people communicated a requested position to him. Mr. Watts said there were about 5-6 and none said they do not support the separation but have varying degrees of support. Ms. Cooper asked the Selectboard to take a strong movement forward on behalf of the residents of the Town who voted to have this separation happen.

Mr. Eustis said he thinks the language of not standing in the way of separation and limiting the impact of this on the Town is good. He said the negotiations they have been making seem reasonable. He said they should reinforce how much the community has been through and how strong the vote was.

Ms. Zaloom said a vote from the whole Town should have been included in their position, but the whole Town did not have the opportunity to vote on separation. She said “not getting in the way” of separation does not communicate this.

Mr. Brown, speaking as a resident and not a Village Trustee, said that if the Selectboard does not want to stand in the way of separation, it should not change the agreements already made with the Village. He said a phased-in tax rate would put separation in jeopardy. He said the Selectboard should keep in mind how much money Village residents have paid for services they did not receive and that the Village had been subsidizing the Town.

Ms. Gabrielle Smith wanted to know why there needed to be an official position when the negotiations have been in good faith. She said, as a resident of the Town, she has been heartened with the clarity of commitment to determine reasonable separation terms.

Ms. Lizotte said she had only recently heard that the Selectboard was drafting a position. She said the way forward should have been through merger but the Selectboard did not facilitate this through their inaction. She said the separation will only negatively impact the Town.

Ms. McAdoo said she is a Village resident who does not want to subsidize the Town anymore. She compared the separation to divorce, saying there will be losses but it should be amicable.

Mr. Sullivan said he supported Ms. Smith and Mr. Brown’s statements as accurate and correct. He said when the Town says they should have had the opportunity to vote on separation they should consider their results to merger. He said by voting not to merge they were moving toward separation. He said he agrees there should be a formal position to the legislature and thanked the Selectboard for their even-handed efforts.

Mr. Smith said that all of the merger and separation votes were for change, and the last three votes resulted in the change as separation because they voted against being one community. He said he likes the idea of the Selectboard being prepared to speak to the legislature and is glad they will work with the Village to protect the municipalities moving forward.

e. *****Discussion and potential action about contract**
This agenda Item took place in Executive Session as 10c.

8. CONSENT ITEMS

DAWN HILL-FLEURY made a motion, seconded by Sue Cook, to approve the consent agenda as presented:

a. Approve minutes: December 6, 2021; December 13, 2021 (Joint)

b. Check Warrants: #17934—12/17/2021

The motion passed 4-0

9. READING FILE

a. Board member comments
- Mr. Watts said, for purpose of disclosure, that Ms. Cook, Mr. Watts, and Ms. Delphia noticed that some emails from the community are ending up in their junk folders. They communicated about the problem, not the content of emails, and IT is looking into resolving the issue.
- Ms. Hill-Fleury thanked staff of the Town and Village for their work and wished them Happy Holidays.
- Mr. Watts said he will not be able to attend their scheduled meeting the week before the Town Meeting.

b. Memo from Annie Costandi and Dennis Lutz re: Supplemental Grant for LDS Church Stormwater Project (Information)

c. Memo from Dennis Lutz re: Multi-purpose Path along VT15 from Susie Wilson Road to the West Gate of Fort Ethan Allen (INFORMATION)

d. Memo from Greg Duggan re: Preparing for 2022 annual Town Meeting

e. Upcoming meeting schedule

10. EXECUTIVE SESSION

a. ***An executive session is anticipated for a grievance**
This executive session took place at the beginning of the meeting as item 2a.

b. ****An executive session may be needed to discuss negotiation of contracts and agreements between the Town of Essex and Village/City of Essex Junction**
An executive session did not take place for this agenda item.

c. *****An executive session is anticipated for a contract**

SUSAN COOK made a motion, seconded by TRACEY DELPHIA, that the Selectboard make the specific finding that general public knowledge of contract negotiations with an employee would place the Town at a substantial disadvantage. The motion passed 4-0.

SUSAN COOK made a motion, seconded by TRACEY DELPHIA, that the Selectboard enter into executive session to discuss contract negotiations with an employee, pursuant to 1 V.S.A. § 313(a)(1)(A). The motion passed at 9:17 PM.

DAWN HILL-FLEURY made a motion, seconded by SUE COOK, to exit executive session. The motion passed 4-0 at 9:45 PM.

DAWN HILL-FLEURY made a motion, seconded by SUE COOK, to execute a severance agreement with Unified Manager Evan Teich with the total cost of the severance agreement to be split evenly by the Town and the Village. The motion passed 4-0.

11. <u>ADJOURN</u>

DAWN HILL-FLEURY made a motion, seconded by SUE COOK, to adjourn. The motion passed 4-0 at 9:52 PM.

Respectfully Submitted,
Cathy Ainsworth
Recording Secretary

Approved this ___18th____ day of __January___, 2022
(See minutes of this day for corrections, if any)

Tracey A Delphia
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Tracey Delphia, Clerk, Selectboard