TOWN OF ESSEX SELECTBOARD
REGULAR MEETING
MINUTES OF MEETING
May 19, 2025

SELECTBOARD: Tracey Delphia, Chair; Kendall Chamberlin, Vice Chair; Shannon Jackson, Clerk; Ethan Lawrence, Andy Watts.
ADMINISTRATION and STAFF: Greg Duggan, Town Manager; Karen Adams, Deputy Town Manager; Charles Cole, Fire Chief; Annie Costandi, Water Quality Superintendent; Aaron Martin, Public Works Director; Adriane Martin, Parks & Recreation Director; Dan Roy, Finance Director; Katherine Sonnick, Community Development Director; Steve Trenholm, Assistant Fire Chief.
OTHERS PRESENT: Maya Balasa, Patty Davis, Betsy Dunn, Gina Halpin Barrett, Dawn Hill-Fleury, Jen Holliday, Alan Nye, Sarah Reeves, Sarah Salatino, Eric Samuelsen, Darren Schibler, Ken Signorello, David Skopin, Cheryl Van Epps, Lois Whitmore, Irene Wrenner, Lorraine Zaloom, M.J.S.S.

1. CALL TO ORDER
Vice Chair Chamberlin called the meeting of the Town of Essex Selectboard to order at 6:30 P.M.

2. AGENDA ADDITIONS/CHANGES
None.

3. AGENDA APPROVAL
None needed.

4. PUBLIC TO BE HEARD
a. Comments from Public on Items not on Deliberative Agenda

Betsy Dunn noted that Tanglewood Drive is a dead end and asked why it does not have signage signifying that there is no outlet. Public Works Director Martin said that staff will look into this and determine the appropriate signage for that road. David Skopin spoke about the significant public interest in the application in front of the Development Review Board (DRB) regarding the siting of an Amazon distribution center in the Town. He urged the Town to stand by its Town Plan, which strives for functioning in a manner to the benefit of all citizens. Lorraine Zaloom said the Town needs to build out its infrastructure before more development occurs, expressed concern about year-over-year water rate increases and the costliness of purchasing an aerial fire truck. She also asked that the Town look into measures to increase local building safety oversight and push certain costs back on developers, rather than on the taxpayers. She further expressed concern about a number of specific development projects. She cited lack of state investment in local infrastructure. She also asked how the Town is defining “diversity” in the context of new development coming into the Town. Gina Halpin Barrett noted that Al Senecal had spoken at two DRB meetings about conducting a land swap with the Town of Essex related to a development application on Thompson Drive, and requested further information from the Town on this proposal. Lois Whitmore said she had outreached Essex Rescue to ask why they had not submitted an opinion on the Amazon development project, given the routing of more school transit routes through the Sand Hill/Route 15 intersection, and said she was informed that Essex Rescue was not invited to weigh in on the Amazon development proposal. Patty Davis noted that the Town of Milton is also being considered as one of the sites for the Amazon development proposal, and said that this would be a more realistic and feasible location for that project. She spoke about the need for more small businesses in Town, not large corporations. Betsy Dunn asked how the requirement for an environmental impact study could be triggered for a large-scale proposal such as the Amazon development project, and asked that this be looked into.

5. <u>PUBLIC HEARING</u>

a. Public hearing on proposed Fiscal Year 2026 Water/Sewer Operating Budget and Capital Plan

ANDY WATTS made a motion, seconded by SHANNON JACKSON, to open the public hearing on the Fiscal Year 2026 Water/Sewer Operating Budget and Capital Plan. The motion passed 3-0.

Public Works Director Martin and Water Quality Superintendent Costandi spoke on this agenda item. Director Martin noted that the proposed FY26 water rate would be an increase of $0.31 per 1,000 gallons (or 4.81%) over FY25, and the proposed FY26 sewer rate would be an increase of $0.67 per 1,000 gallons (or 4.97%) over FY25. He said that for an average household, this translates to an annual increase of $63.82. He noted that though these increases are higher than the latest five-year average, that is due to increased materials cost, treatment costs, and inflation. He noted that staff are also recommending that the minimum water charge be raised to meet the current financial needs of providing water services to the community. He outlined the water, sewer, and shared account budgets and the main drivers of increases for each. He spoke about investment in systems sustainability and long-term planning, noting allocations in both FY25 and FY26 for future capital improvements, as well as the development of an Unrestricted Net Position and Reserves Policy to assist with more efficient long-term planning for the water and sewer funds. Mr. Jackson asked why the sewer rates for the Town are higher than those of surrounding municipalities, and Director Martin replied that the Town has historically had higher rates than average, but noted that these water and sewer rates are cheaper than in the majority of New England. Mr. Watts pointed out that other municipalities may not be including depreciation of equipment and assets in their rates, which could cause them to be artificially lower in comparison.

The following public comments were received:

- Betsy Dunn asked whether there are certain areas covered by the municipal sewer system that would be better served by septic systems. Director Martin replied that the Town is currently using less than half of its sewer capacity and that it is best practice to have sewage treated municipally than through a private septic system where possible.
- Dawn Hill-Fleury asked if the Town anticipates another rate increase next year, and Director Martin replied that the budgetary goal is to remain within the five-year historic average for rates.
- Cheryl Van Epps asked if the sewer maintenance costs are spread throughout the Town. Director Martin replied that sewer ratepayers bear the costs of maintaining the sewer system through the capital fund.

ANDY WATTS made a motion, seconded by SHANNON JACKSON, to close the public hearing. The motion passed 3-0.

6. <u>CONSENT ITEMS</u>

a. Approve minutes: May 5, 2025
b. Approve check warrants: #18274 – 5/5/2025; #18275 – 5/6/2025; #18276 – 5/9/2025
c. Consider approval of auditor for future services
d. Consider approval of Town participation in the Municipal Roads Grant-in-Aid Program
e. Consider approval of 3rd class liquor license renewal application and outdoor consumption permit

ANDY WATTS made a motion, seconded by SHANNON JACKSON, to approve the consent agenda as corrected. The motion passed 3-0.

7. BUSINESS ITEMS

a. *Interview of a volunteer to serve on the Conservation & Trails Committee – Sarah Salatino

The Selectboard interviewed Sarah Salatino for a seat on the Conservation & Trails Committee. The candidate introduced herself and spoke about her background and relevant experience as an expert in native plant species, as well as her interest in serving on the Committee. The Selectboard asked her what it means to be a public servant, her vision for future Committee initiatives, and how she would foster consensus and collaboration. The candidate was given the opportunity to ask questions of the Selectboard.

b. Consider approval of Fiscal Year 2026 Water/Sewer Operating Budget

ANDY WATTS made a motion, seconded by SHANNON JACKSON, that the Selectboard approve the proposed water and sewer budgets including approval of the proposed rate structure for FYE2026, resulting in the following changes to the rate and billing structure: 1. Water Rates/Fees: a. Increase the water rate from $6.36 per 1,000 gallons to $6.67 per 1,000 gallons; b. The water initiation fee at $1000 base fee per connection plus $5.90/gpd of capacity to remain the same; c. Set the minimum water charge per year at $240; and d. Interim or Final Billing request at $35; 2. Sewer Rates/Fees: a. Increase the sewer operating fee from $11.43 per 1,000 gallons to $12.00 per 1,000 gallons; b. The sewer initiation fee of $1,000 base fee per connection plus $10.60/gpd of capacity remains the same; and c. Interim or Final Billing request at $35; and 3. The rate change and interim/final billing request would go into effect on all water/sewer usage with the billing period starting after the spring 2025 billings. The motion passed 3-0.

c. Consider approval of Fiscal Year 2026 Water/Sewer Capital Budget

SHANNON JACKSON made a motion, seconded by ANDY WATTS, that the Selectboard approve the Fiscal Year 2026 Water and Sewer capital budget and planned capital revenues and expenditures for fiscal years 2027-2030. The motion passed 3-0.

d. Presentation from the Chittenden County Regional Planning Commission on Act 181 and the Future Land Use map

Community Development Director Sonnick and Maya Balasa and Darren Schibler of the Chittenden County Regional Planning Commission (CCRPC) spoke on this agenda item, which relates to Act 181 of 2024, an Act 250 reform bill that also includes housing targets, future land use maps, and obtaining Tier 1B status. She said that Act 181 aligns efforts to reform Act 250 and remove barriers to growth in downtown centers. She spoke about future land use maps and described the regional plan future land use categories, state designations and community investments, and Act 250 tiers. She noted that certain categories are eligible to have Tier 1B partial Act 250 exemption of 50 residential units on ten acres or less, and the Town's Planning Commission can submit recommendations in several weeks for what areas they would like to consider for this eligibility. She then noted that the municipality can also seek Tier 1A exemptions from the State (a full Act 250 exemption) in areas that are Planned Growth, Village Center, and Downtown Center-designated. Director Sonnick noted that the Planning Commission will meet on June 12th and any recommendations will be forwarded to the Selectboard after that for its consideration.

The following public comments were received:

- Cheryl Van Epps asked how many Essex residents have submitted comments on the proposed Future Land Use Map. Ms. Balasa described the public engagement process and noted that there were 8 comments received.
- Patty Davis asked about enterprise areas and transportation networks and Mr. Schibler clarified the definition and characteristics of enterprise designations and transportation networks.
- Lois Whitmore asked whether the definition of slopes is different for residential areas versus conservation areas, and Ms. Balasa said every municipality has a different percentage they use for regulating slopes.

e. Consider approval of Chittenden Solid Waste District Fiscal Year 2026 Budget

Sarah Reeves, Executive Director of the Chittenden Solid Waste District, and Jen Holliday spoke on this agenda item. She provided an overview of the FY26 budget for the Selectboard's review and consideration. She spoke about CSWD's projected FY26 revenues of $16.2 million and projected FY26 expenses of $15.9 million. She compared the FY26 and FY25 budgets, noting very slight changes in both revenues and expenses. She noted fee changes for small bags at drop-off centers, a change to mattress recycling fees pending negotiations with their vendor, and an increase in the solid waste management fee from $30 to $40 per ton. She provided an update on the Materials Recycling Facility capital project, noting that there is currently a funding gap of $4 million. She said the SWMF increase is intended to help close this funding gap. Mr. Watts asked whether increased development is being taken into consideration when assessing future capacity for a new MRF. Ms. Reeves replied that CSWD is significantly increasing the capacity of the new MRF to accommodate future growth. Mr. Watts asked about any activity to identify another landfill for the state, given that its only existing landfill is in Coventry and that the hauling route on Route 15 goes through Essex. Ms. Reeves replied that the State's Agency of Natural Resources is tasked with reporting on landfill capacity and options for alternatives to the Coventry landfill, and that it is beginning that planning process knowing that the Coventry landfill has around 17 years left of capacity. Mr. Watts noted a new report to the legislature exploring new regional governance structures and asked whether CSWD was involved in that process, and Ms. Reeves replied that they have not been involved in it to date. Mr. Jackson asked whether Vermont accepts waste from out of state, and Ms. Reeves replied that Casella is allowed to bring in certain material from out of state to cover the landfill.

The following public comments were received:

- Cheryl Van Epps asked what efforts are being made to decrease the amount of trash being generated, particularly from non-compostable takeout containers that may contain forever chemicals. Ms. Holliday noted that there is a bill being considered in the legislature that would ban the addition of PFAS and other chemicals in a number of products.
- Lorraine Zaloom asked whether there any of the trash hauling fleet could be electrified and expressed concern about the truck weight and impacts to Route 15. Ms. Reeves noted that CSWD does not haul trash but contracts with the private sector for hauling, and she spoke about investments the private sector could make in electrifying their fleets but acknowledged that some of these are less feasible in Vermont.

ANDY WATTS made a motion, seconded by SHANNON JACKSON, that the Selectboard approve the Chittenden Solid Waste District's Fiscal Year 2026 budget. The motion passed 3-0.

f. Consider adoption of Essex Parks & Recreation Fiscal Year 2026 Program Fund Budget

Parks & Recreation Director Martin spoke to this agenda item, providing an overview of the FY26 Parks & Recreation Program Fund budget. She said the approach for building the budget was to focus on the delivery of high-quality recreation programs and events while funding the positions necessary to do the work. She spoke about efforts to reduce expenses (passing credit card fees on to program users) and increase revenues (beginning a Farmer's Market) where possible. Mr. Chamberlin asked about the budget's use of fund balance reserves, and Director Martin replied that this is not intended to be a recurring practice and that the fund balance is from previous Parks & Recreation program fund surpluses.

The following public comments were received:

- Ken Signorello expressed disappointment that community garden programming didn't make it into the budget for this next fiscal year, despite community interest and suitable land.

ANDY WATTS made a motion, seconded by SHANNON JACKSON, that the Selectboard adopt the Fiscal Year 2026 Parks & Recreation Program Fund budget. The motion passed 3-0.

g. Consider approval to initiate tax sale procedures

Finance Director Roy spoke regarding this agenda item, noting that the Town's Tax Sale Policy states that the Town will annually evaluate the need to conduct a tax sale based on a review of its delinquent tax list and whether properties meet the criteria for the tax sale. He noted that as of May 1, the delinquent tax list up to FY24 contained 20 properties (14 in the Town and 6 in the City) owing approximately $205,000, and that seven of the properties meet the criteria for a tax sale. He noted that four of these properties have active payment plans and three of them are not in compliance in any way. He said staff would like to continue to pursue steps to outreach those three properties to establish payment plans and bring them into compliance. He noted that they have been able to collect around $175,000 in delinquent taxes over the last year.

SHANNON JACKSON made a motion, seconded by ANDY WATTS, that the Selectboard authorize staff to move forward with tax sale procedures as outlined in accordance with the Tax Sale Policy. The motion passed 3-0.

h. Consider approval of first passage of amendments to the Impact Fee Ordinance and warn a public hearing for June 16 to consider final passage

Town Manager Duggan provided an overview of this item, noting that the Economic Development Commission discussed and endorsed the fire impact fee ordinance and fee schedule Option A at its May 7 meeting. He noted that the Housing Commission discussed but did not take action on the proposed ordinance at its May 6 meeting and requested an additional month to solicit and provide feedback.

ANDY WATTS made a motion, seconded by SHANNON JACKSON, that the Selectboard approve first passage of amendments to Ordinance Title 3, Chapter 3.04: Impact Fees and authorize staff to publish a notice of a public hearing to be set for June 16, 2025 at 6:35 pm to introduce said ordinance, hear comments, and provide notice of the citizens' right to petition for a vote to disapprove the Ordinance. The motion passed 3-0.

i. Consider approval of public survey to collect input on Selectboard strategic goals and discussion about June 9 strategic planning work session

Deputy Town Manager Adams spoke to this item, noting that staff is recommending public input be sought via a simple survey to inform the Selectboard's strategic planning session on June 9. She said that once approved, staff could make the survey available to the public from May 20 through June 4 and compile results for June 9. Mr. Watts expressed support for fielding a survey.

The following public comments were received:

- Ken Signorello asked that the survey include a question or some items from the Town Plan. Deputy Town Manager Adams noted information about how the goals tie back to the Town Plan and Heart & Soul of Essex goal. Town Manager Duggan added that many of the priorities in the strategic goals tie back to the Town Plan. Selectboard members discussed including language referencing the Town Plan in the survey.

ANDY WATTS made a motion, seconded by SHANNON JACKSON, that the Selectboard authorize a public survey to be administered between May 20 - June 4 regarding FY26 Selectboard goals with amendments discussed this evening. The motion passed 3-0.

j. Discussion about Green Mountain Transit membership for Fiscal Year 2027 and potential executive session to discuss contracts

This item was discussed during executive session.

k. Discussion about the negotiating or securing of real estate purchases or lease options

This item was discussed during executive session.

l. Discussion about pending or probable civil litigation or a prosecution, to which the public body is or may be a party

This item was discussed during executive session.

8. <u>READING FILE</u>

a. Board member comments: Mr. Jackson thanked Tammy Getchell for arranging a tour last Monday with the Town directors and staff. Mr. Chamberlin said the Capital Projects Fund provided an excellent update for the operating budget and said it would be great to see a similar review for the water and sewer funds.
b. Upcoming meeting schedule
c. Status of Winter Operations March 1, 2025 through April 29, 2025, End of Season Review
d. Annual State and Local Fiscal Recovery Funds Program (SLFRF) Compliance Report as of March 31, 2025 – American Rescue Plan Act (ARPA) funds
e. Preview of draft Handbook for Boards, Committees, and Commissions and their Staff Representatives
f. Capital Projects Fund Fiscal Year 2025 Budget and Spending review
g. City of Essex Junction Stormwater Utility Fee Credit
h. Town of Essex Charter Amendments update
i. Update from Vermont Agency of Transportation about paving on VT Route 128 between Essex and Fairfax

9. <u>EXECUTIVE SESSION</u>

a. *An executive session is anticipated to discuss the appointment or employment or evaluation of a public officer or employee

No executive session held.

b. An executive session occurred to discuss contracts

ANDY WATTS made a motion, seconded by SHANNON JACKSON, that the Selectboard make the specific finding that general public knowledge of contracts would clearly place the Town at a substantial disadvantage. The motion passed 3-0.

ANDY WATTS made a motion, seconded by SHANNON JACKSON, that the Selectboard enter into executive session to discuss contracts, pursuant to 1 V.S.A. §313(a)(1)(A), to include the Town Manager and Deputy Town Manager. The motion passed 3-0.

c. An executive session occurred to discuss the negotiating or securing of real estate purchase or lease options

SHANNON JACKSON made a motion, seconded by ANDY WATTS, that that the Selectboard enter into executive session to discuss the negotiating or securing of real estate purchase or lease options, pursuant to 1 V.S.A. § 313(a)(2), to include the Town Manager and Deputy Town Manager. The motion passed 3-0.

d. An executive session occurred to discuss pending or probable civil litigation or a prosecution, to which the public body is or may be a party

ANDY WATTS made a motion, seconded by SHANNON JACKSON, that that the Selectboard make the specific finding that general public knowledge of pending or probable civil litigation, to which the public body is or may be a party, would place the Town at a substantial disadvantage. The motion passed 3-0.

ANDY WATTS made a motion, seconded by SHANNON JACKSON, that the Selectboard enter into executive session to discuss pending or probable civil litigation, to which the public body is or may be a party, pursuant to 1 V.S.A. § 313(a)(1)(E), to include the Town Manager and Deputy Town Manager. The motion passed 3-0.

ANDY WATTS made a motion, seconded by SHANNON JACKSON, to exit executive session. The motion passed 3-0 at 10:41 P.M.

10. <u>ADJOURN</u>

SHANNON JACKSON made a motion, seconded by ANDY WATTS, to adjourn the meeting. The motion passed 3-0 at 10:41 P.M.

Respectfully Submitted,
Amy Coonradt,
Recording Secretary

Approved this______day of_______, 2025
(see minutes of this day for corrections, if any)