TOWN OF ESSEX SELECTBOARD
REGULAR MEETING & PUBLIC HEARING MEETING MINUTES
MONDAY, MAY 4, 2026

SELECTBOARD: Shannon Jackson, Chair; Ethan Lawrence, Vice-Chair; Meg Zimmerman, Clerk; Kendall Chamberlin, Andy Watts

ADMINISTRATION and STAFF: Greg Duggan, Town Manager; Karen Adams, Deputy Town Manager; Annie Costandi, Water Quality Director; Aaron Martin, Public Works Director; Dan Roy, Finance Director; Lea Sanguinetti, Associate Engineer; Harlan Smith, Assistant Director of Parks, Trails & Open Spaces

PUBLIC: Walter Adams, Gil Allen, Lisa Allen, Joe Chastenay, Brian Clifford, Elizabeth Coleman, Bryan Currier, Betsy Dunn, Joe Flynn, Lisa Goodrich, Gina Halpin Barrett, Art Johnson, Lynn Johnson, Robert Lalancette, Rachael Lizotte, Linda Merchant, Duane Millar Barlow, Anne Miller, Alan Nye, Bruce Post, Al Senecal, Ken Signorello, Bill Silverstrim, Margaret Smith, Missie Thurston, Cheryl Van Epps, David Whitmore, Lois Whitmore, Irene Wrenner, Lorraine Zaloom, Sharon Zukowski, Michael (screenname), taylor (screnname), Ryan Local 597 (screenname)

Meeting Recording:
https://www.youtube.com/watch?v=s_nB7L8YfBk&list=PLljLFn4BZd2MX8tMSIwlYGFAQOith-Q_F&index=2

Times associated with each agenda item are approximate.

1. CALL TO ORDER (00:00:08)
Shannon Jackson called the meeting to order at 6:30 PM.

2. AGENDA ADDITIONS/CHANGES (00:00:35)
No changes were made to the agenda. Greg Duggan noted that both Alex Solverson's application for the Economic Development Commission and a work plan update from the IT and Parks and Recreation Departments were distributed to the Selectboard.

3. APPROVE AGENDA (00:01:12)
No changes thus no approval required.

4. PUBLIC TO BE HEARD (00:01:18)
Joe Chastenay, owner of Essex Country Club, brought up concerns about crime and police enforcement on his property. Answering a question from Betsy Dunn, Karen Adams discussed efforts to acquire a parcel along the Winooski River for small boat access. Ken Signorello said vicious dog hearings should be held as special meetings. He also discussed a Town-owned abandoned house. Lorraine Zaloom spoke about a potential hazmat issue and suggested agendas be published sooner.

5. PUBLIC HEARING (00:14:10)
a. Proposed Alterations to Deer Crossing Lane
ETHAN LAWRENCE made a motion, seconded by MEG ZIMMERMAN, to open the public hearing. Motion passed. 5-0

Aaron Martin said when Deer Crossing Lane was constructed, a portion of the roadway was never formally deeded to the Town of Essex. This section of roadway starts at Lot 11 and Lot 16 and ends at the cul-desac. This road has been maintained without formal ownership by the Town. In public input, L. Zaloom suggested mandatory surveying to remedy this problem in the future.

ETHAN LAWRENCE made a motion, seconded by MEG ZIMMERMAN, to close the public hearing. Motion passed 5-0.

6. <u>CONSENT ITEMS</u> (00:20:12)
ANDY WATTS made a motion, seconded by ETHAN LAWRENCE, to approve the Consent Agenda. Motion passed 5-0.
a. Approve minutes: April 20, 2026
b. Approve check warrants: #18336_ -04/24/26
c. Consider approval of 3rd class liquor license and outdoor consumption endorsement

7. <u>BUSINESS ITEMS</u>
a. Interview and possible appointment of a volunteer to serve on the Economic Development Commission - Alex Solverson (00:20:35)
As Alex Solverson was not in attendance, this item was skipped.

b. Interview and possible appointment of a Representative to the Chittenden Solid Waste District Board of Commissioners- Alan Nye (00:21:18)
Alan Nye said he is a resident of Essex and former member of the Selectboard. He has served on the Chittenden Solid Waste District Board of Commissioners for twenty-two years. Answering a question from Kendall Chamberlin, A. Nye said an investigation is ongoing to account for the $3 million loss, noting that the original project budget for a new facility was approved by the commissioners. A. Nye said the Finance Committee has been helpful in creating an operational budget to continue the project. Answering a question from Shannon Jackson about what support the Selectboard could provide during this new term, A. Nye encouraged the Selectboard to utilize the community clean-up fund.

ANDY WATTS made a motion, seconded by ETHAN LAWRENCE, that the Selectboard reappoint volunteer Alan Nye to a two-year term to expire May 31, 2028, as the Essex Representative for the Chittenden Solid Waste District Board of Commissioners. Motion passed 5-0.

Walter Adams expressed a concern about uncovered pickup trucks littering on the Circ when they drive to the CSWD drop-off site.

c. Consider approval of Alterations to Deer Crossing Lane (00:28:18)
W. Adams asked for clarification about the road slope, which was provided.

ETHAN LAWRENCE made a motion, seconded by ANDY WATTS, that, in pursuant of 19 V.S.A. §711, the Selectboard, within 60 days after the examination and hearing, return the original petition with a report of its findings and of the manner of notifying the parties together with the survey, to the Town Clerk's office. This shall be recorded by the Clerk. The motion passed **5-0.**

d. Discussion about Reappraisal Forum on May 6 (00:32:38)
K. Adams presented the details on the upcoming May 6th public forum. Answering a question from K. Chamberlin, K. Adams said property owners will receive notice regarding the informal meetings with the appraisers.

e. Presentation and potential action to warn public hearing about Fiscal Year 2027 Water and Sewer Budget (00:35:21)
Aaron Martin presented the budget for FY2027 for the Water and Sewer system, saying that Public Works has been working with a consultant on a rate and fee study and staff are currently reviewing and revising the sewer allocation process. Staff will be updating the sewer allocation ordinance; sewer use ordinance and the water use ordinance. While the current Two-Party agreement allocates gravity infrastructure maintenance costs based on connection ratios or a 50/50 split, A. Martin said both municipalities agree this method is inequitable. He proposed transitioning to a flow-based model to ensure more accurate cost-sharing. A. Martin said the total proposed FY2027 budget for the shared water and sewer accounts is $1,075,542. He said major changes to the FY27 shared account budget would include project updates to the West Street Pump Station. Labor and benefits make up 86% of the budget expenditures.

A. Martin presented the proposed FY27 Water accounts budget with total expenditures of $1,077,720, with the purchase of water from the Champlain Water District accounting for $825,568.00 or 76.6%. He said there is a proposed rate increase of 4.31% or 29 cents per 1,000 gallons. A. Martin said this increase would equate to an annual $21 water bill increase for a single-family home using 200 gallons of water daily. A. Martin presented the proposed Sewer accounts budget with expenditures of $1,947,564. He said there is a proposed rate increase of 8.9% or $1.08 per 1,000 gallons. A. Martin said this increase would equate to an annual $78.60 sewer bill increase for a single-family home using 200 gallons of water daily.

Ethan Lawrence asked for clarification on repair and maintenance budget numbers to confirm that the allocated amounts for funding were correct. Answering a question from Meg Zimmerman, A. Martin said using a staffing firm has reduced contracting costs and unsuccessful job postings. K. Chamberlin said he believes there is not enough capital replacement in FY2027.

Answering a question from L. Zaloom, A. Martin said the Town Center waterline looping from Billy Butler Drive to Essex Way was completed in 2024. Answering a question from L. Zaloom, A. Martin clarified that the 1970 asbestos-cement pipes were tested and confirmed to be free of leaks and, while future replacement is anticipated, immediate action is not required. Answering a question from W. Adams, A. Martin said the annual cost of a single-family home using 200 gallons of water a day for water and sewer is $1,462.92. Answering a question from S. Jackson, A. Martin provided a comparative rate analysis, noting that Essex sewer costs are in the higher range, while water costs are mid-range relative to other municipalities. Answering a question from Bill Silverstrim, A. Martin said the Public Works Department hasn't fully investigated slip lining the water system, although it is an option as well as replacement. Answering a question from Sharon Zukowski, A. Martin clarified that while pipe asbestos differs from ceiling asbestos, it requires specific handling protocols to prevent contamination.

ANDY WATTS made a motion, seconded by KENDALL CHAMBERLIN, that the Selectboard warn a public hearing for the proposed water and sewer budget on May 18, 2026. Motion passed 5-0.

f. Consider approval to request authorization to proceed from Northern Borders Regional Commission grant to do infrastructure design for new municipal complex at 80 & 90 Upper Main Street (1:15:37)
K. Adams presented the approval to initiate infrastructure design for the 80-90 Upper Main Street municipal complex. The project is funded by the Norther Borders Regional Commission grant and is designed to enhance fire, community, and recreation services. K. Adams said the next steps include completing required engineering to design the public right-of-way serving the area of the municipal complex. K. Adams

confirmed that $500,000 grant funding has been secured for the design, designating this stage as “Phase 2” of the project. K. Adams said total costs are estimated at $1,520,000, with the Town’s costs expected to be $1,020,000. She proposed sourcing the funds from the municipal complex capital fund, water and sewer funds, approved fund balance assignments, and additional sources to be specified in the voter-approved ballot item.

E. Lawrence expressed concern about using the emergency water and sewer funds for this project. K. Chamberlin suggested using interest funds for this project. K. Adams clarified that the exact funding source does not have to be identified in the draft letter to the lender. Answering a question from E. Lawrence, funding allocation of $452,000 will be sourced from the water and sewer funds.

W. Adams expressed concerns regarding escalating project costs prior to completion and proposed exploring an Indian Acres-style affordable housing development for the site. David Skopin expressed concerns on tax increases because of the project and agreed with W. Adams that the site would be better fit for affordable housing. L. Zaloom had concerns regarding escalating project costs including plumbing and sewer and the logistical implications of the proposed site location on the opposite side of VT Route 15. Cheryl Van Epps expressed concern regarding potential tax increases and inquired about the extent of federal funding utilization. Betsy Dunn said the property would be better used for a community of affordable tiny houses and that taking the funds from the Public Works Department could compromise the department's ability to respond to emergency infrastructure repairs.

ANDY WATTS made a motion, seconded by MEG ZIMMERMAN, that the Selectboard approve the proposed funding plan and direct the Town Manager to request authorization to proceed from the Northern Borders Regional Commission to begin public infrastructure design for a new municipal complex at 80-90 Upper Main Street.

Discussion: E. Lawrence said his vote reflects the will of the voters. K. Chamberlin said the design efforts would continue through 2027 and conclude in the summer of 2028. During this time the Town would seek community input on key Phase 2 design decisions and the next initial steps of Phase 3. K. Chamberlain clarified that the vote serves to initiate the design phase as authorized by the voters, noting that public engagement and information sharing will continue over the next two years.

The motion passed 5-0.

g. Discussion and potential action to draft updates to Investment Policy (1:42:02)

K. Adams presented the primary objectives updates to the Investment Policy, explaining the current policy requires that investments are FDIC-insured and has limitations on the type of investments that can be offered. K. Adams said there is an alternative investment opportunity with the Vermont Community Loan Fund (VCLF). These loans are offered by the VCLF to community organizations and non-profits, small businesses, childcare providers and developers of affordable housing who would not qualify for traditional loans. Dan Roy noted the importance of establishing an entry-level pathway for this investment type. K. Adams outlined the investment structure, noting it features a fixed term, a fixed amount, and competitive interest rates, functioning similarly to a certificate of deposit. Answering a question from M. Zimmerman, K. Adams said the town of Woodstock also invested in this funding. Answering a question from A. Watts, K. Adams clarified that this funding is already available to the residents and businesses of Essex and this vote was to determine if the Selectboard wanted to invest in the fund.

A. Watts expressed concerns regarding the previous vote against Tier 1B, noting that excluding these areas in Essex may increase the cost of affordable housing development, despite available VCLF funding if the interest from this fund would go into an affordable housing fund. W. Adams recommended prioritizing investments in local banks and credit unions to maximize the economic benefit to the Town. Bruce Post said traditional supply and demand market dynamics do not apply to the housing sector.

ETHAN LAWRENCE made a motion, seconded by MEG ZIMMERMAN, that the Selectboard direct the Town Manager to propose edits to the Town's Investment Policy. Motion passed 5-0.

h. Discussion about Town Manager's Motion to Alter asking Act 250 to reconsider denial of 5-lot subdivision (1:58:47)

G. Duggan discussed the recently submitted letter to the Act 250 District 4 Environmental Commission asking for reconsideration of denial of 5-lot subdivision located near Sand Hill Road and River Road. He said comments made in the Motion to Alter are not about Amazon or the company's proposed distribution center. G. Duggan said the subdivision was previously approved by the Development Review Board (DRB) in March of 2025. G. Duggan discussed Act 250's denial of the subdivision, noting a lack of specific details on slope constraints and the potential precedent for future development restrictions in Essex. If upheld, G. Duggan said, the Environmental Commission's decision could set a precedent where any 1-foot rise over 5 linear feet could be cause for denial of a development project, regardless of the slope's size or reason for existence (natural or manmade). Answering a question from M. Zimmerman, G. Duggan said items of this nature are not typically referred to the Selectboard. E. Lawrence and K. Chamberlin expressed support for G. Duggan, saying he acted within his authority. S. Jackson thanked G. Duggan and expressed his full support. A. Watts said this was a DRB issue. G. Duggan spoke about how other towns handle comments being submitted to Act 250.

S. Zukowski said there are two appeals, one for the subdivision and one for a lot in the subdivision. The slopes in question are for the one lot subdivision. S. Zukowski said the Act 250 regulation does not apply to anything out of site plans. She said the Selectboard is allowed to take part in litigation, and this matter does not constitute a development review. I. Wrenner requested, for clarification purposes, that the term "Act 250" be used as the review board or the Act 250 board. Al Senecal, of Allen Brook Development, expressed his support for G. Duggan and his efforts in bringing this matter before the Selectboard. A. Senecal said the decision could have the potential for future development restrictions. Answering a question from B. Post, G. Duggan confirmed his standing as representative for the Town of Essex, saying that Act 250 had in the past authorized him to speak on behalf of the municipality. D. Skopin expressed concern that the DRB was "breaking the law." Answering a question from D. Skopin, G. Duggan confirmed that all parties retain the right to appeal a DRB decision. He encouraged the Selectboard to ensure that they are representing the public. D. Skopin expressed concern about the steep slopes in the location.

Point of order by ETHAN LAWRENCE that all comments must be directed to the Chair.

Anne Miller, speaking as a resident and not as a member of ACRES, said this topic should have been discussed publicly prior to G. Duggan sending the letter. She said she does not believe the steep slopes precedent cited by G. Duggan is applicable. She said the Selectboard should direct the Town Manager to retract his letter. Brian Clifford, speaking as a resident, said this conversation should be had publicly rather than behind closed doors. He believes the Selectboard should educate the public on this issue. G. Duggan said the Act 250 committee did not reference the location of which steep slopes resulted in the denial letter. D. Barlow Millar countered this and said the commission said natural and manmade slopes were impacted on Kimo Drive. He said he believes the Selectboard should take a long look at how this unfolded. He said the letter has created a serious problem for the town, as future applicants will cite the letter and say steep slopes are unconstitutionally vague. He believes the Selectboard should request that this letter be rescinded and that it is important to hold each other accountable when mistakes are made. W. Adams said he does not consider the size of the slope to be overly steep. He believes that a 20% grade should not be considered a barrier. He said G. Duggan made the correct decision in defending the choice of the DRB.

L. Zaloom expressed concerns about the roadway and steep slope. There are two areas where the Fire Department expressed concern about the length of the roadway, however this has not been addressed. In response to a question from L. Zaloom, G. Duggan said he often uses the word "we" rather than "I" when writing.

ETHAN LAWRENCE made a motion to suspend discussion. No second, thus no vote.

L. Zaloom asked if legal counsel was consulted on the letter. She asked if an application has ever been turned down because of a 20% slope. She expressed concern this letter could undermine the Town Plan and soil quality. She said she believes a letter like this one undermines the authority of the DRB and expressed drainage concerns about this project.

B. Silverstrim said he believes Essex is in violation of the Town Plan and zoning regulations. He noted that the DRB no longer issues waivers. He said there is not a difference between man-made and natural disruptions. Lisa Allen said the Town Manager's letter stating that every resident will be affected is hyperbole. She said she believes additional collaboration with the DRB is necessary. K. Signorello expressed concern about the word "we" in the letter. He said he believes the letter was written on behalf of a request from the developer. E. Lawrence clarified that staff met with Al Senecal, however, did not send the letter at his request. Rachael Lizotte asked the Selectboard direct G. Duggan to rescind the request.

i. Discussion about fiscal year 2026 work plan updates (03:06:54)
G. Duggan provided updates on the Selectboard and departmental work plans for the current fiscal year 2026. K. Chamberlin suggested adding high/medium/low rankings in order moving forward, and all agreed. A. Watts complimented staff on their hard work.

j. Consider approval of Selectboard values and long-term goals (03:10:08)
G. Duggan said this document reflects the Selectboard values and long-term goals and is informed by the Town Plan and other documents. E. Lawrence expressed concern about the Selectboard's accountability in not respecting the council/manager form of governance and deflecting blame on the Town Manager earlier in the meeting. Answering a question from A. Watts, E. Lawrence said S. Jackson deflected to G. Duggan and referred to "Item h. Discussion about Town Manager's Motion to Alter asking Act 250 to reconsider denial of 5-lot subdivision" as a "public trial." S. Jackson said he is happy to address this issue with anyone who may have concerns.

In public input, D. Millar Barlow said G. Duggan had said at the beginning of the discussion that the agenda item is a chance for residents to ask him questions. Thus, he does not believe it was inappropriate to have questions directed at G. Duggan. A. Miller concurred and said no offense was intended. C. Van Epps encouraged the Selectboard to think of all residents when making decisions.

As no changes were proposed to the values and long-term goals, no vote was called.

k. Consider approval of source documents for strategic planning and annual work plans (03:22:58)

G. Duggan said staff has prepared a list of documents that are in place which can provide direction to staff and elected officials when setting directions and work plans for the Town. The FY 2027 budget will be added to this list of documents. S. Jackson requested public comment, of which there was none.

ANDY WATTS made a motion, seconded by MEG ZIMMERMAN, that the Selectboard approve the list of source documents included in this memo, with any changes discussed at this meeting. Motion passed 5-0.

G. Duggan said staff will present the staff draft work plans at the next meeting in May or first meeting in June.

l. Discussion and potential action regarding Selectboard position on Act 181 (03:28:00)
E. Lawrence said 20 towns have written a letter to the State of Vermont with either full or partial opposition to Act 181. He said there is land in Essex that would fall under these proposed regulations and believes this bill is not realistic. K. Chamberlin said he is in support of this and believes it harms agriculture.

In public comment, L. Zaloom said she believes this bill should be repealed and said she does not believe much of the land has been mapped properly. She expressed concern about the unintended consequences and said a new development near her home resulted in the flooding of her backyard and basement. I. Wrenner urged the Selectboard to reject Act 181. E. Lawrence will work with staff to draft a letter to be approved by the Selectboard at the next meeting.

ETHAN LAWRENCE made a motion, seconded by KENDALL CHAMBERLIN, to direct staff to draft a letter for the Selectboard to take an official position on Act 181. Motion passed 5-0.

m. Consider approval to dissolve Selectboard Computer Use, Ethics, and Conflict of Interest Policies (03:41:36)
K. Adams discussed conflicting statements between these policies, including three different definitions of conflicts of interest. She said there are State policies which supersede much of this information. A. Watts suggested relevant material be put in the Rules and Regulations for Orderly Conduct of Business. L. Zaloom discussed recusal processes in the Development Review Board. The Selectboard will discuss this further at a future meeting.

n. Discussion about pending or probable civil litigation or a prosecution
This was discussed during Executive Session.

o. Discussion about contracts
This was discussed during Executive Session.

8. <u>READING FILE</u> (03:56:38)
a. a. Board member comments: E. Lawrence encouraged all to look at the Chittenden County Regional Planning Commission minutes to stay updated on county-level planning. He thanked Stephen Dowd for his service on the Conservation & Trails Commission. K. Chamberlin said the recent dog hearing has produced encouraging results. M. Zimmerman asked if electric vehicle chargers had been considered and said the Tree City Designation was an exciting achievement. S. Jackson said a Coffee with Committees will be held this Saturday.
b. Upcoming meeting schedule
c. Chittenden County Regional Planning Commission minutes from March 18, 2026

d. Annual State and Local Fiscal Recovery Funds Program (SLFRF) Compliance Report as of March 31, 2026 - American Rescue Plan Act (ARPA) funds
e. Proposed updates to Sewer Use Ordinance 10.16 of Town Ordinances
f. Recreation Program Fund Budget Preview for fiscal year 2027
g. Essex earns 2025 Tree City USA recognition
h. Resignation from Conservation and Trails Committee by Stephen Dowd
i. Update to April 6, 2026 Dog Hearing
j. Front Porch Forum post and additional points concerning the Town Manager's ACT 250 motion (for the Denial of Land Use Permit 4C0329-24, 4C0347-6, Motion to Alter)

9. EXECUTIVE SESSION (03:59:58)
a. An executive session was held to discuss pending or probable civil litigation or a prosecution
ANDY WATTS made a motion, seconded by ETHAN LAWRENCE, that the Selectboard make the specific finding that general public knowledge of pending or probable civil litigation or a prosecution, to which the public body is or may be a party, would place the Town at a substantial disadvantage. Motion passed 5-0.

ANDY WATTS made a motion, seconded by KENDALL CHAMBERLIN, that the Selectboard enter into executive session to discuss pending or probable civil litigation or a prosecution, 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.

b. An executive session was held to discuss contracts
ANDY WATTS made a motion, seconded by ETHAN LAWRENCE, that the Selectboard make the specific finding that general public knowledge of contract discussions would place the Town at a substantial disadvantage. Motion passed 5-0.

ANDY WATTS made a motion, seconded by MEG ZIMMERMAN, 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. Motion passed 5-0.

ETHAN LAWRENCE made a motion, seconded by ANDY WATTS, to exit Executive Session. Motion passed 5-0 at 10:56 PM.

10. ADJOURN
ETHAN LAWRENCE made a motion, seconded by ANDY WATTS, for the Selectboard to adjourn. Motion passed 5-0 at 10:56 PM.

Respectfully Submitted,
Darby Mayville & Jamie Harrison
Recording Secretaries