

On Wednesday evening, December 7, 2011, the City Council Members met in the Council Chamber.

Present: Mayor Hooper; Council Members Golonka, Hooper, Jarvis, Sherman, Timpone and Weiss; also City Manager Fraser.

Call to Order by Mayor

Mayor Hooper called the meeting to order at 7:00 P.M.

11-296. General Business and Appearances:

Marilyn Mode from the Taser Committee said it would be a real shame to look at this as a contentious issue, one that was either tasers or no tasers. She doesn't want us to lose sight of some of the other suggestions made in the report, specifically for CIT training and a citizens' review panel. Very important was the fact that the whole study gave the community a chance to see the City Council take a very difficult issue and contemplate it thoroughly. The process works, and that's important. She would suggest that of the \$11,400 that they consider taking \$5,000 and have two officers go to the CIT training and use it as a test. She would be very happy to work with the City Manager and Police Chief Facos to explore any funding possibilities we might have from the federal government or some private money from one of the organizations.

Zachary Hughes, a resident at 3 Prospect Street in Montpelier, noted that it is December 7<sup>th</sup> and it has been 70 years since Pearl Harbor. He wanted to thank the Council for the awesome opportunity and Chief Facos because without him this might not have been possible. The discussion of safety needs to be continued. There are other things besides tasers we could be discussing that could make this community safer. As we jump into the budget season he would like to note that services cost money and each year voters continue to vote for this budget unanimously and he would continue to challenge the voters to find a way to work with the city.

Casey Jones spoke to the council about an incident that his friend Austin had with the Montpelier Police Department.

11-297. Consideration of the Consent Agenda:

- a) Consideration of Minutes from the November 9<sup>th</sup> and November 16<sup>th</sup>, 2011 Regular City Council Meetings.
- b) Consideration of a “Declaration of Official Intent of the City of Montpelier to Reimburse Certain Expenditures from Proceeds of Indebtedness” for the District Heat Project. City Attorney Paul Giuliani suggests that a reimbursement resolution be in place before any project costs are paid.
- c) Consideration of quotes received for the printing of the City’s Annual Report. Of the five “invitations to bid” sent out, only two companies responded: Accura Printing - \$6,795; and L. Brown & Son - \$6,825. Staff has experienced excellent service from both companies.
- d) Consideration of becoming the Liquor Control Commission for the purpose of acting on the following:
  1. Ratification of the Issuance of a Catering Permit to Yebba, Inc., d/b/a The Abbey Pub & Restaurant, for an “Afternoon Reception” scheduled to have been held on Monday, November 28<sup>th</sup>, from 3:00 to 7:00 P.M. at the State House.
  2. Ratification of the issuance of a Special Event Permit to John and Katherine McCann, d/b/a North Branch Vineyards, in order to participate in the “Touch of Vermont Holiday Gift Market” being held in the City Hall Auditorium on Saturday, December 10<sup>th</sup>, from 9:00 A.M. to 4:30 P.M.
  3. Application for a Catering Permit from Langdon Street Pub Company, d/b/a McGillicuddy’s Irish Pub, for a 40<sup>th</sup> Wedding Anniversary Party scheduled to be held on Sunday, December 18<sup>th</sup>, from 1:00 to 9:00 P.M. at the Vermont College of Fine Arts’ Gymnasium. (Note time was changed from 5:00 P.M. until midnight.)

c) Payroll and Bills

General Fund Warrants dated November 16, 2011, in the amount of \$442,952.43 and \$1,594,263.46.

Payroll Warrant dated November 24, 2011, in the amount of \$143,339.19 and \$26,842.97.

General Fund Warrants dated December 1, 2011, in the amount of \$293,048.60 and \$7,727.84.

Community Development Agency Warrants dated September 9, 2011 in the amount of \$10,100 and October 7, 2011 in the amount of \$4,516.00.

Item (b) consideration of the Declaration of Official Intent was removed from the consent agenda at the request of Council Member Golonka.

Motion was made by Council Member Hooper, seconded by Council Member Sherman to approve the remainder of the consent agenda.

11-297(a) Consideration of a “Declaration of Official Intent of the City of Montpelier to Reimburse Certain Expenditures from Proceeds of Indebtedness” for the District Heat Project. City Attorney Paul Giuliani suggests that a reimbursement resolution be in place before any project costs are paid.

Council Golonka asked if they were declaring this to themselves. He needs a little more explanation.

City Manager Fraser replied the City Attorney recommended the City do this.

Motion was made by Council Member Jarvis, seconded by Council Member Hooper to table this agenda item until more information could be obtained. The vote was 6-0, motion carried unanimously.

11-298. Setting of “approximate times” for the following agenda items.

Council Members set times for each of the agenda items.

11-299. Consideration of appointing a City rep to the Kellogg-Hubbard Library’s Board of Trustees.

- a) City Councilor Tom Golonka recently notified John Page, President, and Jim Clemons, Vice President of the Board, that he will be stepping down. In his e-mail he stated, “Give my increased commitments with the VT State Pension Board, the City Council and my kids’ commitments, I find it increasingly difficult to attend and participate at the level I should.”
- b) Councilor Golonka requested that this item be included on an upcoming agenda for discussion.
- c) Recommendation: Discussion; possible direction to staff.

Council Member Golonka said his term is up and he doesn’t want to serve for another two years. The question before us is do we want a Council

Representative or do we want to advertise for the position? He thinks it is important to have our voice heard so if we appoint somebody outside the Council they should understand what their role would be.

Council Member Weiss said the bylaws of the Kellogg-Hubbard Library read that new trustees shall be public trustees nominated by the City Council. If the Council wants to nominate another Council Member that's fine, but if they want to nominate an outside person that's eligible in terms of the bylaws.

Mayor Hooper said if they are going to do that and we want our voice we should say that these are our expectations.

Council Member Golonka said the one thing he would like to see from anyone who applies is somebody who would be willing to bring the Council's perspective to the board and keep us informed about issues that may affect the city. It's good to have a Council Rep but he doesn't think it's necessary. An issue that is coming up next year is an increase for a requesting for funding from municipalities. Montpelier is going to be getting a large request for an increase. That will be a big issue. The funding formula they use to allocate is going to be an issue. He told them he would be willing to stay on the Finance Committee.

Council Member Sherman offered to serve on the Library Board.

Motion was made by Council Member Jarvis, seconded by Council Member Timpone to appoint Council Member Sherman to serve on the Kellogg-Hubbard Library Board as the City Council representative. The vote was 6-0, motion carried unanimously.

11-300. Introduction and discussion regarding the City's FT 2012-13 Budget.

City Manager Fraser said this year's budget presentation is different. It is broader with more choices and also some history. It is really great we have people interested in this budget this year.

Montpelier is at a critical crossroads. Without a fundamental change we are a high service town with many amenities but have an increasing number of people who cannot afford to live here. That was actually written in the 1993 Annual Report by then City Manager Ryan Cotton, the last time the local options tax was approved.

City Manager Fraser did a power point presentation. A copy will be made a part of the permanent record.

He said this past year the City Council adopted a policy on the fund balance use and a debt management policy, they have been reviewing barriers to housing recognizing that we need housing to benefit both the schools and city. They are reviewing and making recommendations regarding the capital improvement structure for public facilities. The Employees Health Insurance Committee made a recommendation which prevented a \$100,000 in increase. The city is reorganizing its financial functions as per recommendations in the MATRIX Report.

He indicated that as many as 15 employees could lose their jobs and many services could be cut. Who will feel the gain? Obviously, taxpayers will have lower tax bills and the higher property tax owners will benefit.

Their first public hearing will be on January 11<sup>th</sup> and the second and final public hearing is on Thursday, January 26<sup>th</sup> which is also the deadline for petitions. Finally, on March 6<sup>th</sup> the city will vote on the budget.

Mayor Hooper said Bill explained the timeframes they have for working their way through the budget. She told City Council they needed to have a conversation about the principles of building the budget. There was a meeting on Monday at 5:15 P.M. which was a great opportunity for all of the members of the community to sit at the table.

Council Member Jarvis asked what was the difference between what the Capital Improvements Committee recommended in terms of spending this year and what Bill is suggesting.

City Manager Fraser said the Capital Improvements Committee had identified as much as \$2.6 million that we need.

Council Member Golonka said Bill brought up the Recreation Department. He indicated issues in regards to the reserve fund. Do you know what the overall dollar amount of the reserve fund? If they have a \$400,000 reserve fund for an \$800,000 budget something is wrong. We really need to address that as soon as possible and ask the Recreation Board to come to a council meeting.

Mayor Hooper said her recollection was they were saving to put on a new roof.

Finance Director Gallup replied the Recreation Department Fund Balance was \$221,000 at the end fiscal year 2010.

Peter Nielsen said he appreciates the different scenarios and the way it was broken down. In response to what has been a growing concern he doesn't

understand why they weren't able to look at anything that cut into the essential services. The idea we cut the holiday lighting and the police support for the different parades and events downtown to him feels like we are just cutting into the social value of the town. He really doesn't feel they were presented with anything that shows how they could cut into that 75 percent of the budget for essential services and try to reshape those a little bit to get some savings that keep Montpelier the way we love it and also begins to address the problem they are still facing.

City Manager Fraser replied that one of the great difficulties in this process is that everyone has different priorities and different goals. Everyone is not going to agree what to cut to get the 3 percent tax cut. They have a core obligation to provide certain services to their community – public safety, infrastructure, etc. He is of the opinion that cutting down will hamper the services. They took the answers from the Citizens Survey into consideration regarding valuable city services.

Mayor Hooper reminded people that the charter says that the City Manager presents the Council with a budget. The Council then reviews it and makes it their budget and then gives it to the people to vote on. What the agenda calls for following Bill's presentation is a review of Department of Public Works and the Capital Improvement Plan and Equipment Plant.

11-301. Complete review of Operating Budgets for Department of Public Works, Capital Improvement Plan and Equipment Plan.

Finance Director Gallup explained everything is a little different this year. She reviewed the budget book with the Council. There is a new debt management policy and a new fund balance policy as well as some organizational charts.

City Manager Fraser said they focused on the funding dollars for equipment and capital planning. There is \$149,000 of line cuts through the various departments.

Todd Law, Director of Public Works, said the first part of the book they are looking at is general fund expenditures. Salaries and wages are up. They have a very capable maintenance person who has assumed a lot more responsibilities and oversight of City Hall. He is doing a lot of projects that probably would have been contracted out. They are looking at increasing his salary and offsetting that by reductions in building repair maintenance and other purchased services. The only other increases are electricity and heating fuel. Fuel prices are projected to be up almost 5 percent over the next fiscal year so that will be echoed through

every portion of this budget that has anything to do with fuel. They are looking at significant increases again this year. Overall they are about \$8,000 above last year for the entire budget.

Mayor Hooper said he was offsetting increased salary expenses with not doing other improvements. The analysis they had done on the building called for making significant improvements.

Public Works Director Law said the capital assessment is being addressed later with capital improvements.

Mayor Hooper asked if he had thoughts about what they could do for saving for the long term on fuel expenditures if we were making investments now.

Public Works Director Law replied the capital needs assessment does address some of that and talks about the windows and insulation in the roofs. They have put locks on some of their thermostats so no one can play with them.

Public Works Director Law reviewed the Street Department salaries and wages and said cost of living and step increases have caused that line item to go up. The price of road salt is up again with a \$13,000 increase. The street supervisor has stressed to use salt only when they have to. They have also increased crack sealing which is a major preventative function to maintain the life expectancy of their asphalts. With a sizeable budget they have a \$74,000 increase which deals with rising fuel and materials costs.

Council Member Hooper asked if there were any personnel changes in the base budget.

Public Works Director Law replied not in the budget. They have reduced personnel at the waste water treatment plant. They have had their mechanics doing some maintenance work over at the waste water treatment plant.

Mayor Hooper said Level 6 calls for another street position to be eliminated.

Public Works Director Law replied that means for their winter operations they can try to stretch to utilize some of their water/sewer personnel. It will be another reduction in service for streets. Currently it takes about 4 ½ hours to do a route for the whole city to be done in one plow route doing about 52 miles of roads. With two people gone it will take them another 2 hours. The normal plow route should take about 3 ½ hours. For the summer construction work it would hamper how they do their work. He spoke of the

storm water management process and that would hurt unless they put more in the operations budget to clean catch basins.

He went on to review fleet management and said the overtime is up in this budget to more accurately reflect the mechanic who is on call during winter operations. They do have fuel reimbursement from internal and external customers that utilize the Public Works' pumps and fuel. Under communications that is a significant increase because of the GPS. They utilize that for safety so they know where their equipment is and efficiencies. During the last storm they noticed that one of the sidewalk plows wasn't making the progress they wanted so the street supervisor reassigned a couple of other people to pick up the slack.

Mayor Hooper said one of the things the summer committee's contemplated was that as we did street work we would also do sidewalk, pedestrian and bicycle enhancements as we go along. Has there been money allocated for that?

Public Works Director Law replied there is money for sidewalk and bike paths but a lot of them would be streets that would be rebuilt.

Council Member Sherman added he didn't have anything in the budget for bridges in the capital plan. What about the surface of the Granite Street Bridge?

Public Works Director Law replied they did a project two years ago to resurface the Granite Street Bridge and it didn't hold up. That is one of the issues with the wooden bridges; nothing seems to bond to them. They may have to do some remediation rehab further down the line with the wooden planks themselves. There is some maintenance that needs to occur. They need to start cleaning and painting some of their bridges.

Finance Director Gallup said the good news with the water fund is that for FY'11 it was the first positive year for water fund financially. You'll see the revenue is up \$206,000 in the FY'13 over FY'12. It's good to see that we are not still losing ground by conservation.

Mayor Hooper asked what they need to know about water expenditures.

Public Works Director Law replied water expenditures under water administration don't show a lot of change. There is \$5,000 which is a minimal amount in a proposed budget of \$1.27 million. Water supply and treatment, including operating supplies, stand out and that is cost increases they were expecting from chemicals which would be attributed to trucking, etc. The plant is about 13 years old at this point some of the equipment needs more maintenance.

Finance Director Gallup spoke about the debt for the water fund.

Mayor Hooper asked if he had talked to the Council about not being able to keep up with the infrastructure for water and sewer as well as street work.

Public Works Director Law said that is one of the reasons they have a fairly large staff in the water and sewer division because there are so many breaks and repairs and so much cleaning that is necessary because of the aging infrastructure. They have to rebuild manholes and a lot of the water and sewer system is 100 years old in some areas. There is a substantial amount of breaks every year and a couple that were sewer plugs. If we improve our infrastructure there could be some potential savings in operation and maintenance by a reduction of staff.

For water distribution operating supplies are up. They need to look at meters and replacing them. There is a “no lead” law and they will have to remove and replace meters with the low lead to no lead.

They have a large pile of recycled asphalt at the stump dump. When the state does Montpelier Class 1 highways they bring the old asphalt up to the stump dump and every two years they crush the recycled asphalt and turn it into gravel so it offsets a lot of costs. Every time they have a repair they use the recycled asphalt.

Finance Director Gallup added there are some equipment purchases in here which is good. It tells you what equipment we are putting in this budget.

Public Works Director Law said you will notice in the sewer fund for the waste water treatment plant there is a difference in the salaries and wages. They have made a cut there and they are down to three personnel. They are looking at offsetting that with some shared workers. There are two very good operators up at the water plant who are good at working on machinery, etc.

- 11-302. Discussion of the findings from the “Reapportionment Committee.”
- a) This committee was formed by the City Council as one of the “Summer Study Committees,” under *Good Governance*. The Council rep and chair of this group is Alan H. Weiss.
  - b) The committee’s charge was to “analyze census data and begin district reapportionment, as appropriate.”
  - c) Recommendation: Presentation from Committee; discussion; Council needs to decide what their next steps will be.

Council Member Weiss reported there was a memoranda from the Committee entitled “Reapportionment.” He reviewed the highlights of the report. He said there are two options which are to accept the report and let the status quo remain or initiate a redistricting process which will call for a March vote and in August we have a primary. If you decide as a Council to go ahead with redistricting then the third option becomes very important. There have been a couple of exceptionally good committees and he believes the Council should consider a redistricting committee.

Eric Schwarnberg said the goal was to determine the census population by voting districts. He explained how he determined the population in each district.

Council Member Hooper said he thinks this is a great report and it would be nice to have the map.

Council Member Weiss said the Council has the right to reapportion districts but there is no guidance. The City Council is empowered to designate or eliminate the boundaries of voting districts which is quoted from the charter. Changes shall not be made more frequently than once in five years. Such changes shall be approved by the legal voters and shall become effective immediately upon approval. The recommendation is to retain the status quo or make a decision tonight or at some future point to go ahead with reapportionment.

Council Member Hooper moved to direct the staff to advertise for people to serve on a reapportionment committee. Council Member Weiss seconded the motion. The goal would be to have it on the November ballot.

Mayor Hooper called for a vote on the motion. The vote was 6-0, motion carried unanimously.

#### 11-303. Reports by City Council.

Council Member Weiss said the Washington County pre-budget meeting will be held on December 14<sup>th</sup> and the Council should have a representative present. Council Member Weiss volunteered to attend. When Todd Law was making his presentation he talked about an employee who had been with the city for 40 years. We have employees who have been here 25 and 30 years. He would love to see their pictures on the back cover of the Annual Report instead of the City Council Members.

Council Member Golonka said on the regionalization efforts it looks like Berlin has approved the \$15,000. Barre City hasn't made a decision. They tabled it and their concern was they didn't know if they wanted to have a vote. He mentioned

the pictures in the City Council Chambers. The T.W. Wood Art Gallery and the city's responsibility as owners of the paintings and what they are going to do with them if they close their facility here in Montpelier. The Council should have an update. As he understands the original trust with the City of Montpelier they should be consulted if they are no longer going to be in Montpelier. He would like to hear from Joyce and the Wood Art Gallery to know what is going on. He would like to have that put on a future agenda.

Council Member Jarvis said Montpelier Alive will host a party at 41 State Street on Friday from 5:30 P.M. to 7:00 P.M. and the City Council Members are invited.

Council Member Sherman said they are supposed to do a review of the City Manager before February.

11-304. Mayor's Report

Mayor Hooper reported she would not be running for another term as Mayor. It has been a pleasure to serve. We have a remarkable staff. The team that Bill has put together every day does so much for this community.

11-305. Report by the City Clerk-Treasurer

Clerk & Treasurer Hoyt reminded members of the viewing audience that the water & sewer bills were due on December 15<sup>th</sup>.

11-306. Status Reports by the City Manager

City Manager Fraser thanked his staff for a lot of hard work and discussions. He is meeting with our consultant with State Buildings on the Carr Lot Project which is where the bike path design is. The district heat agreements are getting very close.

11-307. Agenda Reports by the City Manager.

Adjournment:

After motion was duly made and seconded by Council Members Hooper and Timpone, the council meeting adjourned at 10:45 P.M.

Transcribed by: Joan Clack

Attest: \_\_\_\_\_  
Charlotte L. Hoyt, Clerk