

**Town of Shaftsbury
Selectboard Meeting
6:30P.M.
Monday August 5th, 2013
Cole Hall – 61 Buck Hill Road**

Members Present: Craig Bruder, Karen Mellinger, Mitchell Race, Ken Harrington
Members Absent: Carl Korman
Others Present: Terry Stacy (Road Foreman), Bill Fisk (Treasurer), Phylis Porio
(Economic Development Committee), Margy Becker, Town Administrator

1. Call to Order

The meeting was called to order by Craig Bruder at 6:33P.M.

2. Conflict of interest statement

There was no conflict of interest.

3. Approval of Minutes

Motion to approve Minutes for July 15, 2013. Moved by Mellinger/Race 2nd.

Karen Mellinger made a motion to strike from the Minutes a statement that further hearings were needed to formally adopt the Parking Ordinance.

Karen Mellinger referenced #14 Other Business and requested more information regarding the mowing schedule. **Motion carries unanimously (4-0-0).**

Motion to approve Minutes for July 18th, 2013 special meeting. Moved by Mellinger/Race 2nd.

It was noted that the special meeting was held in order to approve financing for the new highway vehicles, and to hold a public hearing required for the submission of the bicycle and pedestrian grant application. **Motion carries unanimously (4-0-0).**

4. Approval of Warrants

**Motion to approve Warrant PR2 in the amount of \$130.37. Moved by Race/Mellinger 2nd.
Motion carries unanimously (4-0-0).**

Motion to approve Warrant PR03 in the amount of \$126.32. Moved by Mellinger/Race 2nd.

Motion carries unanimously (4-0-0).

Motion to approve Warrant P2 in the amount of \$17,698.57. Moved by Mellinger/Race 2nd. Motion carries unanimously (4-0-0).

Motion to approve Warrant P3 in the amount of \$16,167.86. Moved by Mellinger/Race 2nd. Motion carries unanimously (4-0-0).

Motion to approve Check Warrant #04 in the amount of \$14,085.44. Moved by Mellinger/Race 2nd. Motion carries unanimously (4-0-0).

Items of interest over \$1,000: Blue Cross Blue Shield, Bennington County Sheriff, John Ray & Son Fuel, KAS Inc., Mountain Air Assessor.

Motion to approve Check Warrant #05 in the amount of \$60,133.89. Moved by Mellinger/Race 2nd. Motion carries unanimously (4-0-0).

Invoices paid over \$1,000: William Dailey, Green Mountain Power, John Ray & Sons, Kansas State Bank of Manhattan (Lease), Paving Maintenance Supply Co., Sycamore Landscape, TAM.

5. Announcements

Mitchell Race announced that the Shaftsbury Historical Society is conducting a BBQ which will be open to the public, and that the Director of Hildene will be in attendance to speak on behalf of the Lincoln family legacy. Tickets for the event are available by contacting Mitchell Race or The Chocolate Barn.

6. Public Comments

Phylis Porio of the Economic Development Committee (EDC) came before the Select Board for renewal of Shaftsbury Village Center Designation. One of the requirements is a formal motion from the Selectboard for approval of the application for renewal.

Phylis Porio explained to the Select Board that the State of Vermont grants to villages and towns a special Village Center Designation that allows for business within the designated areas, noted formally by the EDC to be a business, to apply for tax credits and incentives for improvements to their business. Village Center Areas include the area from Harrington's garage on VT Rte 7A at the southern end of the Village up to Daniels Road, which includes Paulin's store. The Village Center Designation then continues along 7A and includes the Tattoo Parlor on the east side of 7A up to and including property across from Galusha homestead, and comes down to Wynn's Landscaping. Phylis Porio mentioned that maps are available to detail the designated area.

Phylis Porio and Karen Mellinger noted that Village Center Designation gives the Village priority status in applying for and receiving grants and special incentives that would be beneficial to the Town of Shaftsbury

Phylis Porio explained that the new process in renewing the designation required the EDC to identify all homes that are businesses. Phylis Porio reported to the Select Board the Town lacks such a database. This presents inadequate listings of home businesses to be noted in the application.

Mitchell Race wanted clarification on how businesses could be added into the demographics and how the funds from grants and incentives are disbursed. Phylis Porio explained that like the Sidewalk grant application it is a competitive process that draws from a pot of funding.

Karen Mellinger asked for the formal due date to have the application submitted. Phylis Porio reported that the EDC is working toward the September 3rd deadline. Karen Mellinger commended the EDC for pursuing Village Center designation renewal and noted that it was a “really is terrific program for our businesses.”

Motion to approve the Economic Development Committee’s (EDC) recommendation to submit the application for renewal of Village Center Designation to the State of Vermont. Moved by Mellinger/Race 2nd. Motion carries unanimously (4-0-0).

Mark Bollhardt, a resident living along Route 7A, made a formal complaint against a neighbor whom he alleged was running a business without the proper Zoning permit. Citing numerous communications with past Zoning Administrators, the DRB, and the Vermont State Troopers, Mr. Bollhardt said he had come before the Select Board to figure out a solution to his issue with the neighbor in question. Craig Bruder said Mr. Bollhardt’s concern would be the topic of discussion at the next meeting, and he thanked Mr. Bollhardt for bringing the issue before the Select Board.

Karen Mellinger requested to have the EDC discussion and action formally “ratified” by the Selectboard at its next meeting. She pointed out the Board’s discussions with Ms. Porio had not been warned for August 5th, 2013.

7. Treasurer’s Report

Treasurer Bill Fisk joined the Select Board discussion and reviewed the general fund budget status for Fiscal Year ending 2013. Bill Fisk noted that added transactions may be coming in and some minor changes will cause the overall totals to fluctuate somewhat. He acknowledged that by next month the figures should be in their final form.

Bill Fisk reported that the town ended the year presumably with excess revenues over expenses of \$59,000. Bill Fisk reported that the tax revenue comes from collecting current and delinquent taxes, interest on delinquencies, inter-governmental revenues and so on. Bill Fisk said excesses in revenue are positive signs.

Bill Fisk explained that the operating transfers into the general fund were over-budget due to Town Meeting action to purchase a new rescue pumper and the decision of the Selectboard to

transfer in paving reserve funds to cover Twitchell Hill paving expenses.

He reviewed expense categories, citing General Government expense was under-budget, and he stated that to be a positive sign. The county tax expenses came in less than expected.

Bill Fisk reported figures from the general fund Balance Sheet and cited a “pretty good balance.” He made note that the Town will be drawing from its line of credit by the end of August, 2013. Major debt expenses occur in the first months of the fiscal year.

Bill Fisk presented a fund balance of \$383,000 and stated that the number was not a final projection due to flux of revenues and expenses that occur during this time of the year. Bill Fisk reported how prepaid expenses represent charges for this fiscal year, yet noted how some expenses in the report relate to new year (deferred) that are pre-paid to next year. Accounts due include an Accounts Receivable amount of \$101,000 which comes from Tax Delinquencies. The current figure at the time of the meeting for the delinquencies was at \$80,000.

8. Road Foreman Reports

Terry Stacy reported re-grading roads was necessary due to the recent rainfall. The new grader failed recently and is being worked on. He noted work was being done on Mead Road. Ditches were being reinforced with 4-6 inch stone to prevent ditch failure and future washouts. The project is close to completion. Terry Stacy reported that the planned FY14 capital improvements were to begin presumably next week.

Craig Bruder asked Terry Stacy to clarify the Town’s approach to chloride application for dust control purposes. Craig Bruder stated for the public record that it is a myth that all roads consistently receive an application of chloride after every grading. To do so would be cost prohibitive. Terry Stacy concurred that chloride is applied only when necessary, because the budget is not large.

Terry Stacy reported that the Road Crew visited driveways on Twitchell Hill affected by recent heavy rains and completed work to correct some of the erosion and drainage issues. Terry Stacy cited a 2 inch rainfall in an hour during one rainstorm that never-before-seen drainage issues along Twitchell Hill and also in and around the whole Town.

Terry Stacy reported that the Dozer was in the garage for repair and should be ready to go back to work on Cider Mill Road within the coming days.

9. Approval of Master Lease Agreement – Tax Exempt Financing With Municipal Leasing Consultants, LLC, re: FY14 Highway Equipment Purchases.

Margy Becker noted that she was awaiting notification from Municipal Leasing Consultants for credit approval from Sun Trust Bank. Margy Becker reported that the lack of independently-audited financials has slowed the process. It was noted that Bill Fisk has sent letters to satisfy the bank’s inquiries. Margy Becker was confident the financing will go through.

10. Appeal of BCA decisions to State – Stipulations in re: Doris Bigart/Michael Lemieux v. Town of Shaftsbury, PVR#2012-39; in re: Peter K. Cross v. Town of Shaftsbury PVR#2012-40,41,42.

The BCA met on tax matters for two properties in the Town of Shaftsbury. The BCA decisions were appealed to the State of Vermont. The State of Vermont has presented the stipulations to the Selectboard for review and acceptance. It was noted that all parties affected were in formal agreement to move forward with the terms provided by the State of Vermont.

Margy Becker noted how the Select Board played an interesting role to accept stipulations. Karen Mellinger cited how she was against the terms provided by the State and explained how her involvement in BCA proceedings and proposed valuations led her to the decision to dissent.

Craig Bruder explained how one can appeal the assessment in its early stage to the Listers, and that if dissatisfied it would lead to the Board of Civil Authority. It was noted how the BCA inspected the property in question in an appeal, and that the BCA would report back with its assessment. If the determination of the BCA provided further dissatisfaction to the property owner, the appeal would then move to court. The final appeal when taken to court, shall become the basis for the grand list of taxpayer and is determined to be the overall rule.

The Select Board noted the State is looking for the Select Board to approve and/or acknowledge that it had received the stipulated assessments. It was determined that the parties involved have agreed that these are new values, yet there has been some disagreement with the overall decision.

Karen Mellinger cited how in one case the Listers did drop the rate on initial appeal. Yet the homeowner was unsatisfied, and appealed to the BCA which endorsed the objection to the first adjustment. It was reported how the Supreme Court lowered it to what the homeowner wanted and that the State in accordance with the Supreme Court decision brought it down lower.

Craig Bruder said he considers the figure brought before the Select Board to be the final figure. Karen Mellinger expressed disagreement with the numbers.

The Select Board cited how the appellate endorsed the Lemieux/Bigart tax appeal #2012-39, and read the stipulation which determined the fair market value of the Old Gale Road property in question to be \$58,100. It was acknowledged that the endorsement was formally signed by appellate.

Karen Mellinger inquired about whether or not there was there a hearing where the Listers would have been present to listen to the facts being presented to the State Assessor. Margy Becker noted the Listers were involved and were aware of the State's determination.

Craig Bruder informed Board members of the necessity to make its determination official, and that all parties have come to a reasonable and formal conclusion to move forward.

Motion to Approve Stipulations in re: Doris Bigart/Michael Lemieux v. Town of Shaftsbury in the amount of \$58,100. Moved by Race/Harrington 2nd. Motion carries (3-1-0). Motion carries by Mitchell Race, Ken Harrington, and Craig Bruder. Karen Mellinger dissents.

The Select Board entertained a motion for Parcel 152013 reference to tax appeal PVR 2012-40, 41, 42. Stipulation reads as follows, Peter Cross. The fair market grand list value of Glastenbury Drive set at \$135,600.

Motion to approve PVR#2012-39; in re: Peter K. Cross v. Town of Shaftsbury PVR#2012-40,41,42. in the amount of \$135,600. Moved by Harrington/Race 2nd. Motion Carries unanimous (4-0-0).

11. Health Care reform

Margy Becker noted a VPR rado discussion to which it explained how a town or any employer with fewer than 50 employees will have to figure out to what degree it will subsidize health insurance coverage for its employees (if at all), and which level of health care insurance plan offered through Vermont Health Connect the Town will subsidize. Margy Becker cited that there are currently four levels of plans available through the Vermont Health Connect. Plans are provided by only two insurance companies. The Affordable Care Act requires virtually the same benefits among all plans.

The four levels of coverage provide different costs for premiums and out-of-pocket expenses. Margy Becker pointed if the consumer uses medical services frequently, they may want higher premium to lower deductible ratio. In keeping with IRS laws, higher deductible plans remain compatible with health savings and reimbursement accounts. She also noted how the Employer/Employee relationship will change, as individuals are responsible for selecting plans.

Margy Becker noted Blue Cross/Blue Shield is hosting a breakfast at the Equinox Hotel at 7:30A.M. on Friday August 9th, 2013. Mitchell Race volunteered to attend the meeting and report back to the Select Board.

12. Town Garage Status

Karen Mellinger reported the Garage Committee had held a conference call with an Engineer for a second opinion on the cost estimates presented to the voters in March 2013. Mr. Cross was volunteering to provide his professional feedback at no cost. Mr. Cross had responded to the Town's first RFP for engineering estimates, but his firm had not been selected by the Selectboard and Facilities Committee. Mr. Cross had agreed to provide some advice to the Garage Committee as to how to in move the garage project forward. He had been involved with the new garage built in Swanton.

Karen Mellinger explained Mr. Cross had acknowledged that engineers formulate conservative estimate for these projects. He analyzed the way the original estimates were put together, and concluded that he would have produced similar estimates.

Karen Mellinger reported that the Garage Committee determined after the consultation with Mr. Cross that the Shaftsbury project has to be scaled back. The Committee's objectives currently include looking at different construction materials and consideration of a "sweet spot" or not-to-exceed cost figure. The Garage Committee has determined the necessity to move forward with a six bay garage. However, the maintenance bay originally in the plans has now become an issue in terms of cutting cost.

The Select Board acknowledged changing the type of structure of salt shed would compromise longevity yet save \$50,000 out of \$150,000 in terms of the initial estimate.

Karen Mellinger noted the Garage Committee hopes the second round of bids will be more favorable, and that a bid allowance for a wooden structure will enable local contractors to bid. The Committee is looking at an end-of-the-year bond vote. The Committee has set a revised target figure for the garage in the amount of \$1.1 Million.

Ken Harrington said a visit to the Swanton, Vermont site would enable Garage Committee members to take aspects of that project design and apply them to the Shaftsbury garage design.

Craig Bruder noted a September to December timeline provided plenty of time to launch a public information campaign and meetings in an effort to increase the chances for voter approval. Select Board members agreed that communication with residents was one of biggest shortcomings in the prior effort to sell the Town Garage to residents.

Karen Mellinger said the Garage Committee is requesting a meeting for next Thursday, August 14th at 6:30pm. The committee is looking for some direction from the Select Board as to whether or not the Select Board is comfortable going before the Town a second time with a scaled-down project cost estimate in the range of \$1.1million.

Mitchell Race and Ken Harrington agreed that having one bay function as a maintenance bay instead of having an isolated bay for maintenance only would save costs.

Craig Bruder noted the Select Board's support for cost-saving objectives including scaling down the building size. He asked Karen Mellinger to communicate the Selectboard's support to the Garage Committee.

13. Town Administrator Report

Margy Becker reported the Shaftsbury Transfer Station faces problems with the collection of used oil. Margy Becker explained State ANR personnel were on tour of the site and noticed oil containers had not been removed in a timely fashion. She has been holding discussions with TAM regarding different possibilities for collection of used oil. She is having to confirm prior bids from Saftey Kleen and TAM for disposal of the contaminated oil in the storage tank. Margy Becker recommended full removal of the oil tank and its contents citing age. Other disposal options were currently up for debate.

Margy Becker reported advertisements had been placed for the position of Administrative Support. Margy Becker reported on the search for a Water Superintendent, and noted she and Joe Herrmann had met with a potential candidate.

Margy Becker asked if a Select Board member would be able to walk Twitchell Hill with an engineer to discuss options for erosion control and storm water management. Ken Harrington volunteered.

Margy Becker reported the Zoning Administrator is currently back-logged. She noted the Zoning Administrator traditionally serves as the E-911 Coordinator, but that this is not a possibility due to the Zoning Administrator's limited hours. The Town needs an E-911 Coordinator.

14. Other Business

Ken Harrington noted how the Town is currently paying off debt to finance its equipment. He said he would like to see a reserve fund for each piece of equipment. Ken Harrington said he believed that with the use of reserve funds, financing would not be needed. Craig Bruder commended Ken Harrington for the suggestion and said that equipment reserve fund contributions could be considered when the next budget is prepared.

Mitchell Race informed the Select Board a draft appointment policy is forthcoming, and that he is awaiting feedback from other people. He suggested that the appointment policy become an item on the agenda for the next Select Board meeting.

Craig Bruder provided the revised Parking Ordinance (adopted July 15, 2013) for signature.

15. Adjournment

The Select Board Meeting Adjourned at 9P.M

Prepared By:
Shawn M. Sterling