

**TOWN OF SHAFTSBURY
ANNUAL TOWN MEETING MINUTES
Monday, March 4, 2013, Shaftsbury Elementary School**

Select Board Present: Craig Bruder; Carl Korman; Lon McClintock, Chair; Karen Mellinger; William Obenauer.

Moderator: Thomas Dailey.

Others Present: Margy Becker, Town Administrator; Judy Stratton, Town Clerk; Alice Miller, Shaftsbury State Representative; Bill Fiske, Town Treasurer; Richard Bump, Recording Secretary; Jeff Goldstone, Architect; Larry Johnson, Lister; Fran Kinney; Jim Secors, MSK Engineering; Morton Snow; Terri Stacy, Highway Department; and about 165 other Shaftsbury Residents and several non-residents.

CAT-TV: The meeting was filmed by Dan May.

After calling the meeting to order at 7:45pm, Dailey led everyone in the Pledge of Allegiance, and then asked for a moment of silence for all troops both overseas and at home. After introducing the members of the Selectboard, Town Clerk, Town Administrator and Recording Secretary, Dailey reminded those present of several housekeeping issues

- non-residents are not allowed to vote
- given that the meeting is filmed and will be broadcast by CAT-TV, anyone wishing to speak should use the microphone, state their name, and then address any and all questions or comments to the moderator.

Before moving into the main part of the meeting, McClintock, whose term on the Selectboard expires this month and who is not on the ballot for re-election, commented on the "exceptional experience" he has had over the years and that he enjoyed and appreciated "working with friends and neighbors and so many good people over the last several years." McClintock received an enthusiastic round of applause.

Special Recognitions: McClintock gave a warm thank-you to

- the hard working members of the Shaftsbury 250th Steering Committee including Faith Bollhardt, Mark Bollhardt, Dennis McCarthy, Norm Gronning, Mary Gronning, Walt Klinger, Mitch Race, Joanne Race, Kathy Link, Tyler Resch, Dick Lyon, Karen Mellinger, Helen Olney, Jeri Schoof, Ron Schoof, Michael Ryan and Deanna Reuge
- the Eagle Scout Project Contributors James Mazzola and Ben Hewlett
- Tony Myers, who is retiring this year from the Highway Department.

Mellinger also commended the Shaftsbury 6th grade class for creating the mural which commemorates the 250th anniversary, and which shows Main Street as it looked 250 years ago.

State Representative's Report: After asking residents to pick up, complete, and return the Doyle Poll (available in the back of the meeting room) to the Town Clerk, and noting that she will e-mail residents the results of that poll once tallied, Miller reminded residents to check-off the resident vs. non-resident box on the income tax return, and then reviewed various initiatives/facts currently underway or in place which make Vermont a leader in the country including

- broad band access to all corners of the state, with the 4th highest speed nation wide
- a new state hospital is about to be built
- far-ranging infrastructure improvements
- the highest graduation rate in the country
- the #1 state in the country in terms of healthy citizens
- the 3rd highest state in terms of residents covered by health insurance
- the lowest unemployment rate in New England
- the only state in the country to show an increase in median income in 2011
- one of the ten most entrepreneurial states in the country
- and one of the safest states in the country.

Miller also noted that

- creating a balanced state budget that accommodates significant cuts in federal revenue (the National Guard will be especially challenged) as well as rising energy costs and international insecurity will be especially difficult this year
- as Vermonters have transitioned to more fuel efficient vehicles, gasoline sales have dropped, and that correlates to a drop in gas tax revenues (down \$40M since 2005, and \$8M last year to this)
- the state needs to fund \$36M in its transportation budget in order to match and receive federal funding
- the Veterans' Home in Bennington is having serious fiscal problems and she and the legislature are trying hard to keep it open.

Miller concluded her report noting that "It's great to see you all.....You know how to reach me."

Selectboard Report: Using a power-point format, McClintock then presented the FY12 Selectboard Report, and summarized as follows (a complete copy of the report is included in the Annual Report, pages 39-41):

- there was a \$67,500 surplus at the end of FY12, with most departments meeting budgets
- the Fund Balance at the end of FY12 is \$320,000 and both the Treasurer and the Selectboard recommend using \$120,000 of that balance to reduce taxes for the FY14 budget
- the Tax Collector has been "very successful" in collecting delinquent taxes
- highway and other government aid increased by \$74,000
- more flexible scheduling in the Highway Department has resulted in reduced overtime
- the Listers were able to save \$7,000 by maintaining the Grand List themselves
- the repairs needed to the Fire Department roof were entirely unexpected, but insurance covered most of the costs.

McClintock then described projects worked on so far in the current fiscal year, noting that

- the Highway Department has successfully repaired a sink hole on White Creek Road and has widened and improved Cider Mill Road
- one of the Highway trucks has been replaced by a dual-axle truck, which, because of its larger size, reduces the number of trips needed to complete a project
- the Highway department also acquired a 4-yard bucket loader which also helps load trucks faster and improves response time
- Peckham Industries redrained and repaved Twitchell Hill Road at mostly company expense
- the Fire Department has installed new communications equipment funded through Homeland Security
- one of the old Fire trucks was sold (at a higher trade-in than anticipated) and a new truck was purchased
- repairs and a new paint job were completed at the Depot Road fire station

- a rescue truck has been refitted and now functions as a brush truck
- a highway access ordinance has been adopted
- the preliminary design for the new town garage has been completed
- the school has acquired a generator which will allow that building to more fully function as an emergency evacuation center, and detailed discussions with the school are on-going about the installation and maintenance of the equipment
- transfer station revenues are increasing as a result of new access stickers and a closer monitoring of the entire process.

FY14 Budget Overview: McClintock then briefly reviewed the FY14 budget, noting that a budget is both a best estimate of revenues and expenses, based on prior year actual revenue and expenses, as well as a “policy document” which “honors existing commitments” (such as debts, contracts, salaries, benefits, etc) and next year’s budget, if approved, will provide funding for

- continuing sidewalk planning and installation around the Church Street/7a intersection, to be completed in 2015
- complete the integration and communication for all computers in all departments
- an additional 8 hours per week clerical support for the town administrator
- a redesign of the town website and on-going maintenance and updating
- installation of the generator at the school
- improve highway hourly wages by reducing overtime (at cost neutral impact on the budget)
- replace a 2002 Highway truck with a 1-ton flatbed truck with plow and sander attachments.

McClintock also noted that additions/changes to the community appropriations that are to be voted on 3/5/13 include

- a contribution to the Bennington Little League, where Shaftsbury baseballers now play given the demise of the NorShaft team
- the Aiken Fund is now known as the Northern Vermont Resource Conservation Development Council
- funding for the Turning Points Center in Bennington which provides support for young people experiencing drug related problems.

McClintock then compared tax rates, revenues and expenses for FY12, FY13 and FY14 noting that

- the FY14 expenditure of \$1,851,628 is \$30,000 lower than FY13 expenditures and that the FY14 tax rate, should the budget pass, will be \$.3255 which compares to the FY13 rate of \$.3206
- the tax rate has held steady for 4 years
- the tax rate is calculated by dividing the Grand List minus the Veterans Exemption and not-for-profit properties (Grange and Museum) by the taxes needed.

Highway Garage Proposal: McClintock reported that when the last facilities analysis was completed in 2009, the Highway Garage was cited as being in “poor condition” and lacked space for shelter of most department equipment and vehicles. More specifically, the report stated that although the floor and steel skeleton were in fair condition, the interior space was not, and the roof itself was substandard and is leaking. McClintock also noted that

- \$800,000 worth of vehicles and equipment is stored outside, subject to the weather, vandalism and theft
- additional equipment is also stored outside at the transfer station and water department
- there is not enough office space for the Highway foreman and no interior work space for crew repairing, welding, or washing equipment or vehicles
- the building is not energy efficient

- sand is stored outside, subject to snow, sleet and rain, and when frozen, it clogs sanders and damages sanding equipment
- the salt shed is not large enough to hold a winter supply
- salt and sand are mixed and left outside, subject to runoff and waste of salt

and the report concluded that “considering [the garage’s] structural problems, the “eye-sore” dilemma, the lack of necessary space in the building and on site for adding on, not to mention the impact on parking and traffic at the site, we are led to believe that this building should be demolished and a new garage constructed on a secondary site”. McClintock went on to note that the 1.04 acres at Cole Hall is too small a space to support the needs of the Highway facility, and that MSK Engineering and Design won the bid to complete a feasibility study of Town owned land near the Transfer Station and the capped landfill as well as for a preliminary design for the entire complex. The results of that study show that

- the 17 acre site has more than enough space for buildings, well, septic system and parking
- the site is zoned Industrial and is therefore suitable for the Highway facilities
- the site will support a well and a conventional in-ground septic system
- water drawn from on-site monitoring wells is tested regularly and shows no contaminants exceeding state or federal drinking water standards.

Jim Secor, a resident, and Jeff Goldstone, not a resident but who was allowed to speak, then reviewed an aerial photograph of the proposed site showing

- where the proposed highway facilities would be placed (garage and office space, salt shed with runoff control, and a pole barn for storage and refueling; a graphic of the site is on page 19 of the Annual Report),
- what road improvements would be needed (25’ wide driveway to be done by the Highway Department itself)
- and what security precautions should be considered (fence, entrance gate, cameras, motion detectors, etc).

Secor and Goldstone also reviewed a preliminary design of the garage/office facility (see page 20 of the Annual Report) that includes

- 7 truck bays, 1 repair bay, 2 offices (Highway, Water), a meeting/crew room, and storage space for Town records
- the proposed 8,720 sq ft wood-framed building will be insulated to meet/exceed Vermont’s new Energy Code and will include in-slab radiant heating and energy efficient lighting as well as a containment system to prevent oil and other wastes from polluting groundwater

They further noted that

- the 2,400 sq ft enclosed salt/sand shed will also house the loader used to mix and load the material onto trucks and will include a paved apron to control run off
- the onsite fueling station, well, and septic will meet all state standards
- the metal sided, shingled roof 4,500 sq ft unheated pole barn will provide storage space for vehicles and equipment for both the Highway and Water departments
- of four different construction types considered, the Facilities Committee decided that a wood-frame structure should be used such that standard repair and maintenance can be undertaken by the highway department itself
- the fueling station will be locked
- the cost for the proposed entire project (minus the pole barn) is estimated at \$1,553,611
- the cost of the garage/office facility is about \$85/sq ft (a figure needing confirmation) and is estimated to be less than that of a pre-engineered metal structure built to meet Vermont energy code

- cost estimates for various components of the project were provided by professional contractors, plumbers, electricians and suppliers, and are reliable
- if approved, bids will be structured to allow construction building alternatives to be included
- cost does not include demolition of the current highway garage, which could be done by town employees and after the sidewalk project is complete.

In subsequent discussion, many residents suggested that

- equipment and vehicles stored in the pole barn could be shifted seasonally, thereby reducing the size of the garage/office facility
- the garage/office facility itself is larger than necessary, over-designed, and too expensive
- the current garage could be maintained as storage space, thereby reducing the size of the garage /office complex, or the pole barn, or both
- the savings accrued as a result of improved energy consumption, the decreased wear and tear on vehicles and equipment (due to ability to repair, wash and store vehicles and equipment in a heated environment as well as no longer using frozen or saturated sand and salt), etc has not been estimated
- the Town needs to build for the future and not have to come back in five years requesting more space
- older folks on fixed incomes will not be able to afford this.

Goldsmith, Secor and McClintock also noted that

- the cost of the project would be funded 2014 through 2034 at a tax impact on a \$200,000 home declining from \$56 in 2015 to \$36 in 2034
- permits will be needed for the well, septic system and storm water runoff and the “state seems comfortable” with the proposed project
- there is no rail line close enough to consider salt and sand be brought by rail to the highway facility
- the current economy has created a very competitive bidding environment as well as really low financing costs (at about 3%), and the best opportunity for doing this is “now” (McClintock)
- the Request for Proposal (RFP) will be structured to encourage use of local builders, suppliers, electricians, plumbers, etc]
- town administrators have looked at the possibility of contracting out all highway department work, but given the size of Shaftsbury and the number of road miles in town as well as the unsuccessful experience other towns have had when doing this, the Selectboard decided that this was not a viable option.

Special Recognition: On behalf of the board, Mellinger presented McClintock with several gifts and thanked him for his work with the board and for the town over the last 7 years noting that “it’s been terrific” and that he “has the ability to make a really difficult job look easy.... and has modeled exemplary behavior that has made all of us better board members and stewards of the town”. McClintock thanked Mellinger and the board, and then received a standing ovation.

2013 Town Meeting Warning: Dailey thanked McClintock, Secors, and Goldstone for their presentations and then briefly reviewed house rules again, after which a motion was made and seconded to dispense with the reading of the Annual Warning, and by voice vote, the motion carried unanimously.

Article 1: A motion was made and seconded to waive the reading of and to accept the reports of the Town Officers as published, and after Fisk, responding to a question from Snow about the activity of the Trustees of Public Funds, noted that

- the Trustees report is in a format different from previous years
- the Trustees work with a Morgan Stanley agent to guide them in funding decisions
- interest and earnings on bank certificates of deposit and corporate bonds have declined dramatically over the last several years from 4-5% to less than 1%
- state and federal laws limit the ways in which municipal investments can be made
- the losses shown in some of these funds are due to fluctuations in market value
- the figures shown are for FY11 not FY12

the motion carried by voice vote.

Article 2, A-F: A motion was made and seconded to pay an annual stipend in FY14 to be the same as the current year, and as follows

- Selectboard members of \$500
- The Town Treasurer of \$16,000
- The Town Clerk of \$8,000
- and to pay an hourly wage of \$10 per hour to each of the Board of Auditors, the 1st and 2nd Constables, and the Listers

and the motion carried by voice vote and with no discussion.

Article 3: A motion was made and seconded to exempt the Taconic Community Grange from payment of property tax for a period of five years, and after Snow noted that

- the Grange was built in 1890 and vigorously supported the farming community in a variety of ways
- although Grange membership has been declining, the building is still used from time to time by Head Start and is also available for other community uses
- the building has been exempt "for years"

and Fisk noted that the town pays the school tax on the building (about \$1000)

the motion carried by voice vote, with one opposed.

Article 4: A motion was made and seconded to authorize the collection of taxes on real and personal property by its Treasurer, due on or before Tuesday, November 12, 2013 at 5:00pm, and after noting that

- this date coincides with the North Bennington due date
- the cable system is considered personal property and is taxed

the motion carried by voice vote.

Article 6: A motion was made and seconded to authorize the Selectboard to borrow money from time to time, as needed, in anticipation of taxes, and the motion carried by voice vote.

Article 7: A motion was made and seconded to appropriate the sum of \$1,854,628 to defray the Town's general and highway expenses for Fiscal Year 2014, the amount of such sum to be raised by property taxes and to be reduced by non-tax revenues and reserve funds and as detailed in the *Town of Shaftsbury Annual Report for the Year ending June 30, 2012* (pages 46-62), and the motion carried unanimously by voice vote, with one opposed and no discussion.

Article 8: A motion was made and seconded to amend the Town's Fund Balance Reserve Fund so that the Town may reserve funds in an amount no greater than 15% of the annual budget to meet unexpected expenditures and revenue short-falls that might otherwise require short-term borrowing, and after McClintock reported that

- the town created the Reserve Fund several years ago to be used as a 'rainy day' fund
- budget surpluses accumulated into this fund over the last several years totaled more than what was expected
- surplus funds, if no reserve fund mechanism such as this is in place, are used in their entirety to help balance the following year's budget
- if passed, this would eliminate the need for most if not all short-term borrowing especially during the first half of the fiscal year and until taxes are received
- the cost of borrowing funds is higher than interest earned on such funds

the motion carried by voice vote.

Article 9: There was no response to Dailey's request to transact any other non-binding business as legally may come before said meeting and at this time.

At 10:10pm, and after Daily reminded voters that the polls will be open at the Buck Hill Road Fire House 7am-7pm Tuesday March 5, 2013, a motion was made and seconded to adjourn the 2013 Town of Shaftsbury Annual Floor Meeting, and, by a strong voice vote, the motion carried unanimously.

Respectfully Submitted,
Richard G. Bump