

**TOWN OF WILLISTON
SELECTBOARD
MINUTES OF MEETING
January 27, 2014**

DRAFT

MEMBERS PRESENT: Terry Macaig (Chairman); Jeff Fehrs, Debbie Ingram, Jay Michaud, Chris Roy.
ADMINISTRATION: Rick McGuire, Town Manager; Susan Lamb, Finance Director; Ken Morton, Fire Chief.
OTHERS PRESENT: Sheri Gates, Charlie Giannovi (CCTV/Channel 17).

1. Call to Order

Chairman Terry Macaig called the meeting to order at 7 PM.

2. Minutes

January 13, 2014

MOTION by Debbie Ingram, SECOND by Jay Michaud, to approve the minutes of January 13, 2014 as written. VOTING: unanimous (4-0)[Chris Roy not present for vote]; motion carried.

3. Public Comment

None.

4. Board Applications/Appointments

Rec Committee

The Selectboard interviewed Sheri Gates for a position on the Recreation Committee. Ms. Gates mentioned her education (Masters in Counseling) and experience as an Activity Therapist at FAHC providing programs and services to groups of adults and children. Ms. Gates expressed interest in getting involved with the town in some capacity.

Rick McGuire mentioned a charge for the Recreation Committee recently drafted by staff will be reviewed by the Committee. There are other town committees that do not have a written charge, but have statutory requirements as guidance.

The Selectboard agreed to complete all interviews before making appointments.

5. Capital Program and Budget

The Selectboard reviewed proposed adjustments to the budget. The following comments were made:

- Jeff Fehrs calculated expenditures show an additional \$190,670 off set by additional revenues of \$329,350 for a net budget reduction of \$138,680. The amount of \$138,680 is just under one cent on the tax rate.
- Susan Lamb explained staff's recommendation to take \$10,000 from the Large Equipment fund and \$2,000 each from the Highway pickup truck fund and the Recreation mower fund to help reduce the budget. There is a significant balance in the funds at this point in time. Money is put in each year per the schedule.

MOTION by Chris Roy, SECOND by Debbie Ingram, to adopt the Capital Program and Budget for fiscal years 2015 through 20130 as presented in the summary dated January 27, 2014.

DISCUSSION: It was clarified that the capital program is a line item in the operating budget which the Selectboard has not acted on as yet. There were no further comments.

VOTING: unanimous (5-0); motion carried.

6. Operating Budget

Chief Morton explained the rework of the Fire Department budget per the request of the Town Manager to trim the budget. The rework reallocates funds to roll-up the part-time position to full time with benefits beginning July 1, 2014 and reduces amounts in other areas. Chief Morton explained the need for the full time position to appropriately respond to calls and provide coverage to the town. The firefighters are EMT certified. Rick McGuire noted the original budget included \$39,000 to roll-up the position which was cut by the Selectboard. The proposal is to trim enough of the revised budget to allow \$39,000 for the position.

The following comments were made on the Operating Budget:

- Jeff Fehrs calculated 27 cents as the tax rate is a two cent increase over the current tax rate which is an 8% increase.
- Rick McGuire pointed out the budget assumes adoption of a storm water fee. If the fee is not adopted then there are expenses that cannot be incurred or taxes must be increased to cover storm water expenses.
- Chris Roy said the budget assumes \$367,000 in revenue for six months will be received in FY15 to support the storm water program. If the fee is not adopted and the property tax must cover the expense the increase in tax rate will be between four and five cents for the year.
- Jeff Fehrs stated the decision on the storm water fee should not be from pressure of the budget counting on the fee being adopted. Other options include financing through a bond (there would be associated administrative expenses).
- Chris Roy clarified the Selectboard must either decide to adopt the fee or increase the tax rate to raise the money for storm water expenses. The situation will have to be explained to the voters.
- Jeff Fehrs said the taxpayers need to know it is not just the tax rate that is needed for town services, but also the fee.
- Susan Lamb pointed out the fee will be charged to a broader base. The residential and commercial components will be done in such a way to ease the burden on the residential taxpayer. Tax exempt properties will pay the fee (but do not pay taxes). The fee structure is to charge homeowners less than what the tax rate would be. An informational flyer will be published to explain the program.
- Rick McGuire noted the *Williston Observer* recently published an article on storm water that explained the situation well.
- Jeff Fehrs summarized his position on the tax rate:

- The Selectboard is responsible and challenged to provide an affordable and sustainable tax rate and the resources and tools to staff to deliver the services the townspeople expect or demand to receive for their taxes.
- Core issues of this challenge include significant debt increase due to the new public works facility (one cent on the tax rate), new and/or expanded storm water requirements per state mandate (unfunded), and a modest increase in program/service costs.
- Options are to increase taxes and have a fee or incorporate both into the budget with a larger increase in the tax rate.
- An 8% increase in the tax rate is not sustainable with salaries not increasing the same.
- Cutting the budget means cutting positions which is not desired.
- There are no best answers with the budget and no choice but to reluctantly support it and be prudent and as risk adverse as possible.
- Chris Roy pointed out state government, town residents and landowners are expecting from the town more than what is sustainable in the long run. There are some items the town has control over and others it does not. There has been three years of between 7% and 8% increase in property taxes and incomes have not gone up the same. The local option tax helps. Even with the 8% increase most of the municipalities in Chittenden County would like to have Williston's tax rate. The Selectboard needs to be confident in its judgment over time to be practical and prudent with programs. Much is out of the control of the town and the Selectboard and town staff are doing the best they can. There is no celebration in passing a budget that increases taxes 8%, but given what has to be done and the property tax rates in Chittenden County, Williston is doing a good job.
- Jeff Fehrs commented there is a segment of the population in Williston that may determine they cannot afford to live here.
- Jay Michaud said the voters must decide. The Selectboard is doing the best it can. If the voters reject the budget then cuts will have to be made. There is not much more that can be trimmed without causing pain though.
- Jeff Fehrs expressed appreciation to the Town Manager for initiating the discussion with the Fire Chief regarding the full time position.

MOTION by Chris Roy, SECOND by Debbie Ingram, to approve the Operating Budget for FY2015 in the amount of \$9,809,700 as presented in the summary dated January 27, 2014 as revised. VOTING: unanimous (5-0); motion carried.

7. Water Budget

Jeff Fehrs voiced concern about increasing the water rate by 12.5% and asked if Capital Savings Depreciation could be reduced and funded at \$50,000. Susan Lamb cautioned the balance in the savings account for the Water Department is very close to an unsafe margin. If an unanticipated repair occurs and the fund is exhausted the department would have to borrow from the town and water rates would have to be increased to make the fund whole again. The water system is aging and repairs are expensive. Chris Roy summarized the town has been drawing down the savings and not putting enough back in to replenish the account.

MOTION by Chris Roy, SECOND by Debbie Ingram, to adopt the Water Budget for FY2015 in the amount of \$1,035,210 as presented in the summary dated January 27, 2014.

DISCUSSION: Jeff Fehrs said he will reluctantly vote in favor of the budget, but the sustainability of rate increases not matching income increases remains an issue. The fact that the system is aging is recognized. Debbie Ingram pointed out the town was aware of the large water main project that needs to be done. Jay Michaud added if the town does not continue to fund the savings account rate payers will have to pay one way or another. There were no further comments.

VOTING: unanimous (5-0); motion carried.

8. Sewer Budget

Rick McGuire explained in fiscal year 2016 there will be a significant increase due to debt service for the refurbishment of the treatment plant in Essex Junction which serves Williston. The town's share of the bond is \$5 million. The fund balance has been boosted to help level out the increase. Jeff Fehrs observed the town is not receiving more or new capacity with the treatment plant upgrade. Chris Roy noted less money is going into the capital fund this year than in past years. Susan Lamb explained funds were shifted to help alleviate the increase in water rates.

MOTION by Chris Roy, SECOND by Debbie Ingram, to adopt the Sewer Budget for FY2015 in the amount of \$1,414,550 as stated in the summary dated January 27, 2014. VOTING: unanimous (5-0); motion carried.

9. Town Meeting Warning

There are no contests for any elected positions this year and one elected position (Lister) has no candidate.

MOTION by Debbie Ingram, SECOND by Chris Roy, to adopt the Official Warning for Town Meeting and Australian ballot vote to be held on March 3 and March 4, 2014. VOTING: unanimous (5-0); motion carried.

10. Sale of Town Property and Easements

Chris Roy recused himself from discussion of the VT Gas proposal. Rick McGuire reported information was posted and public warning made of the proposed sale of town land as required by state law. There were no petitions questioning the action. A minor amendment will be made to the agreement to allow VT Gas to cross town property that is not part of the easement and to store materials. Jeff Fehrs asked about Williston receiving the benefit of more gas service since the transmission line is going through town. Terry Macaig stated there is a distribution line on Route 2A from Old Creamery Road to St. George that appears to be moving forward. VT Gas did borings and is looking two years in the future to complete the line.

MOTION by Debbie Ingram, SECOND by Jay Michaud, to authorize the Town Manager to sign an option agreement and related documents for sale/easement of the following land parcels to VT Gas Systems, Inc.:

- .42 acres of land located on Williston Road,
- .98 acres of land located on Williston Road,
- 2.686 acre easement on town-owned land.

DISCUSSION: Jeff Fehrs mentioned waiting until the temporary easement is settled before executing the agreement. Rick McGuire assured he will not sign until the amendment language is received.

VOTING: 4 ayes, one abstention (Chris Roy); motion carried.

Chris Roy returned to the Selectboard.

11. Town Manager's Report

Rick McGuire reported the following:

- The town was approached by Housing Vermont and COTS to serve as an applicant for a community development grant for regional programs to serve the region including Williston. Staff time will be minimal. Audit cost will be covered by the grant.
- Manager Evaluation needs to be done. There was agreement the same process as last year will be followed.
- Legislative Breakfast is February 3, 2014. Debbie Ingram will be the moderator/facilitator. Legislative concerns, such as unpaid mandates and storm water, will be discussed.
- A public hearing is scheduled on February 18, 2014 regarding the FairPoint telephone cable on Governor Chittenden Road.
- The new (used) chairs in the meeting room were donated by Courtyard Marriott.

12. Other Business

Annual Report Dedication

The Selectboard agreed with the proposed dedication. A page "In Memorium" will be added to the report.

13. Atwood/Hood Appeal

MOTION by Chris Roy, SECOND by Debbie Ingram, to go into Executive Session to discuss civil/legal action where premature knowledge would place the town at substantial disadvantage, and to invite the Town Manager to attend. VOTING: unanimous (5-0); motion carried.

Executive Session was convened at 8:35 PM and adjourned at 9:01 PM.

14. Adjournment

There was no further business before the Selectboard and the meeting was adjourned at 9:02 PM.