

VERGENNES CITY COUNCIL MEETING  
JANUARY 26, 2016  
MINUTES

Mayor William Benton called the meeting to order at 6:00 p.m. at the Vergennes Fire Station meeting room located at 50 Green Street. Those in attendance were:

Mayor William Benton	City Manager Mel Hawley
Senior Alderman Renny Perry	City Clerk Joan Devine
Alderman Lowell Bertrand	Clara Comeau
Alderman Michael Daniels	
Alderman Lynn Donnelly	
Alderman Jeffrey Fritz	
Alderman Mark Koenig	

MINUTES: The minutes to the December 15, 2015 meeting were accepted as written on a motion by Alderman Mike Daniels, Senior Alderman Perry seconding, with all voting in favor. The minutes to the meeting held January 12, 2016 had some corrections. On the second page in the first paragraph the words “municipalities had an easier time getting bonding when you operated under GASB” was replaced with “municipalities got a better interest rate when they operated under GASB”. Alderman Lowell Bertrand moved to approve the minutes as amended, seconded by Alderman Mike Daniels, with all voting in favor.

WARRANT: The warrant presented for approval in the amount of \$ 70,490.95 was circulated for review and signatures of approval.

REQUEST TO HONOR LATE-FILLED PETITION: Clara Comeau advised she missed the deadline to file a petition for inclusion in the Warning and requested that it be allowed on the ballot. She reported she thought the filing deadline was January 25<sup>th</sup> but when she called the City Clerk’s office on January 21<sup>st</sup> she learned that she was late. Clara Comeau stated that she was informed that she could request a waiver of time on the filing deadline from the City Council. She advised it was a lot of work acquiring the 109 valid signatures and did not want to disappoint the people who had signed the petition. She went on to report that she was very surprised with Article III on the draft Warning and wondered when that came about as it directly cancelled out what her petition was intended to accomplish when it was filed on Thursday. Clara Comeau advised she called Alderman Donnelly who had no idea the article was there and that she said it had not been discussed. City Manager Hawley advised he had spoken with Mayor Benton and Attorney Ouimette several times regarding the establishment of the Water Tower Reserve Fund and having it voter approved and pointed out it has always been treated as a reserve fund that is not in the General Fund. The Watershed Recreation Reserve Fund was approved by voters and earnings must be used for recreation purposes. The voters have never voted on the creation of a Water Tower Fund, he advised. In April 2013 the City Council adopted a policy that allowed use of the funds for capital improvements of City-owned facilities or for the purpose of economic development. He advised if the voters approve Article III listed on the Warning, it basically ratifies the policy adopted by the City Council. If the voters vote “no” on the Article, all money in that fund will be put into the General Fund by the end of the fiscal year. Manager Hawley stated that the result of a “no” vote on the article would accomplish Clara Comeau’s goal of putting revenues from the Water Tower Fund into the

General Fund. Clara Comeau gave an example of the toddler playground referendum that was defeated. She advised the City Council stated they were still going to build the park anyway until a neighbor filed a suit against the City. She felt the voters' rights were being taken away and by petitioning to put the money in the General Fund they would have some control over how it is spent. Mayor Benton inquired how the voters would control the General Fund. He advised the City Council adopts the budget and sets the municipal tax rate that reflects how the General Fund dollars are spent. He went on to explain the funds in the Water Tower Fund are used to pay the local share of grants for projects like a boat dock restoration, sidewalks or similar projects. City Manager Hawley advised a line item can be created in the General Fund budget that is used for revenue from leases on the Water Tower and then create an expense line item in the General Fund to be used to match grants and capital improvements as we have always done from the reserve fund. Relative to the portion that supplies the continuation fund, he advised that would be gone if the article was voted down. Alderman Lynn Donnelly pointed out that the way the petition is worded it implies that taxes would be lowered. To reduce taxes the budgets for VUHS and VUES need to be addressed, she advised. I don't feel the wording on the petition was your true intent – to lower taxes, she stated. Clara Comeau advised her own property taxes have gone up \$780 over the last 7 to 8 years so if people can save \$80 to \$100 a year, that would help them. Alderman Donnelly pointed out that if Article III as listed on the draft Warning stays as it is, and is defeated, it will have the same effect as Clara's petitioned article. Alderman Perry pointed out to Clara Comeau that the petition she circulated will not accomplish what she is trying to accomplish. He advised the City Council controls the budget. Also, he advised, this would not be a binding referendum regardless of the wording on the petition because the City Council has the authority to set the tax rates and adopt the budgets. That is what the powers of the City Council are, he stated. Alderman Bertrand defended the City's position to go ahead with the toddler playground after the majority of voters said "no". He referred to the wording on the petition that had to be put on the ballot exactly as petitioned. Alderman Bertrand advised the wording does not explain that the toddler playground was to be constructed with funds from a grant and Water Tower funds; no General Fund dollars were to be used. Alderman Lynn Donnelly moved to deny the request for a time waiver on the petition filing with the understanding we are going to consider draft Article III on the Warning. Alderman Mike Daniels seconded the motion with all voting in favor.

3 SQUARES CAFÉ – MOVE LIQUOR LICENSE: As 3 Squares Café is moving from their current location to the former location of Luigi's at 141 Main Street, it required authorization from the City Council to move their 2015 liquor license. The move is expected to happen sometime in March. Alderman Mike Daniels moved to authorize the liquor license relocation, seconded by Alderman Koenig, with all voting in favor.

AT&T CELLULAR EQUIPMENT LEASE AMENDMENT: City Manager Hawley reported at the last meeting of AT&T's desire to put more equipment on the water tower. He advised the \$600 monthly credit on the City's AT&T bill for cell phone service which is a portion of the compensation has not been reflected on the bill for months so an amendment has been negotiated that will do away with the monthly credit and increase the monthly rent by \$1,250. Revenue from all the leases on the tower for FY2016 will go from about \$79,000 to \$87,000; FY2017 will generate \$99,885.59. Manager Hawley advised we have five cell phones carried by the police officers, five air cards for the their cruisers, one cell phone for the Public Works Department, one at the Fire Department, one for the Sewer Department, and one for himself. Manager Hawley advised the proposed amendment will go into effect March 1, 2016 so budgets for all departments will be impacted. Senior Alderman Perry felt extra money will be

going to the Water Tower Fund as a result of the amendment so we should take that excess back out to pay the unbudgeted expense for the various departments. Senior Alderman Perry moved to authorize the City Manager to sign the Second Amendment of Lease Agreement with AT&T, seconded by Alderman Bertrand, with all voting in favor.

CERTIFICATE OF HIGHWAY MILEAGE: The Certificate of Highway Mileage for the year ending February 10, 2016 was circulated for signatures. There was no additional highway mileage added or deleted from the prior year.

INTERMUNICIPAL SEWER EXTENSION AGREEMENT: City Manager Hawley provided the City Council with a copy of an article that was approved by the voters in November 1994 to extend sewer to the town of Ferrisburgh on two tracts of land with restricted uses. He also included a copy of Title 24, V.S.A. § 4951, that deals with intermunicipal contracts. He advised he would like to at least establish a geographical area and a guideline of uses, such as a medical center or such that will offer economic benefit to the City. Manager Hawley felt that the City Council should have discussion with Ferrisburgh's Selectboard before laying out any particular space for development in their town; the same for Panton and Waltham. Mayor Benton agreed to work with Senior Alderman Perry on this matter.

ANNUAL CITY MEETING DRAFT WARNING: A draft Warning was presented to the City Council for adoption. Looking at Article III, Alderman Koenig questioned the benefit of creating a reserve fund for the water tower revenue. Mayor Benton advised 25 percent of the revenue can be set aside into a Water Tower Continuation Fund as established in the policy adopted in 2013 if it is approved by the voters. Manager Hawley advised that with a reserve fund the City Council will not need to reallocate funds on an annual basis. A reserve fund can also provide flexibility to pay down the police station bond, advised Mayor Benton. Alderman Lowell Bertrand moved to adopt the Warning as presented, seconded by Alderman Daniels, with all voting in favor.

CITY MANAGER'S REPORT: Manager Hawley reported Chief Merkel, Sergeant Newton and he have been working on acquiring grants to supplement the police department budget. Currently the straight time line item is going to go over budget but they are hopeful they will be able to use some funds from one of the grants to off-set some of the expenses. There has been no decision from the Town of Ferrisburgh regarding the City's proposal to provide police coverage in their town under contract. He advised he felt the most the Police Department could provide with existing staff is 8-10 hours per week. We currently go there when necessary to assist State Police, advised Manager Hawley, but it would be nice to receive compensation.

ADJOURNMENT: At 7:12 p.m. Alderman Lowell Bertrand moved to adjourn the meeting, seconded by Alderman Renny Perry, with all voting in favor. The next regular City Council meeting will be held February 9, 2016 at 6:00 p.m.

Respectfully submitted,

Vergennes City Clerk