

Minutes of the East Montpelier Capital Improvement Committee

September 2, 2015

Members Present: Gene Troia (chair), Dave Burley, Julie Potter, Don Welch

Call to Order: 7:03 pm

Changes to Agenda: Move up Town Purchases/Selectboard Discussion

Public Comment: none

Review Minutes of August 5, 2015:

Motion: I move to approve the August 5, 2015 minutes as presented. Made: Don Welch. Second: Dave Burley. **Vote on motion:** passed.

Town Purchases & Selectboard Discussion:

The Selectboard had its discussion with the Capital Improvement Committee on August 17. Casey was present as a Selectboard member; Don and Julie attended the meeting. Discussion with the Selectboard addressed the Town's purchase of the Winston/Silberberg property in East Montpelier Village. The Selectboard does not have a specific development plan for the property yet. The Selectboard indicated that they had made no commitment on the ultimate funding of the property purchase; the down payment was made from the capital reserve Opportunity Fund and the reserve is being used to provide liquidity for the purchase pending a decision on financing the purchase. The discussion with the Selectboard was inconclusive about a process for the Selectboard and Capital Improvement Committee to work together on short-lead time capital purchases or a target amount for the Opportunity Fund. The recent property purchase provides an opportunity to work through these issues and learn for the future.

Given that the mechanism for financing the property has not been fully resolved, the Committee discussed how it could help evaluate the options. The Committee agreed to analyze the impacts to the tax rate from various financing options: pay in full from a 1-year increase in taxes; pay from the Capital Reserve and pay the reserve back in 2-5 years; or longer-term debt financing. Don and Gene will work on this for the next meeting.

Outreach to Public for Future Projects & Future Project Questionnaire Responses:

Don has updated the information on the website, inviting the public to identify future projects. Don reported that one future project questionnaire has been submitted for a new town office building. The Committee noted that the Selectboard has indicated that it wants to task a Facilities committee to evaluate the suitability of the current town office building for town needs.

Task List:

- Don will talk with Bruce about what has already been done about investigating financing opportunities.
- Don and Gene will investigate what financing instruments are available and at what rates.
- Don will analyze financing alternatives and their impact on the tax rate.
- Gene will (maybe) draft an article for the next *Signpost* issue.

Next Meeting: *The next meeting will be on Wednesday, October 7, 2015*

- Review and approve minutes from September 2, 2015
- Update on outreach and future projects questionnaire responses
- Review property acquisition financing alternatives

- Review of capital budget spreadsheets and assumptions (first step in starting FY17 budget)
- Opportunity Fund target amount
- Next steps

Motion to adjourn: Made: Dave Burley. Second: Don Welch. **Vote on motion**: passed. The meeting adjourned at 8:10 pm.

Submitted: Julie Potter

Approved: October 7, 2015