

**East Montpelier Selectboard Meeting APPROVED (07/23/18) MINUTES  
July 9, 2018 at the Town Office**

**Selectboard (SB) members present:** Carl Etnier (recording secretary), Seth Gardner, Kim Swasey, Amy Willis; Bruce Johnson (town and zoning administrator, collector of delinquent taxes).

**Others present:** Paul Winters, Jack Zeilenga (Recreation Board); Gabrielle Malina (Revolving Loan Advisory Committee); Ross Hazel (East Montpelier Senior Living Initiative, EMSLI); Renée Carpenter (Friends of Coburn Pond).

**A. CALL TO ORDER**

Mr. Gardner called the meeting to order at 6:32 p.m.

*Additions to the Agenda*

Certification of Town Clerk and Assistant Town Clerk Appointments

*Review of Minutes*

**Motion: I move to approve the minutes of June 18, 2018 as submitted. Made: Mr. Etnier. Second: Ms. Swasey. 4-0.**

*Public Comment*

None

**B. PROPOSED RECREATION FIELD ENTRANCE/PARKING LOT AREA IMPROVEMENT PROJECT**

Consideration of Letter of Support and Grant Submission

Paul Winters and Jack Zeilenga of the Recreation Board presented options for moving forward with a grant application to the Vermont Recreational Facilities Grant Program, due July 31. Maximum grant amount is \$25,000, with an equivalent town cash match. The Planning Commission has provided a letter of support.

G. M. Bowen Excavating has provided an estimate for clearing/reclaiming the entrance -- \$13,841.68 (not including landscaping, fencing, design, survey). This work would not address drainage issues. Drainage solutions would likely involve a culvert or culverts across Vincent Flats Road.

Projects submitted to the Vermont Recreational Facilities Grant Program need to be shovel-ready at the time the grant application is submitted. Since it is difficult to imagine a full, shovel-ready plan for culverts under Vincent Flats Road being ready by July 31, that leaves questions about the strategies for applying for a grant. The Town could apply this year, to cover the work we have G.M. Bowen's estimate for. Or the Town could pay for this year's work and use that as the 50% match when applying for the state to pick up the cost of a drainage project next year. Or the Town could apply for funding two separate years, for the part that is ready each year.

The SB would like to know how the people at the Recreational Facilities Grant Program view each of these timing options. Mr. Zeilenga said he would approach them the following day. The SB will consider how to move forward at its July 23 meeting.

The SB can approve the letter of support for the project as a whole without taking a position on the timing of grant applications.

**Motion: I move to authorize the chair to sign the letter of Selectboard support for the project: Made: Mr. Etnier. Second: Ms. Swasey. 4-0.**

### **C. DISCUSSION WITH REVOLVING LOAN ADVISORY COMMITTEE (RLAC)**

Chair Gabrielle Malina provided an update on the RLAC's plans.

The town has a Revolving Loan Fund (RLF) financed through a 50% portion of repayments of a loan of State money to Sandy Pines Trailer Park, which amount to gross receipts of \$15-16 thousand each year. The only grant made through the fund is to EMSLI, a 5-year, \$20,000 grant this is mostly unused. (EMSLI has said they wish to renew the funding.) Beyond that commitment, the fund balance is around \$40,000 now and will be about \$200,000 when the Sandy Pines loan is fully repaid.

The fund has been created through a Closeout Agreement between the state and the Town of East Montpelier. The Committee, invigorated with new membership, has reviewed the terms of the Closeout Agreement and found that the town lacks the written Policies and Procedures Plan specified in the agreement. Such a Plan would detail the town's intention for use of the program income and basic guidelines for administering the program.

Cassie Bell, the town's revolving loans Grant Manager at the State, has expressed concern about the lack of systems in place for administering and managing the revolving loan program and also stated that the town has not "revolved" the money sufficiently. Ms. Bell also said that small towns rarely have the capacity to administer revolving loan funds. Unless the town acts immediately to address the deficiencies in its program, Ms. Bell has said she will start the process to direct all future Sandy Pines repayments to the State in their entirety.

Ms. Malina summarized the town's options as: 1) Allow the State to recapture the money; 2) turn over the fund to a non-profit community development organization (NCDO), which would administer the money for the benefit of East Montpelier and other towns in the region; 3) turn over administration and management of the fund to an NCDO (which would charge a fee) but retain ownership of the fund, with the money earmarked for East Montpelier, an option which is likely to use a large portion of the fund for administrative fees; or 4) comply with the Closeout Agreement by creating systems to administer and manage the RLF at the town level, for the benefit of the town.

RLAC unanimously recommended to the SB that the town retain control of the fund and set up the required systems for administration.

This is the second time the town has had money available for a RLF; the previous money came from repayment of a state loan to Fairmont Farm and was over \$200,000. The town chose option #2 for that money, and it went to Community Capital of Central Vermont for regional use.

The SB acknowledges Ms. Bell's admonition that small towns rarely have the capacity to administer these funds, but it is heartened by the new energy and expertise on RLAC and accepts the recommendation to keep the fund under town control for now. The SB directed RLAC to create a timeline for action and systems that comply with the terms of the Closeout Agreement and general provisions of Revolving Loan Fund programs.

### **D. DISCUSSION ON FUTURE CAPITAL PROJECTS QUESTIONNAIRE**

As no members of the Capital Improvement Committee were present, discussion was postponed to the SB's August 6 meeting.

### **E. CONSIDERATION OF CERTIFICATE OF DEPOSIT APPLICATIONS**

Treasurer Don Welch requests that the board authorize the purchase of two 18-month, 2.50% interest rate certificates of deposit from Northfield Savings Bank:

\$155,000 – Capital Reserve Fund

\$71,725 – Cemetery Perpetual Care Fund

**Motion: I move to adopt the Northfield Savings Bank corporate authorization resolutions for the Capital Reserve Fund and the Cemetery Perpetual Care Fund CDs, with Treasurer Don Welch and Assistant Treasurer Denise Sparrow named as agents. Made: Ms. Swasey. Second: Ms. Willis. 4-0.**

#### **F. CONSIDERATION OF UNCLAIMED PROPERTY APPLICATION TO STATE**

The Town is listed as the owner of \$185.99 in unclaimed funds on a Vermont Claim Form provided by the Vermont State Treasurer's Office.

**Motion: I move to authorize the Town Treasurer to sign and submit the Vermont Claim Form for unclaimed funds. Made: Ms. Swasey. Second: Mr. Etnier. 4-0.**

#### **G. CONSIDERATION OF PROCESS FOR COLLECTION OF MISAPPLIED PROPERTY TAX CREDITS**

The town mistakenly double-paid state tax credits to town residents, once in September 2017 and then again in April-June 2018. These are situations where the state payment exceeds the total property tax due. The total excess paid out is \$1,968.03, ranging from \$29.06 to \$861.28 in overpayments to individuals.

The SB directed Mr. Johnson to send each property owner a letter explaining the situation, along with a bill for repayment to the Town.

#### **H. CONSIDERATION OF VTRANS BETTER ROADS GRANT AGREEMENT**

The town received a VTrans Better Roads grant for an erosion control project on Snow Hill Road. The grant is for \$20,000 with a \$5,000 town match, which can be in-kind labor/equipment costs. The estimated project cost is \$29,000 and will be handled by the road crew.

**Motion: I move to authorize the Town Administrator to sign the VTrans Better Roads Grant Agreement. Made: Ms. Swasey. Second: Ms. Willis. 4-0.**

#### **I. CONSIDERATION OF EMSLI LETTER OF SUPPORT**

EMSLI has requested a board letter showing support for the senior housing initiative in general and the possible use of the Old LaPerle Farm property. The SB and Ross Hazel reviewed the draft letter.

**Motion: I move to authorize the chair to sign the letter of support for EMSLI's senior housing initiative. Made: Mr. Etnier. Second: Ms. Willis. 4-0.**

#### **J. CONSIDERATION OF LEASE ADDENDUM TO FAIRMONT FARM, INC. SOLAR FACILITY LEASE AT LYLE YOUNG FARM LOCATION**

Fairmont Farm has entered into a solar facility lease with Solar Sense Vermont; solar panels will be installed on barn roofs at the Lyle Young, Lylehaven, and Hall farm locations.

The Lyle Young location is the subject of a conservation easement with the Vermont Land Trust (VLT), Vermont Agency of Agriculture, VHCB (Vermont Housing and Conservation Board), and the town as holders. The terms of the easement require the holders to sign off on the solar lease. VLT has signed for itself and VHCB and Agency of Agriculture.

Increased use of solar energy is in accordance with the Town Plan.

**Motion: I move to authorize the Town Administrator to sign the Lease Addendum. Made: Mr. Etnier. Second: Ms. Willis. 4-0.**

#### **K. DISCUSSION ON TENANT FARMER CONCERN AT 918 COUNTY ROAD**

The old Morse Farm complex has an ongoing tenant farmer dispute and the welfare of the tenant's livestock

(pigs, sheep, a donkey). The town's Animal Control Officer, Sandy Conti, has investigated and fed the animals twice. Chair Gardner will check the animals' welfare.

#### **L. CONSIDERATION OF LETTER OF SUPPORT FOR FRIENDS OF COBURN POND EFFORT TO ENFORCE AGREEMENT ON VTRANS WETLANDS MITIGATION PROJECT**

Renée Carpenter, leader of Friends of Coburn Pond, has requested a letter of support from both the SB and PC (Planning Commission) for the group's effort at encouraging a Natural Resources Board (Act 250) enforcement effort to require VTrans to honor the mediated settlement agreement reached during the wetlands mitigation project's Act 250 permit process.

**Motion: I move to authorize the Chair to sign the letter as presented, encouraging a Natural Resources Board (Act 250) enforcement effort. Made: Mr. Etnier. Second: Ms. Willis. 4-0.**

The PC will consider the SB-approved letter at its July 19th meeting.

#### **M. CONSIDERATION OF ENGAGEMENT LETTER WITH ATTORNEY JIM BARLOW FOR TAX SALE PROCEEDINGS**

The board authorized tax sale proceedings against five properties at its June 18 meeting. Attorney Jim Barlow has provided a letter of engagement to handle the five tax sale processes on the standard terms. One of the 5 properties has already been paid off (04-016.000; by a bank holding the mortgage). TA Johnson recommends adding 10-051.000 to the list of tax sale parcels.

**Motion: I move to authorize the Collector of Delinquent Taxes to sign James Barlow's proposal for attorney services related to tax sale proceedings, as amended. Made: Ms. Swasey. Second: Mr. Etnier. 4-0**

#### **N. CONSIDERATION OF HIGHWAY NOTICE OF INTENT FOR THE MUNICIPAL ROADS GENERAL PERMIT**

The first mandatory step in the long-awaited Municipal Roads General Permit process is finally upon us. The town must submit a Notice of Intent to be covered under the state's general permit. There is a \$240 fee. Next year, an application review fee (\$400) and the first annual permit fee (currently \$1,350) kick in; the board should authorize TA Johnson to sign/submit the NOI.

**Motion: I move to authorize the Town Administrator to sign and submit the Notice of Intent for the Municipal Roads General Permit. Made: Mr. Etnier. Second: Ms. Swasey. 4-0.**

#### **O. Certification of Town Clerk and Assistant Town Clerk Appointments**

Board members signed forms certifying the appointments made June 18, 2018.

#### **P. WARRANTS**

Signed.

#### **Q. OTHER BUSINESS**

##### *Town Administrator Report*

Education Tax Rates as Provided by the Vermont Department of Taxes:

Homestead tax rate: 1.9218

Non-residential tax rate: 1.6488

Preliminary 2018/19 Property Tax Rate Update:

Homestead rate: 2.5323; up from 2.5045 (2.78 cents; 1.1%)

Non-residential rate: 2.2593; up from 2.2192 (4.01 cents; 1.8%)

Expect the rates to rise slightly (\$0.0010 or less) as the grand list is adjusted to match the results of the grievance process; rates will be set at the August 7, 2018 board meeting.

*Meeting Schedule*

July 19	7:00 pm	Anticipated EMFD quarterly presentation at the ESF
July 23	6:30 pm	“Special” regular Selectboard meeting
August 6	6:30 pm	Regular Selectboard meeting

*Zoning Administrator Report*

There have been 4 new applications since the June 18 SB meeting; 28 total so far this year.

The next Development Review Board meeting is scheduled for July 10, 2018; there will be a hearing for a setback variance request to construct a carport at 1420 North Street.

**R. ADJOURNMENT**

**Motion: I move to adjourn. Made: Ms. Willis. Second: Ms. Swasey. 4-0.**

The meeting adjourned at 8:45 p.m.