**CITY OF MONTPELIER MONTPELIER, VERMONT**

Agenda for City Council Meeting
Wednesday, November 18, 2015
06:30 P.M.

1) Call to Order by the Mayor

2) 15-301. Review and Approve Agenda

3) 15-302. General Business and Appearances

4) 15-303. Consideration of the Consent Agenda:

   a) Consideration of the Minutes from the October 28th Regular Meeting and November 4th, 2015 Special City Council Meeting

   b) Payroll and Bills

5) 15-304. Review and approve Montpelier Loan Fund Committee recommendation regarding the refinancing and reassignment of Heaton Woods Community Development Loan

   a) The Loan Fund Committee voted 5-0 to recommend approval of the Living Well proposal. Community Development Specialist Kevin Casey will present the Committee recommendation.

   b) Paul Kervick and John Sawyer from Living Well Group will be on hand to answer any questions.

   c) Recommendation: Receive presentation; discussion; approve recommendation.

6) 15-305. City Council Goal D: Address Long-term Utility and Environmental Infrastructure Needs

a) Two of the projects/steps included in this goal are:

1) "Develop a Storm Water Management Master Plan to meet minimum requirements for the MS4"; and

2) "Develop a Master Plan and funding plan to address City's water and waste water system needs".

b) The Planning Director and Public Works Director, accompanied by Julia Moore of Stone Environmental, will present a status report of the Storm Water Master Plan and explain the VT Clean Water Act pertaining to municipalities. Funding discussion is deferred until plan is complete and more is known about permit requirements.

c) The Public Works Director will explain the status of the water (distribution) system and waste water (collection and transmission) improvement plans, as well as state regulations regarding the water system. These reports include preliminary cost estimates to enable discussion about funding.

d) Recommendation: Receive presentations; opportunity for discussion; possible direction to staff.

7) 15-306. City Council Goal D: Address Long-term Utility and Environmental Infrastructure Needs

a) Another project/step included in this goal is:

1) Seek control of Berlin Pond via Charter change.

b) The following language was drafted by a legislative counsel staff member:

1) §123. REGULATION OF WATER SUPPLY In order to protect it and prevent its corruption, the City shall have the authority to regulate the use of its water supply, including the use of the source

of the water supply. The City's water supply sources include Berlin Pond in the town of Berlin.

c) Recommendation: Review and discuss this proposed amendment to the City's Charter; direction to staff.

6) <u>15-305. City Council Goal D: Address Long-term Utility and Environmental Infrastructure Needs</u>

8) <u>15-307. City Council Goal B: Balance and Control Municipal Budgeting, Taxes and Services Relative to Current Population and Grand List Tax Base</u>

a) City Council, especially those who are newest members, have indicated that they would like to better understand how the Montpelier Foundation was set up, a little history, how it works in connection with other City fundraising, etc.

b) Members of the Montpelier Foundation will be in attendance.

c) Recommendation: Receive presentation; opportunity for discussion; possible direction to staff.

9) <u>15-308. Follow-up discussion regarding budget priorities</u>

a) At their November 4th meeting, Council received the Community Budget Forums: Data Report and a memo from Finance Director Sandy Gallup, Background Information for FY17 Budget.

b) Based on the November 4th discussion, the City Manager has prepared additional information about the budget and local options taxes.

c) Recommendation: Further discussion and focus on budget priorities; direction to staff.

10) <u>15-309. Other Business</u>

11) <u>15-310. Council Reports</u>

14) <u>15-313. Mayor's Report</u>

a) Council wishes to have a general discussion regarding real estate with the City Manager. It is anticipated that the entire substance of this discussion will be conducted in Executive Session in accordance with Title I, §313, Executive Sessions, (a)(2).

b) Council's 6-month evaluation of City Manager, to be conducted in Executive Session pursuant to Title 1, V.S.A. Section 313(a)(3).

13) <u>15-312. City Clerk's Report</u>

12) <u>15-311. City Manager's Report</u>

15) <u>Adjournment</u>

**Minutes of the Montpelier City Council Meeting**
**November 4, 2015, 6:30PM.**
**City Council Chambers**

In attendance: Mayor John Hollar (Chair), Councilors Anne Watson, Justin Turcotte, Tom Golonka, Jean Olson, and Jessica Edgerly Walsh. Councilor Dona Bate was absent. City Manager William Fraser was in attendance. City Clerk John Odum served as Secretary of the meeting.

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The Mayor called the meeting to order at 6:30PM.

15-285. City Manager Fraser asked that agenda item 7 (15-290 – a discussion of Council Goal D) be removed. The City Clerk asked that Council approval (as the local liquor control authority) for Myles Court Barbershop to hold BYOB closed-door events (wedding party group haircuts) be added to the Consent Agenda. Without objection, the Chair declared the agenda approved with the requested modifications, by unanimous consent.

15-286. Jed Guertin addressed the Council regarding a potential Berlin Pond focused charter change. Mr. Guertin spoke in favor of protecting the pond.

15-287. Finance Director Sandy Gallup and Assistant City Manager Jessie Baker presented an update to inform the discussion of City Council Goal B: Balance and Control Municipal Budgeting, Taxes and Services Relative to Current Population and Grant List Tax Base. Both remained at the table to answer Council questions during the discussion. No action was taken.

15-289. Without objection, the Chair moved up the discussion of the Consent Agenda (agenda item 15-289).

Councilor Watson moved approval of the Consent Agenda (as amended), and was seconded by Councilor Edgerly Walsh. A discussion of item c (an agreement with Novus Broad Brook Solar, LLC) followed. Planning Director Michael Miller and Alex Bravakis of Novus Broad Brook Solar came forward to provide background. The motion then carried unanimously (5-0) at 8:02PM.

15-288. Mr. Miller stayed at the front table to participate in the discussion of City Council Goal J: Create a Hospitable Environment for Housing Development and Grand List Growth. The zoning plan under development was discussed. No action was taken.

The Chair called a recess at 8:41. The Council reconvened at 8:52, with Councilor Watson serving as Chair (Mayor Hollar was not present).

15-291. Mr. Miller was joined at the front table by City Community Development Specialist Kevin Casey for the discussion of City Council Goal G: Alleviate Parking Pressures in Montpelier to Maintain a Vibrant Downtown. The Mayor returned and resumed chairing the meeting at 8:58.

15-292. Assistant City Manager Jessie Baker came forward for the discussion of City Council Goal H: Explore and Encourage Intra-municipal and Other Regional Efforts with the Goal of Maintaining Service Levels and Reducing Costs (this goal includes the Recreation Department transition, which was the primary topic of discussion).

15-294. Councilor Turcotte thanked the Police Department for their handling of the recent Statehouse protest. He also made note of complaints about the taste of city water and steps he had taken to respond. He further offered concerns around the implementation of Act 64 (regarding Lake Champlain water quality), before encouraging Councilors to participate in the Veterans Day parade.

Councilor Edgerly Walsh thanked DPW for the recent work on streets in her neighborhood. She also requested that a discussion of the Nature Center's activities be included on a future agenda.

15-296. The City Clerk noted the coming tax due date and the new online election system.

15-297. City Manager Fraser made note of the continuation of the Mowatt hearing next Wednesday, and Monday's hearing regarding the employment status of the previous Planning Director.

Hearing no objection, the Mayor declared the meeting adjourned by unanimous consent at 10:00PM.

**Minutes of the Montpelier City Council Meeting**
**October 28, 2015, 6:30PM.**
**City Council Chambers**

In attendance: Councilors Anne Watson (Chair), Justin Turcotte, Tom Golonka, Jean Olson, Jessica Edgerly Walsh and Dona Bate. Mayor John Hollar was absent. City Manager William Fraser was in attendance. City Clerk John Odum served as Secretary of the meeting.

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Prior to the 6:30 Council Meeting, Councilors conducted a 5:30 PM Mowatt Property Site Visit (M&M Beverage, 12 Main Street).

Councilor Watson called the formal portion of the meeting to order at 6:30PM.

15-275. The Chair suggested modifications to the proposed agenda as follows: move up consideration of the consent agenda and the parking ordinance change, postpone the zoning update until the next meeting, and add a brief discussion of a date for the City Manager's review (before the Mowatt discussion and hearing). Councilor Edgerly Walsh moved the proposed agenda with the recommended amendments, and was seconded by Councilor Bate. The motion carried unanimously at 6:33.

15-278. Councilor Edgerly Walsh moved approval of the consent agenda, without item b (at Councilor Turcotte's request). Councilor Olson seconded, and the motion carried unanimously at 6:34.

A brief discussion of consent agenda item b (to accept the bid submitted by Cheney Trucking of Montpelier for Parking Lot Plowing (Lot #1) for the 2015-16 and 2016-17 winter seasons and authorize the City Manager to sign all pertinent contracts and paperwork) followed. Councilor Turcotte moved approval of consent agenda item b, and was seconded by Councilor Edgerly Walsh. The motion carried unanimously at 6:36.

15-279. The Chair opened the second reading of amendments to Section 10 of Article VII, "Parking & Parking Meter Zones", concerning the parking of motor vehicles on city streets and in city-owned and operated parking lots during the winter season. After a brief explanation from the City Manager, the Chair closed the public hearing at 6:38.

Councilor Edgerly Walsh moved approval of the proposed parking ordinance amendment. Councilor Turcotte seconded the motion, which carried unanimously at 6:38.

15-284. A brief discussion of the City Manager's review date took place, without formal action.

15-277. The Chair opened the floor for public comments on the upcoming eminent domain necessity hearing for the 12 Main Street property. City Manager Fraser and Jeffry Tucker (DuBois & King President and CEO) appeared before the hearing as witnesses after being duly sworn in. Jay White, a trustee for Thomas J. Mowatt Revocable Trust, sat in on the hearing and offered information on an exhibit offered into evidence.

The following Montpelier residents rose to oppose any solution that involved losing the business currently located at 12 Main Street (M&M Beverage): Chris Mizinski, Elizabeth Chase, Chris Martineau, Tyler Green, Natalie Cameron, Gwen Hoffses, Kevin O'Connell, Danny Coane, Gillis Moreau, Mary Shepherd, Mary Moody and Wayne Ledford.

Jonathan Hopkins suggested recycling alternatives if the business is eliminated.

At 7:00, the Chair turned the gavel over City Attorney Bernie Lambek to Chair the Mowatt Necessity Hearing. Additional participants in the hearing included City Manager William Fraser, Robert Fletcher (on behalf of the city) and Leo Bisson (on behalf of Mowatt Trust).

The hearing went into recess at 8:31PM. The hearing was reconvened at 8:40PM.

At 10:22, the Mr. Lambek called the hearing into recess, to reconvene on November 11, 2015 at 6:30PM.

Councilor Watson returned to the position of Chair for the remainder of the regular Council Meeting. At 10:24, the Chair declared the meeting adjourned by unanimous consent.

# Community Budget Forums: Data Report

**Public Forums:**
September 24, 2015
October 13, 2015

**Report Date:** October 23, 2015

## Community Forum Overview

Montpelier will continue to face major budget challenges in the coming years. With the Council approved "steady state capital plan," the City needs to spend an additional $500,000 per year to reach a sustainable rate of infrastructure funding. This is $1M more than the City spent three years ago. The municipal tax rate, while remaining stable for several years, remains relatively high compared to other communities in Vermont and elsewhere. This creates a challenge for our residents, businesses, and for future development.

To engage the community in finding solutions to these challenges, Community Budget Forums were held on September 24, 2015 and October 13, 2015. At the first forum participants brainstormed ideas on core community values to be considered during the budget process. At the second forum, participants reviewed the ideas contributed and set key priorities for the City to consider as they build future budgets. Additionally, in the interest of soliciting feedback from those not able to attend evening meetings, two on-line surveys were available.

## Key Findings

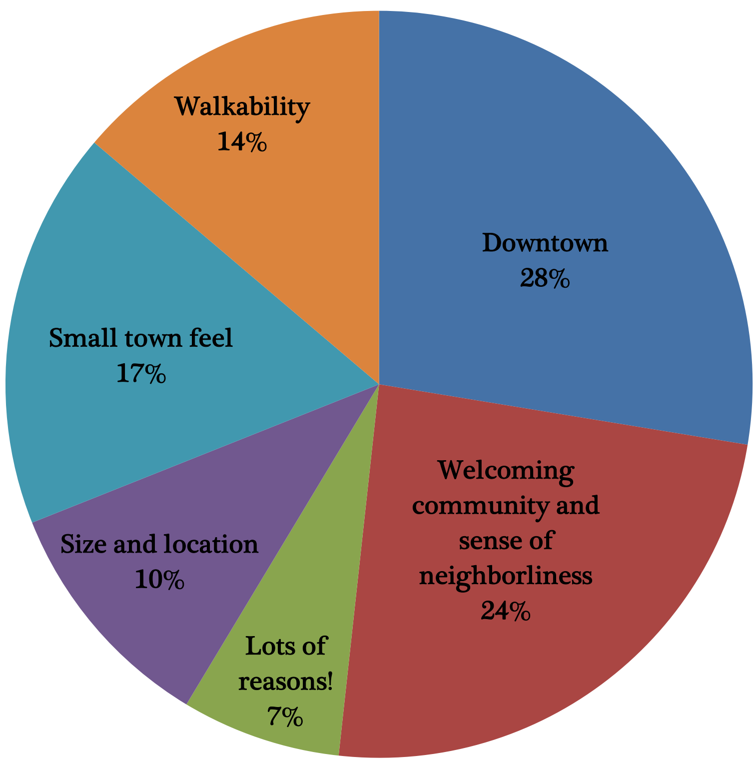
Respondents were asked to prioritize the core values to consider during the budget process. Four values were shared by a third or more of respondents.

| Values | % indicated this was a top 3 priority |
|---|---|
| Keep Montpelier affordable for all | 51% |
| Focus on improving and maintaining our infrastructure (roads, sidewalks, bridges) | 46% |
| Focus on housing development (all levels) as a long term way to grow municipal revenue | 39% |
| Focus on business and economic development as a long term way to grow municipal revenue | 35% |

Respondents were asked to prioritize the ideas for reducing spending or increasing revenue that should be implemented with future City budgets. One idea was shared by 42% of the respondents and another seven where shared by a third to a fifth of the respondents.

| **Budget Ideas** | **% indicated this was a top 3 priority** |
|---|---|
| Implement a local option rooms, meals, and alcohol tax | 42% |
| Increase regionalization | 32% |
| Reduce City staff (City Hall, Police, Fire) | 30% |
| Focus on business growth and economic development (long term solution) ADD: Explore land-based taxation | 27% |
| Focus on core services (public safety, public works) and get rid of the fluff | 25% |
| Implement a vacant housing/apartment/storefront penalty | 22% |
| Implement a local option sales tax | 20% |
| Develop new housing (long term solution) | 20% |

We also asked respondents what they loved about Montpelier.



## Analysis – Forum #1

Three key questions were posed:

- What core community values are crucial to consider in building budgets for the future of the City?
- Given the financial challenges and infrastructure needs facing the City, what are your ideas around property taxes and other revenue sources or ways to reduce costs in the city budget?
- Are there key services, programs or functions of the city government that should be seen as key priorities to protect or enhance in the future?

Approximately 40 people attended the Forum (not counting staff or facilitators.) 55 individuals completed the survey. Of these, 39 were from Montpelier and didn't attend the Forum. There were 235, 224, and 158 responses respectively per question.

**Summary of all values that emerged from Forum #1 and the associated survey:**

- Keep Montpelier affordable for all
- Focus on improving and maintaining our infrastructure (roads, sidewalks, bridges)
- Maintain our current level of public safety service (police and fire)
- Maintain our current Parks and open spaces and create new spaces where possible
- Focus on housing development (all levels)
- Focus on housing development (affordable)
- Focus on business and economic development
- Maintain and enhance our current community services (Senior Services, Recreation)
- Focus on services for vulnerable populations
- Protect our natural resources (quality water, river access)
- Ensure that our downtown is beautiful and vibrant
- Maintain focus on Net Zero Montpelier
- Complete current projects (1 Taylor, bike paths)
- Enhance our stormwater mitigation
- Enhance our tourism efforts and marketing
- Keep our neighborhoods protected and the size they are now
- Be an inclusive, civically engaged community

**Summary of all budget ideas that emerged from Forum #1 and the associated survey:**

Reductions

- Reduce City staff
    - City Hall (Clerk's Office, Assistant City Manager, Planning Department)
    - Fire Department
    - Police Department
- Increase regionalization

- Find more efficiencies in City services
- Focus on energy efficiency improvements
- Reduce City budget by 5%
- Reduce City budget by 10%
- Focus on core services (public safety, public works) and get rid of the fluff

New Revenues

- Implement a local options tax
- Develop new housing
- Increase fees for non-residents
- Increase parking fees
- Raise property taxes to maintain current services
- Focus on business growth and economic development
- Give residents the opportunity to "contribute" to key priorities

## Analysis – Forum #2

Participants and survey respondents were asked to prioritize their top 3 values and top 3 budget ideas from the above lists. Additionally, at the forum, a few other ideas were added (indicated by "ADD" below.) 26 people attended the Forum (not counting staff or facilitators.) 134 individuals completed the survey. Of these, 116 were from Montpelier and didn't attend the second Forum.

Top <u>3 values</u> that are crucial to consider in building budgets for the future:

| Values | Total | % indicated this was a top 3 priority |
|---|---|---|
| Keep Montpelier affordable for all | 72 | 51% |
| Focus on improving and maintaining our infrastructure (roads, sidewalks, bridges) | 65 | 46% |
| Focus on housing development (all levels) as a long term way to grow municipal revenue | 55 | 39% |
| Focus on business and economic development as a long term way to grow municipal revenue | 50 | 35% |
| Maintain our current level of public safety service (police and fire) | 27 | 19% |
| Ensure that our downtown (ADD: and neighborhoods) is beautiful and vibrant | 25 | 18% |
| Focus on housing development (affordable) as a long term way to grow municipal revenue | 20 | 14% |
| Protect our natural resources (quality water, river access) | 19 | 13% |

| Values | Total | % indicated this was a top 3 priority |
| --- | --- | --- |
| Maintain and enhance our current community services (Senior Services, Recreation) | 17 | 12% |
| Maintain focus on Net Zero Montpelier | 12 | 8% |
| Complete current projects (1 Taylor, bike paths) | 12 | 8% |
| Be an inclusive, civically engaged community (ADD: With increased voter turnout) | 12 | 8% |
| Enhance our tourism efforts and marketing | 10 | 7% |
| Maintain our current Parks and open spaces (ADD: and waterfront) and create new spaces where possible | 9 | 6% |
| Focus on services for vulnerable populations | 9 | 6% |
| Keep our neighborhoods protected and the size they are now | 9 | 6% |
| Enhance our stormwater mitigation | 3 | 2% |
| ADD: Promote the arts | 2 | 1% |
| ADD: Need larger spaces (2,000 ft and handicapped accessible) | 1 | 1% |
| ADD: Make our community a community that attracts younger people | 1 | 1% |

Top <u>3 ideas for reducing spending or increasing revenue</u> that should be implemented with future budgets:

| Budget Ideas | Total | % indicated this was a top 3 priority |
| --- | --- | --- |
| Implement a local option rooms, meals, and alcohol tax | 59 | 42% |
| Increase regionalization | 46 | 32% |
| Reduce City staff (City Hall, Police, Fire) | 42 | 30% |
| Focus on business growth and economic development (long term solution) ADD: Explore land-based taxation | 39 | 27% |
| Focus on core services (public safety, public works) and get rid of the fluff | 36 | 25% |
| Implement a vacant housing/apartment/storefront penalty | 31 | 22% |
| Implement a local option sales tax | 29 | 20% |
| Develop new housing (long term solution) | 28 | 20% |
| Reduce City budget by 10% | 24 | 17% |

| Budget Ideas | Total | % indicated this was a top 3 priority |
|---|---|---|
| Focus on energy efficiency improvements | 21 | 15% |
| Increase fees for non-residents | 17 | 12% |
| Temporarily freeze on City employee salary increases | 15 | 11% |
| Reduce City budget by 5% | 15 | 11% |
| Increase parking fees | 6 | 4% |
| Raise property taxes to maintain current services | 6 | 4% |
| Give residents the opportunity to donate to key priorities | 5 | 4% |
| ADD: Identify efficiencies to cut costs | 3 | 2% |
| ADD: Enhance marketing for business, tourism, residents (long term solution) | 2 | 1% |
| ADD: Hiring freeze | 0 | 0% |

City of Montpelier FINANCE

America's Small Town Capital

DATE: October 8, 2015

TO: CITY COUNCIL MEMBERS
CITY LEADERSHIP TEAM

FROM: Sandra Gallup, Finance Director

SUBJECT: **BACKGROUND INFORMATION FOR FY 17 BUDGET**

| YEAR | VOTER APPROVAL |
|---|---|
| ★ FY 16 | 80% |
| ★ FY 15 | 75% |
| ★ FY 14 | 75% |
| ★ FY 13 | 70% |
| ★ FY 12 | **75**% |

## MUNICIPAL PROPERTY TAXES AND ECONOMIC INDICATORS

| FIVE YEAR HISTORY-% Changes | FY12 | FY13 | FY14 | FY15 | FY16 | AVERAGE |
|---|---|---|---|---|---|---|
| Property Tax Increases- Municipal | 1.4% | 3.2% | 0.5% | 1.3% | 2.8% | 1..8% |
| Median Tax Bill Increases-Municipal | 1.2% | 3.0% | 0.6% | 1.3% | 2.5% | 1.7% |
| Consumer Price Index(Annual) | 3.8% | 2.0% | 2.0% | 1.3% Aug | .2% Aug | 1.9% |
| City Employee Cost of Living Adj | 0-3.5% | 0-2.5% | 2-2.25% | 1.5%-2.25 | 1.-2% | 1.7% |
| Grand List (Property Values) -Municipal | 0.3% | 0% | 1.5% | .7% | .4% | 0.6% |
| Unemployment Rate-Montpelier | 4.1% | 5.3% | 4.0% | 3.7% | 3.2% | 4% |
| Total Budgeted Expenditures-General Fnd | 4.7% | 2.3% | 2.7% | 1.6% | 4.2% | 3.1% |
| Property Tax Dollars Raised-Municipal | 1.9% | 3.9% | 2.3% | 2% | 2.7% | 2.6% |

Note: In FY17 every 1% increase in the tax rate adds almost 1 cent to the current tax rate and raises an additional $85,000

**MUNICIPAL PROPERY TAXES:**

For FY 15, Montpelier has the 13th(15th highest in the previous year) municipal tax rate in the state (Barre City, Springfield, Newport City, Rutland City, Windsor, Brattleboro, Winooski are higher). When the education tax rates are included in the total, Montpelier has the 20th highest residential tax rate in the state as compared to the 21st highest the previous year.

Our FY16 tax rate increased from $2.6391 to $2.6963 (up 2.2%). The change in the municipal tax rate was small - only up $.027 (2.5% increase). This included new funding for the Central Vermont Public Safety Authority.

For FY16 (third year), a Downtown Improvement Tax rate of $0.0515 was approved for downtown commercial properties.

**INFRASTRUCTURE SUPPORT-CAPITAL IMPROVEMENT PROGRAM – Third year of Capital Budgeting Policy FY14- FY23 – Includes Equipment Plan Funding.**

The Capital Projects, Equipment and Debt Service Program costs will increase $166,300 (approx 2 cents) in FY17 as per the "Steady-State" plan.

Preliminary detail for FY17:

| | |
|---|---|
| Debt Payments | $685,305 |
| Annual Capital Projects | 1,017.642 |
| Equipment | 515.000 |
| Total (per Multi-year Plan) | $2,217,947 |

There is also a planned borrowing of $710,000 in FY17 for capital projects. The CIP committee will meet in October to review the city's capital needs and recommend a plan for FY17 expenditures.

**FY 17 GENERAL FUND NET OPERATING BUDGET**

- ASSUME NO GROWTH IN NON-TAX REVENUE
- ASSUME NO GROWTH IN GRAND LIST
- PROJECT PERSONNEL SALARIES INCREASE OF 4.3% (COLA and step increases)
- ASSUME PERSONNEL BENEFITS TO INCREASE 6.8% DUE TO HIGH HEALTH INSURANCE INCREASES.

SUMMARY OF EARLY PROJECTIONS FOR FY17:

Note: This is a starting point only, before Departments present their budget requests.

| | | |
|---|---|---|
| Increase in operating – Personnel Costs | $337,000 | 5% increase |
| Increase in CIP/Equipment/Debt | $166,300 | CIP planned increase |
| | | |
| Total increase in General Fund Budget | $503,300 | 4.2% of FY16 Exp Budget |

To fund this $503,300, the property tax rates would increase 6 cents which is a 6% increase (4% before CIP increase)

EXPENSE TRENDS/PROJECTIONS - Details

Consumer Price Index – The Consumer Price Index: August 2015 was .2% higher than August 2014.

Personnel Cost Projections: All union contracts have been negotiated for FY17. Cost of Living Adjustments for city employees will vary from 1.25%- 2%. When I add steps, staffing adjustments, the total salaries and wages will increase approximately 4.3%.

City-wide this means a $250,000 increase in employee wages. When I add the FICA/Medi, Workers Compensation and Pension costs, this number increases to $300,000

Other Employee-related increases:

| | | |
|---|---|---|
| Increase in VMERS Employer Contribution | $8,000 | |
| Health Insurance (15% rate increase) | $160,000 | |
| Subtotal Projected Other Employee-related Increases | | $168,000 |
| Total Projected Employee Wages and Benefit Increase | | $468,000 |

The General Fund has 72% of Employee Salaries. Therefore, $337,000 of the personnel cost increase will be in the General Fund.

Note on Health Insurance: There continues to be many questions about future health insurance programs in Vermont. Because our number of employees exceeds 100, we will not be joining the Vermont Health Benefit Exchange. The date that the city is scheduled to join the state's health exchange is January 2018. There is some uncertainty about this date and also uncertainty about the effect of "Cadillac taxes" on the city's health insurance program.

Although the final 2016 BlueCross BlueShield health insurance premiums are currently being negotiated, the preliminary proposal is very high, up 19.3%. The city's employee health insurance committee is working to reduce this increase which is driven by a 7.5% medical trend increase and our high claims for 2015. In my projection above, I used a 15% increase in health insurance premiums but it could be higher….

Supplies and Vehicle Fuel Costs – With oil prices continuing to be low there may be very little increase in the cost of supplies and vehicle full for FY17. This is preliminary projection. The Department Heads will be researching these cost as they development their operating budgets.

Energy Costs: The City is always looking for opportunities to make energy conservation improvements and lock into fixed fuel prices when the market is favorable. The District Heat project will help control our costs for heating our downtown facilities. Our finance office is working with the city's energy committee to establish the city's baseline energy consumption. We will continue to account for our energy use and we progress towards the city's NetZero goal

Grant Revenue –

Montpelier continues to receive state and federal funds for street improvements, the transit center and the bike path projects. State grants provide the majority funding for the City's Community Justice Center.

**FUND BALANCE**

The City's Fund Balance Policy states that the City Council's goal is to achieve a minimum unassigned fund balance equal to 15% of the budgeted General Fund expenditures." As of June 30, 2014 the unassigned fund balance was 7.2% ($822,783/$11,410,448) of the budgeted expenditures. It appears that the General Fund may have a small surplus in FY15 which will keep us at the same percentage of unassigned fund balance as of June 30, 2015. The FY15 audit report will be completed in December and will have final fund balance information.

**DEBT**

The Council approved a Debt Management Policy in September 2011 which helps guide the decisions regarding borrowing in FY17 and beyond.

RECREATION DEPARTMENT – TRANSITION

The Recreation Department is scheduled to move school management to city management on July 1 2016. Therefore, the FY17 Budget will include this new department's operating budget.

City of Montpelier vermont

America's Small Town Capital

Mayor John Hollar

City Council Members:

Dona Bate
Jessica Edgerly Walsh
Tom Golonka
Jean Olson
Justin Turcotte
Anne Watson

William Fraser,
City Manager

Jessie Baker
Assistant City Manager

## MEMORANDUM

**To:** Mayor Hollar & City Council Members
**From:** William Fraser, City Manager
**Re:** Budget
**Date:** November 13, 2015

At the November 4th meeting you discussed budget targets of 0% to 2% increase in the tax rate. We chose to continue the conversation until the meeting of the 18th in order to understand the impact of these targets and to consider priorities when developing the FY17 budget.

### Overall Impact:

Based on updated calculations, the "roll over" costs of continuing FY16 services and increasing the capital plan as scheduled total to about $650,000. We don't have an reliable revenue baseline update yet so for this purpose we will assume revenue at the FY16 level.

FY16 municipal taxes – including city, recreation, library and public safety authority – totaled $8,552,740. $650,000 is 7.6% of that amount.

### Practical Impact:

Within the General Fund budget the following items are either legally or through prior council direction, uncuttable:

| | |
|---|---|
| Community Fund | $110,175 |
| Community Enhancements | $31,000 (Montpelier Alive, Celebrations) |
| Capital Debt | $680,326 |
| One Taylor Mortgage | $43,200 |
| Capital Plan | $875,978 |
| Other Govt. | $168,761 (VLCT, CVRPC, GMTA, County Tax, etc) |
| Equipment Plan | $515,000 |
| Sprinkler Credit | $64,000 |
| Energy Lease | $43,200 |
| Library | $316,698 (Ballot Item) |
| Wrightsville | $4,007 |

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www.montpelier-vt.org

| | |
|---|---|
| Public Safety Authority | $34,725 (Ballot Item) |
| Housing Trust Fund | $21,000 |
| **TOTAL** | **$2,908,070** |

Removing these items leaves remaining FY16 property tax level at $5,644,670. Given contractual obligations, a strong argument can be made for adding dispatch to the above list.

The 0% to 2% range requires cuts (from our current projections) of $480,000 to $650,000. These represent 8.5% to 11.5% from the budget funds not listed above which are operating departments.

These reductions applied equally across all the remaining budget items would look approximately like this (based on my FY16 estimate of net taxes paid to each department)

| | **Net FY16 Taxes** | **8.50%** | **11.50%** |
|---|---|---|---|
| Govt. Services | $943,144 | $80,167 | $108,462 |
| Police/Dispatch | $1,557,952 | $132,426 | $179,165 |
| Justice Center | $0 | $0 | $0 |
| Fire/EMS | $975,328 | $82,903 | $112,163 |
| Bldg Insp | $13,605 | $1,156 | $1,565 |
| Public Works | $1,241,635 | $105,539 | $142,788 |
| Planning | $250,790 | $21,317 | $28,841 |
| Senior Center | $109,224 | $9,284 | $12,561 |
| Cemetery | $85,726 | $7,287 | $9,858 |
| Parks/Trees | $148,927 | $12,659 | $17,127 |
| Recreation | $575,230 | $48,895 | $66,151 |

Cost reductions in this amount would need to come primarily from personnel. My guess-timate is that this represents as many as 8 full time employees (7% of workforce). This will have impact on both service delivery and attention to council goals.

Any guidance you can provide about service and goal priorities will be welcome.

City of Montpelier
PLANNING & COMMUNITY DEV.

**MEMORANDUM**

**To:** Montpelier City Council
**From:** Montpelier Loan Fund Advisory Committee
**Re:** Refinancing and reassignment of Heaton Woods Community Development Loan
**Date:** Friday, November 13, 2015

Montpelier Loan Fund Committee is:
Stephen Klein
Kim Phalen
Claude Stone
JoAnn Corskie Gibbons
Beth Boutin

**Committee Recommendation:**
The Montpelier Loan Fund Committee unanimously approved the request from the Living Well Group to reassign and refinance the existing Community Development Loan for the Heaton Woods facility. The Committee met on October 19, 2015 with representative of the Living Well group and voted 5-0 to approve the reassignment and refinancing of the Heaton Woods Community Development Loan.

**History**
On October 21, 1994 the City of Montpelier was selected by the Vermont State Agency of Development and Community Affairs to receive an implementation grant for the rehabilitation of 7 Heaton Street in Montpelier. The City of Montpelier then agreed to loan $600,000 to Capital City Housing Foundation as the principal borrower. The loan was secured by a second mortgage and the terms of original loan agreement are attached. Currently, the loan is in deferment until December 1, 2015

In August of 2015 the City of Montpelier was approached by Capital City Housing Foundation and the Living Well Group, a 501 c(3) nonprofit corporation, to discuss a sale of the Heaton Woods property to Living Well.

Living Well Group's planned purchase of the Heaton Woods facility, , will expand much-needed memory care programs in central Vermont, as well as provide compassionate, innovative programming, including: art, music, and movement therapies; Coordinating naturopathic medicine with primary care physician/specialists; Promoting wellness through quality nutrition and integrative approaches to physical health; and Population-based care for Veterans.

**About Living Well Group:**

In addition to owning and managing two Level III residential care facilities (in Bristol and Burlington), Living Well has received the Governor's Excellence Award as the state's Program Champion, recognized as an "extraordinary role model for healthy aging." Living Well has also received the Vermont Health Care Association's Licensed Nursing Assistant of the Year (2008) and Administrator of the Year (2009) awards, as well as the 2010 Employer of the Year Award from Vermont's Department of Vocational Rehabilitation, and 2014 Vermont Health Care Association Annual Award for Chef/Alchemist Culinary Team.

**Living Well Proposal:**

In order to facilitate the sale of Heaton Woods to the Living Well Group the City of Montpelier is being asked to refinance the existing Community Development Loan and reassign the loan from Capital City Housing to the Living Well Group, subject to any additional terms and conditions required by the Agency of Commerce and Community Development.

Currently, the Heaton Woods Loan to Capital City Housing is in deferment until December 1, 2025 at which time monthly loan payments of $6437.50 will be due. The interest rate established in the original loan documents is set at 5.25% annually for a 10 year term with a final payment date of November 1, 2035.

The Living Well group has proposed that the first two years (Jan 2016-December 2017) they will make quarterly interest only payments. Following the 2 year principal payment deferral the loan will accrue interest at 5% for the next 15 years with a final payment due on January 28, 2033. This the living well proposal will result in faster repayment of the loan funds to Montpelier .

Otherwise all terms and conditions of the original loan will be the same as the loan to Capital City Housing.

| | **Current :Capital City Housing** | **Proposed: Living Well** |
|---|---|---|
| **Amount** | $600,0000 | $600,000 |
| **Date of Loan** | March 7, 1995 | *January 27, 2016* |
| **Principal Repayment** | Deferred 30 Years | Deferred 2 years |
| **Interest** | 5.25% | 5% ***quarterly*** |
| **Term** | 10 starting in 2025 | 15 starting in 2017 |
| **First Principal Installment Date** | December 1, 2025* | January 28, 2018 |
| **Final Payment Date** | November 1, 2035 | January 28, 2033 |
| **Monthly Payment** | 6437.50 | |
| | | |

| | | |
|---|---|---|
| **Final Payment** | 6437.83 | |
| **Prepayment** | No Prepayment Penalty | No Prepayment Penalty |
| **Security** | Real Estate | Second Mortgage |
| **Primary Lender (First Mortgage)** | USDA(FmHA) | Northfield Savings Bank |
| | | |

**Committee Discussion**

Capital City Housing and the Living Well Group have shared missions to provide "Resident-focused caring for elders that promotes well-being within a wide range of community connections." and are committed to serving low and moderate income seniors with high quality residential care and services. Their mission is consistent with the general purpose of the Revolving Loan Fund "*to support projects and activities that improve the economic and physical environment and enhance the quality of life in the City of Montpelier. Of particular importance are activities which benefit low and moderate income people."(Section A: General Purpose)*

Eligible projects or activities must meet at least **one** of the following objectives:

| **Montpelier Community Loan Fund Eligibility Criteria** | |
|---|---|
| strengthen economic vitality; | No |
| create jobs; | Retain Existing |
| expand, preserve, and upgrade housing | **Yes** |
| strengthen the availability, effectiveness and quality of social services | **Yes** |
| promote equal access to housing; | **Yes** |
| promote economic opportunity for lower and moderate income people, the elderly, and single heads of households, the handicapped and other under-served populations; | **Yes** |
| Net Loss of Housing Y/N? | N The project will result in a net gain of "beds" |

The Living Well group has a demonstrated history of providing excellent service and care to seniors. The project will retain much needed affordable senior housing in Montpelier, the current number of jobs will be retained and the facility will benefit low and moderate income individuals. This is consistent with the Fund Priorities as found in Section C.

| **Section C Fund Priorities**<br>Priority shall be given to projects or activities that: | |
|---|---|
| create or retain sustainable affordable housing for low and moderate income persons | **Yes** |
| create or retain jobs that pay a livable wage and that are filled by or available to low and moderate income persons | **Yes** |
| Encourage public facilities that support housing or economic development activities that benefit low and moderate income persons. | **Yes** |
| leverage other funds granted to the City; | **No** |

The repayment terms and interest rate are consistent with the loan fund guidelines.

The sale of the property will expedite loan payments which would otherwise be deferred for another 10 years under the current loan agreement.

The Loan Fund Committee met in executive session with the representatives of the Living Well Group and reviewed their operating budget, Proforma, assumptions, and was satisfied that the living well group proposal is based on a sound financial model.

**LOCAL OPTIONS TAX INFORMATION**

| | | | Sales | Rooms. Meals & Alc. | Combined |
|---|---|---|---|---|---|
| **Based on 2014 State Tax Numbers** | | | $128,515,414 | $31,177,985 | $159,693,399 |
| **1% Tax Revenue** | | | $1,285,154 | $311,780 | $1,596,934 |
| **Less State PILOT Fund** | 30.00% | | $385,546 | $93,534 | $479,080 |
| **NET TOTAL** | | | **$899,608** | **$218,246** | **$1,117,854** |
| **FY16 General Fund Budget** | $12,622,056 | **% of Budget:** | 7.1% | 1.7% | 8.9% |
| **FY16 Municiapl Prop Tax - ALL** | $8,552,740 | **% of Tax:** | 10.5% | 2.6% | 13.1% |
| **FY16 Municipal Grand List** | $857,825,125 | **Rate Impact:** | $0.1049 | $0.0254 | $0.1303 |
| **Current Municipal Tax Rate** | $1.0037 | **% of Rate:** | 10.45% | 2.53% | 12.98% |
| **Avg. Res. Prop. Value** | $223,550 | **Avg $ Saved:** | $234.44 | $56.88 | $291.31 |
| **Amount to Spend In Montpelier to break even** | | | $23,443.86 | $5,687.51 | $29,131.37 |
| **Weekly Average to spend to break even** | | | $450.84 | $109.38 | $560.22 |
| **Total Grand List required to raise same money** | | | $951,542,274 | $874,282,448 | $979,260,693 |
| **Increase from current GL required** | | | $93,717,149 | $16,457,323 | $121,435,568 |
| **Percent of GL increase required** | | | 10.9% | 1.9% | 14.2% |
| **Equivalent Avg. Residential Units** | | | 419 | 74 | 543 |
| **Equivalent "National Lifes"** | | | 2.13 | 0.37 | 2.76 |

**City of Montpelier**
**Department of Public Works**
**Planning & Community Development**
**Memorandum**

**To:** **William J. Fraser, City Manager**

**From:** **Thomas McArdle, DPW Director** TM
**Michael Miller, Planning Director** MM

**Date:** **November 13, 2015**

**Subject:** **The Vermont Clean Water Act & Montpelier Storm Water Master Plan: Status Update**

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The Vermont Clean Water Act

During the 2015 Legislative session, H.35 / Act 64 was passed and is known as the Vermont Clean Water Act. The Act supports the Lake Champlain Phase 1 TMDL (total maximum daily load) implementation plan (draft) developed by the Department of Environmental Conservation submitted to EPA and dated August, 2015. This act sets up the statewide framework to improve the water quality of Lake Champlain by addressing the contaminants reaching the waterways within the lake's drainage area. It also seeks to develop a plan to comply with the National Clean Water Act. The VT Clean Water Act states:

***H35. / No. 64. An act relating to improving the quality of State waters.***
Sec. 1. FINDINGS AND PURPOSE
*(b) Purpose. It is the purpose of this act to:*
*(1) manage and regulate the waters of the State so that water quality is improved and not degraded;*
*(2) manage and plan for the use of State waters and development in proximity to State waters in a manner that minimizes damage from and allows for rapid recovery from flooding events;*
*(3) authorize and prioritize proactive measures designed to implement and meet the impending total maximum daily load (TMDL) plan for Lake Champlain, meet impending TMDL plans for other State waters, and improve water quality across the State;*
*(4) identify and prioritize areas in the State where there is the greatest need to act in order to protect, maintain, or improve water quality;*
*(5) engage all municipalities, agricultural operations, businesses, and other interested parties as part of the State's efforts to improve the quality of the waters of the State; and*
*(6) provide mechanisms, staffing, and financing necessary for State waters to achieve and maintain compliance with the Vermont water quality standards.*

The Act contains two parts: one is water quality and flood resilience which pertains to municipalities; and the second part is agriculture related.

As enacted and applicable to municipalities, the Legislation envisions the development of a "Municipal Roads General Permit" as part of a multi-pronged approach to an overall objective of improving water quality and established that policies, procedures and plans must be developed to achieve them. For agricultural water quality issues, the Act includes specific requirements, recommended regulations and goals. The regulations & requirements for municipalities is on a 3 year permit development schedule. By the Fall of 2017/Winter 2018, the Watershed Management Division (WMD) of the VT Department of Environmental Conservation intends to issue the final general permit to cover our highways and other impervious services. I have attached 3 informational brochures describing the process that we are now just beginning to embark on. While VTrans and DEC assure us there will be technical and financial assistance through two existing programs, the full extent is not yet known. As described, there will be a 20 year compliance period to fully implement the program. Until we know what needs to be done to achieve the objectives and what funding will be made available, the cost to the local tax payers is unknown.

First, we must assess all of our storm water systems and conduct an inventory utilizing GIS mapping to support the internally created asset management platform. The storm water structure mapping was conducted by VT DEC personnel and over the last two summers, engineering student interns employed by DPW assisted with reviewing the data, conducting field verifications and resolving inventory inconsistencies.

The VT Department of Environmental Conservation, WMD maintains a web page which includes links to a fact sheet, frequently asked questions (FAQ) and a VTrans handout - see http://www.watershedmanagement.vt.gov and follow the "storm water" link to the municipal roads program. For your convenience, a few of these documents are attached. Also found on their web site is TMDL Phase 1 Implementation Plan. Many concerns persist about the TMDL implementation and associated costs. On behalf of the member towns, the VLCT submitted a letter to EPA dated October 15, 2015 during the open comment period to express these concerns (see attached).

Montpelier Storm Water Master Plan

In July, 2014, the Planning & Community Development office was awarded an Ecosystem Restoration grant to provide funding assistance to undertake the development of a Storm Water Master Plan. In April of this year, in collaboration with the Department of Public Works, the Planning office issued a Request for Proposals from qualified consultants to undertake the development of the Storm Water Master Plan. The Plan is intended as a means of identifying systems, practices and procedures and identify recommended corrective measures that will serve to reduce sediment and nutrient pollution of the Winooski River which is located within the upper Lake Champlain Basin.

The contract to undertake the master plan development was awarded to Stone Environmental, and signed in July, 2015. Stone Environmental is partnering with ORW Landscape Architects & Planners. The Plan is being developed through field investigation, computer modeling, GIS spatial analysis, and will provide technical reports, project design recommendation and implementation strategies. As stated in Stone's proposal, they will provide a "Master Plan that will identify a series of design and policy options that improve and streamline local storm water management. The Master Plan will not include phosphorus TMDL reduction targets, and it is unknown at this time whether such targets will be included in the Roads General Permit.

There are 8 separate tasks in the Master Plan development schedule (see attached). The grant deadline for completion is October 31, 2016. At this time, Task #1 (Collect & Review Existing Plans & Data) has been completed and the technical memo has been submitted. They are now working on Task #2 and have submitted problem-area site reports identified thus far for staff review. The project is being directed by Julia Moore, P.E., Group Leader of Stone Environmental's Water Resource Management section who contributed the following update for this report:

*"Over the past two months, Stone has been working to comprehensively identify areas throughout the City that might benefit from improved/enhanced storm water management practices. These opportunities are generally related to either a) wet weather runoff from roads and sidewalks, or b) runoff from commercial, institutional, and residential buildings (and their surrounds) that were built long before storm water management was receiving much attention. As part of the forthcoming TMDL to address excess phosphorus pollution in Lake Champlain, Montpelier (as well as all other municipalities in the basin) will receive a "roads permit" that will require improved management of runoff from roads and sidewalks. In addition, there will be voluntary (e.g., grant-funded opportunities) for municipalities to address runoff from other parts of the built environment. The storm water master plan will provide the City with a prioritized list of projects that can be used to support future grant applications. In addition to identifying site-specific opportunities, Stone has also provided technical comments on the portions of Part 3 of*

*Montpelier's draft land use regulations related to erosion control and storm water management, and worked with PlaceSense to simplify and streamline standards for post-construction storm water management."*

The draft final plan (Task #7) will be presented at a public hearing next summer. A period of time will be provided to allow for public participation. Public comments will be summarized and the Final Master Plan will be completed and presented at a public hearing which we anticipate will be well in advance of the grant deadline. A public outreach component of the Clean Water Act has begun at the statewide level and the local review process will build on that effort specific to Montpelier.

It is noteworthy that the completion of the Storm Water Master Plan will very closely coincide with the DEC's schedule to issue the draft Municipal Roads General Permit in late 2016 or early 2017. As such, we believe Montpelier will be positioned for development of the final conclusions and recommendations for application to obtain coverage under the permit. At that time, we should have a better understanding of the relative costs associated with the permit implementation and deadlines for undertaking the identified work program.

In May of this year, the City Council approved a Certificate of Compliance concerning the "Town Road & Bridge Standards" adopted in 2014. According to the DEC's FAQ publication, the storm water standards under the general permit will be consistent with the best management practices already adopted under these town standards. Other issues of importance to consider and found in the FAQ regard the development of a storm water plan specific to our roads (and parking lots). We are not yet certain how or whether this will differ from the City's master plan but we don't anticipate difficulty with the integration of specific areas of focus. The FAQ states that "the implementation plan shall address all sources of erosion as soon as possible, but not to exceed 20 years." The plans could overlap with scheduled & coordinated road work. When priorities are developed based on the storm water discharge water quality impact priorities, planned projects may be modified to incorporate the recommended alterations.

A related topic that was recently brought to our attention is that DEC is planning to submit a research grant proposal to EPA for funding to develop a more calibrated way of calculating a phosphorus reduction for towns that implement street sweeping and catch basin cleaning activities. DPW was approached and we have agreed to participate with the study by undertaking a managed sweeping program to include measuring of collected waste and working with a tree canopy mapping program that will potentially be developed by the University of Vermont as part of the research grant. The Montpelier Tree Board has also indicated their interest in this effort.

C: Kurt Motyka, P.E., City Engineer
Julia Moore, P.E., Stone Environmental

Attachments:
- Vtrans flyer "Vermont's Clean Water Act & Municipal Transportation"
- "DEC Municipal Roads Program"
- "DEC Municipal Roads Program, Factsheet: Developing the Municipal Roads General Permit"
- Stone Environmental SWMP schedule
- VLCT letter to EPA dated Oct 15, 2015

## DEC Municipal Roadway General Permit Timeline

**Fall 2015 & Winter 2016** — Outreach to municipalities and regional planning commissions will commence

**Winter 2016** — Undertake stakeholder process to develop permit and standards

**Fall 2016 & Winter 2017** — Draft general permit

**Fall 2017 & Winter 2018** — Issue final general permit

**2018–2021** — Specific permit application and implementation deadlines will vary and will be determined during the development process

## Contact Information

**DEC Municipal Roads General Permit**

***Regulatory process and requirement questions***

**Jim Ryan, DEC, jim.ryan@vermont.gov, 802-476-0132**

**Vermont Better Back Roads**

***General Information and application instructions***

**Alan May, VTrans Municipal Assistance Bureau, alan.may@vermont.gov, 802-828-6502**

**Transportation Alternatives Program**

**Scott Robertson, VTrans Municipal Assistance Bureau, scott.robertson@vermont.gov, 802-828-5799**

**VTrans District Garages**

**vtransoperations.vermont.gov/maintenance_districts**

**Regional Planning Commissions**

**http://www.vapda.org/**




# Vermont's Clean Water Act and Municipal Transportation

**How Act 64, the 2015 law to improve water quality, will affect municipal roadways**

VTrans Working to Get You There
Vermont Agency of Transportation

# Act 64 and Transportation

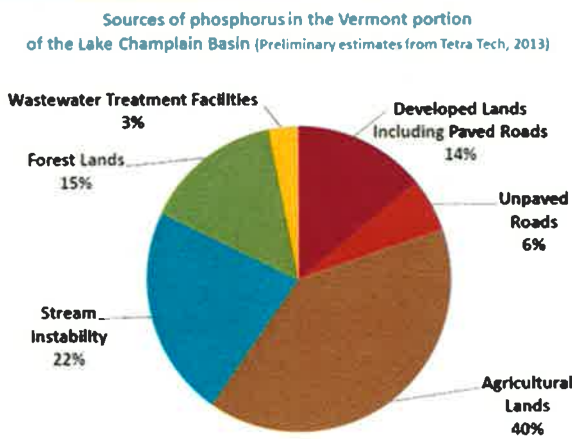
## Cap on phosphorous levels in Lake Champlain

The Environmental Protection Agency has developed a Total Maximum Daily Load (TDML) that sets a cap on the amount of phosphorous that is allowed to enter Lake Champlain. Excess phosphorous is a main contributor to blue-green algae blooms that impair the lake's water quality.

*Pictured: Blue-green algae bloom in Lake Champlain*

## Transportation infrastructure and phosphorous

Developed lands, wastewater treatment facilities, agriculture, unstable stream banks, and forestland all contribute to phosphorous loading. State and municipal roadways and other transportation infrastructure constitute a considerable portion of pollution from developed lands.




## Act 64 and municipal roads

In response to the TDML phosphorous loading allocations, the Vermont legislature passed Act 64, the Vermont Clean Water Initiative, which creates a new permit process for municipalities aimed at addressing stormwater run-off from roadways, both paved and unpaved. The Vermont Department of Conservation (DEC) and VTrans are developing new financial and technical assistance programs to aid municipalities in their efforts to comply with this new mandate.

# VTrans: Lending a Hand to Municipalities

## DEC Municipal Roads General Permit

Under the DEC Municipal Roads General Permit (DEC MRGP), municipalities must implement a customized, multi-year municipal stormwater management plan. Strategies may include:

- inventorying roadways and identifying connections to surface waters;
- implementing solutions such as stone-lined and U-shaped ditches, turnouts, check dams, road crowning, and grass -lined drainage ditches;
- upgrading drainage culverts and stabilizing culvert outlets where erosion is present.

*Pictured: Stone-lined ditch*

## Technical and financial assistance from VTrans and DEC

VTrans, DEC scientists and regulators, and regional planning commissions will be available to help municipalities understand the requirements and implement their stormwater management plans.

VTrans will continue to provide funding and technical assistance through the Municipal Mitigation Grant Program, which includes the VT Better Back Roads Program, and the Transportation Alternatives Program—all growing sources of funding for developing and implementing municipal stormwater plans. Managing stormwater protects roadways from deterioration and makes our natural and built environment more resilient to future flood events, thus saving taxpayer dollars.

Once the permit is in effect, municipalities will be given a 20-year implementation schedule that is prioritized based on the greatest water quality benefit and the road stormwater management plan. VTrans Regional Maintenance Districts will be available to help provide direct technical assistance to municipalities. The VT Local Roads Program will provide training and other resources starting in 2016.

# DEC Municipal Roads Program

*photo courtesy of Carol Langstaff*

## Development of the Municipal Roads General Permit

This general permit is intended to achieve significant reductions in stormwater-related erosion from municipal roads, both paved and unpaved. Municipalities will implement a customized, multi-year plan to stabilize their road drainage system. The plan will include bringing road drainage systems up to basic maintenance standards, and additional corrective measure to reduce erosion as necessary to meet a TMDL or other water quality restoration effort. The permit is required by H.35/Act 64, the Vermont Clean Water Act, and the Lake Champlain Phase I TMDL.

For more information on the DEC Municipal Roads program and the development of the Municipal Roads General Permit, contact Jim Ryan at (802) 490-6140 or via email at jim.ryan@vermont.gov.

## Documents and Frequently Asked Questions

- Factsheet: Municipal Roads permit development process
- Frequently Asked Questions
- Vtrans Handout: Vermont's Clean Water Act and Municipal Transportation
- **New** Presentation: Development and Components of the Municipal Roads General Permit (pdf version - please contact Jim Ryan for a powerpoint version)

## Permit Development Timeline

**Fall & Winter 2015**

- Begin outreach to municipalities, RPCs, NRCDs and VTrans districts

**Spring 2016**

- Begin stakeholder process to develop permit and standards

**Summer 2016**

- Continue stakeholder process

**Fall & Winter 2016**

- Develop draft General Permit

**Fall & Winter 2017**

- Issue Final General Permit

## Permit Application and Implementation Dates

**2018 - 2021**

- All municipal applications due (specific permit application deadlines TBD during permit development process)

**Commencing with permit coverage**

- Municipal development and implementation of road stormwater management plan
- 20-year Implementation schedule prioritized by greatest benefit and municipality's transportation capital plan
- Assistance from DEC, VTrans, RPCs, others

**Municipal Development of a Road Stormwater Management Plan**

Inventory

Prioritize

Implement

## Permit Requirements for Existing Roads

- As a first step municipalities will identify the sections of their road networks that are connected to surface waters through ditches, culverts or other drainage structures. Connected roads present substantially greater risks to water quality.
- The second step will involve inventorying the connected portions of their road network to determine if the road and drainage systems meet the new standards. Standards will be consistent with Town Road and Bridge Standards, and will likely include measures such as:

- Ditch Slopes greater than 5% to be stone-lined or have stone check-dams
- Ditches: "U-shaped" and disconnected from surface waters where possible
- Upgrading road drainage culverts and installing outlet stabilization and/or headers where erosion is present
- Soils exposed by maintenance would be seeded and mulched or otherwise stabilized

- Municipalities will develop and implement a long-term plan to bring all sections of connected roads up to standards.
- Class 4 roads that are adversely affecting water quality may require the installation of best management practices to reduce erosion, but will not be required to be open to travel as part of this permit.
- Identifying river-road conflict areas to increase flood resiliency
- In-Culverts and bridges:
  - No new requirements to replace stream crossings, but may require header or outlet stabilization measures
  - Maintenance and construction activities would continue to conform to the ANR Stream Alteration General Permit.

## Permit Requirements for New Projects

- Stable conveyances
- Designed to Vermont Stormwater Manual if over permit threshold of1 acre impervious surface, or >5,000 square foot expansion

*Updated: November 2015*

www.watershedmanagement.vt.gov

VT DEC • Watershed Management Division • 1 National Life Drive, Main 2 • Montpelier, VT 05620-3522 • Tele: 802-828-1535 • Fax: 802-828-1544




VERMONT.gov

# VT DEC Municipal Roads Program

## Factsheet: Developing the Municipal Roads General Permit

This general permit is intended to achieve significant reductions in stormwater-related erosion from municipal roads, both paved and unpaved. Municipalities will implement a customized, multi-year plan to stabilize their road drainage system. The plan will include bringing road drainage systems up to basic maintenance standards, and additional corrective measure to reduce erosion as necessary to meet a TMDL or other water quality restoration effort. The permit is required by H.35/Act 64, the Vermont Clean Water Act, and the Lake Champlain Phase I TMDL.

For more information on the DEC Municipal Roads program and the development of the Municipal Roads General Permit, contact Jim Ryan at (802) 490-6140 or via email at jim.ryan@vermont.gov.

Updated information can also be found on the program's website at:
http://www.watershedmanagement.vt.gov/stormwater/htm/sw_municipalroads.htm

Requirements for Existing Roads

- As a first step municipalities will identify the sections of their road networks that are connected to surface waters through ditches, culverts or other drainage structures. Connected roads present substantially greater risks to water quality.

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- Class 4 roads that are adversely affecting water quality may require the installation of best management practices to reduce erosion, but will not be required to be open to travel as part of this permit.

- Identifying river-road conflict areas to increase flood resiliency

- In-Culverts and bridges:
    - No new requirements to replace stream crossings, but may require header or outlet stabilization measures

July 2015

- Maintenance and construction activities would continue to conform to the ANR Stream Alteration General Permit.

## Requirements for New Projects

- Stable conveyances

- Designed to Vermont Stormwater Manual if over permit threshold of1 acre impervious surface, or >5,000 square foot expansion

## Permit Process

- 2015-2016: stakeholder process to develop permit and standards
- Before January 2017: draft general permit
- Before January 2018: final permit
- No later than 2021: all municipalities have permit coverage
- Commencing with permit coverage, 2018 and beyond: municipalities implement road stormwater management plan
- 20-year Implementation schedule prioritized by greatest benefit, and municipality's transportation capital plan
- Assistance from DEC, VTrans, RPCs, NRCDs, and others

DRAFT Updated Schedule for Montpelier Stormwater Master Plan

November 12, 2015

| Task | Deliverable/milestone | Date |
|---|---|---|
| 1. Collect and Review Existing Plans and Data | Technical memo summarizing existing plans and data | completed |
| 2. Identify Problem Areas | Technical memo, including tabular summary of problem area scores and a map of problem area locations | in process<br>to be completed Nov 2015 |
| 3. Identify and Map Projected Growth and Anticipated Capital Projects | Technical memo with management recommendations, map of anticipated growth & redevelopment areas | December 2015 |
| 4. Interpret and Project Future Pollutant Reduction Requirements and Supporting Practices | Technical memo and retrofit ranking criteria | January 2016 |
| 5. Define Implementation Alternatives | Technical memo outlining and prioritizing alternative implementation strategies | February 2016 |
| 6. Refine Identified Opportunities Based on Physical Inspection | Summary sheets for each location, a city-wide map of potential retrofit sites/opportunities, concept designs and illustrative drawings for up to five priority projects | April 2016 |
| 7. Create Draft Stormwater Master Plan for the City | Draft Master Plan<br>Final Draft Master Plan and memo summarizing comments from public hearings | April 2016<br>June 2016 |
| 8. Finalize the Stormwater Master Plan | Final Master Plan and draft blog post for VT DEC | June 30, 2016 |

VERMONT LEAGUE OF CITIES & TOWNS

*Serving and Strengthening Vermont Local Governments*

October 15, 2015

Stephen Perkins
Lake Champlain TMDL Project Manager
U.S. Environmental Protection Agency, Region 1 – New England
5 Post Office Square, Suite 100
Mail Code OEP06-3
Boston, MA 02109-3912

Dear Mr. Perkins:

I am writing on behalf of the 246 member cities and towns of the Vermont League of Cities and Towns to comment on the draft Lake Champlain Total Maximum Daily Load (TMDL) that the EPA issued on August 14, 2015.

A TMDL "specifies the amount of a pollutant that a water body can receive and still meet applicable water quality standards." Since 2008, when the Conservation Law Foundation sued the EPA to rescind the Vermont portion of the Lake Champlain TMDL, Vermont has been without a plan for meeting those water quality standards. Now, with Vermont Governor Shumlin's signing of Act 64, Vermont's legislation to clean up the waters of the state (not only Lake Champlain), as well as the Vermont Lake Champlain TMDL Phase 1 Implementation Plan and the issuance of this draft TMDL, we finally have the ingredients necessary for a comprehensive lake cleanup strategy. We thank you for working closely with the Vermont Department of Environmental Conservation (DEC) to develop the parameters of the TMDL. We appreciate the extent to which you have focused on non-point sources of phosphorus as part of the solution.

Much of the new draft TMDL, while not unexpected, is alarming. Once the TMDL is finalized, Vermont will have to implement it. According to this draft, municipalities will bear a burden that is disproportionate to the contributions made by municipal roads and wastewater treatment facilities. The draft TMDL anticipates that if other sectors responsible for enormous phosphorus discharges fail to meet their obligations, municipalities will be required to shoulder more expensive and onerous burdens for reducing phosphorus that are well beyond their proportional contributions and will not, by themselves, result in a clean lake. We are concerned that measurement of phosphorus reductions from developed land, streambank erosion, and other non-point sources is not clear in the TMDL. If those reductions are not accurately measured and accounted for, what will be the impact on municipal obligations?

Large portions of Lake Champlain are in bad shape, which was evident this past summer, and in those places the lake does not meet water quality standards. Clearly, Lake Champlain's health is vital to the Vermont economy. Equally clearly, Vermont

89 Main Street, Suite 4, Montpelier, VT 05602 | Tel: 802-229-9111 | Fax: 802-229-2211 | Email: info@vlct.org | Web: www.vlct.org

municipalities are committed to doing their part to clean up the lake. Nonetheless, we need to ask if this plan is likely to be the most effective one at reducing phosphorus in the lake. How will progress toward phosphorus equilibrium in the lake be measured? How will we know when we have achieved a clean lake? We urge you to include clear benchmarks and measures of success in cleaning up the lake in the TMDL.

Almost half of the land in Vermont drains to Lake Champlain, and the sources of phosphorus therein include agriculture, streambank erosion, developed land (roads, parking lots lawns, buildings, athletic and industrial facilities), and wastewater treatment. Vermont wastewater treatment plants accounted for three percent of the total load of 922 metric tons of phosphorus per year from 2001 to 2010. Incorporating Vermont DEC's commitment to reduce phosphorus discharges from non-point sources, you determined that substantial reductions in wastewater treatment facility phosphorus discharges are a necessary component of the TMDL in some but not all segments of the lake.

The draft TMDL states that insufficient data exist to definitively establish phosphorus discharges from categories of developed land. Accurate historical phosphorus data are available for wastewater treatment facilities and really not much else. In essence, extensive modeling of contributors to the phosphorus problem represent best guesses. The draft TMDL includes a five percent margin of safety, "to account for any lack of knowledge concerning the relationship between load and wasteload allocations and water quality" in addition to making conservative estimates of work needed in each segment and with respect to each contributing source.

We understand the current lack of data. We can see that phosphorus loading produces extreme results in stressed portions of the lake. We are, however, concerned about the extent to which modeling of outcomes is relied upon in the TMDL as data become available. Some of the requirements established in the TMDL strike us as severe, given what scientists know about phosphorus contributions to the lake. We urge you to include a commitment to relying on actual data as our experience with reducing phosphorus discharges from all sectors increases. We also urge you to incorporate flexibility in the TMDL that allows for adjusting approaches to reflect what is learned as real data across all contributing sectors are made available.

EPA declared that 100 percent of hydrologically connected unpaved road segments would have to be retrofitted in all parts of the lake. The percentage of other "developed lands" that will require retrofits varies from one lake segment to another. Do all unpaved roads contribute so much to phosphorus loads (5.6%) that every one of them must be fixed? Who will pay for that? How will we know when we have done enough? This requirement needs to be refined and targeted specifically to evident problem areas.

Wastewater treatment facilities in Shelburne, Burlington, St. Albans, and Missisquoi Bay need to reduce their phosphorus discharges by 64.1, 66.7, 59.4, and 51.9 percent, respectively. The cost to bring wastewater treatment facilities into compliance with new discharge limits is estimated at $70 million. Major reductions in phosphorus discharges could be secured if the TMDL provided for phosphorus trading between sources within lake segments. We urge you to adopt such a program for Lake

Champlain that is consistent with EPA's endorsement of water quality trading and models that are being implemented in other water bodies around the country.

As you well know, financial resources are currently an enormous concern for municipalities. As you have said on many occasions, how Vermont meets the requirements of the TMDL is not EPA's responsibility. However, we must note that the federal government – through EPA and the TMDL – is imposing enormous unfunded mandates on the state and local governments with very little in the way of new dollars to implement the required programs. At the least, we urge both EPA and the DEC to eliminate conflicting requirements of various grant and loan programs that make it difficult to target funds from a variety of sources to one project. We also urge you and DEC to implement integrated planning so that municipal governments can prioritize their projects to address the most pressing water quality issues first.

Once again, thank you for your efforts in developing this draft TMDL and for your commitment to including all stakeholders in the development process.

Sincerely,

Karen B. Horn

Karen B. Horn, Director
Public Policy and Advocacy

**City of Montpelier**
**Department of Public Works**
**Memorandum**

| | |
|---|---|
| **To:** | **William J. Fraser, City Manager** |
| **From:** | **Thomas McArdle, Director** TM<br>**Kurt Motyka, P.E., City Engineer / Assistant Director** KSM |
| **Date:** | **November 13, 2015** |
| **Subject:** | **Water Distribution System: Condition Status & Fire Flows**<br>**Waste Water System: Current Condition & Planning Improvements** |

## Water Distribution System

While improvements have been made to large transmission mains and water storage tanks to stabilize system pressures over the past 25 years, many of the water distribution pipes are in need of replacement, several of which are in excess of 75 years old. There are operational issues including broken shutoff valves, shallow pipes prone to freezing and streets with two water mains where one properly sized main would suffice. Some of the ductile iron pipe installed in the 1990's has begun to fail due to the corrosive / conductive clay soils. In addition to these challenges, any water main under 8" diameter that serves a fire hydrant is not in compliance with the State of VT requirements.

In the April 17, 2013 Water System Permit to Operate, the Vermont Drinking Water and Groundwater Protection Division (DWGWPD) required the City to perform a "*Comprehensive Hydraulic Analysis of the Water Distribution System with an engineer's report and a list of recommended improvements prioritized in order of public health risk*". Dufresne Group Engineering was retained to develop the hydraulic model and conduct the study. The report was completed in August, 2015. The hydraulic model was used to identify the water distribution system deficiencies and outline improvements necessary for the water system to be in compliance with the VT Water Supply Rule. A prioritized water improvement list was prepared and included in the report. Prior to submitting this report, a financial plan needs to be developed in order to ensure the scope of work and associated schedule is feasible. Once the report is submitted, it will become part of the permit requirements for the City of Montpelier Water System.

The water system report provides for a very broad schedule with the improvements separated into two categories and replacement phases. The first phase is for improvements needed for the water system to be able to provide a minimum of 500gpm fire flow protection while maintaining a minimum requirement of 20psi throughout the water system. This phase includes approximately 25,000ft of water main replacement at an estimated cost of $6.7million. If this was broken out to the proposed 25year replacement schedule, the annual cost would be $268,000/yr.

The second phase is for replacing the water mains with fire hydrants, but are served by a water main that is below the minimum required size of 8" diameter. The total water main replacement length for this phase is 59,150ft at an estimated cost of $15million. Over the second 25 years this would require an annual funding rate of about $600,000/yr. Although these funding levels would bring the water system into compliance with state regulations, it would not achieve steady state as defined by the design life of the infrastructure. Many of the older water mains are not included in the replacement schedule since they meet the minimum size and hydraulic requirements. However, most of them have exceeded their anticipated design life or have corrosion, valve problems or other operational or problematic issues. Achieving steady state would require an annual funding level of $1.5million.

All of the mandatory improvements to the water system are related to fire protection. In light of this, one revenue option could be a fire tax assessment so that the water system users do not have to bear the entire cost of the water line replacements. This funding strategy reflects the fact that all residents benefit from fire protection and lower insurance rates. The fixed fee for the water rates could also be raised which is lower than most other VT municipalities. Concurrently, the usage rate could be reduced while still increasing total revenue. The other option is to remove the fire hydrants in about 45% of the water system which would also bring the system into compliance with state regulations. However, this could create water quality issues by limiting system flushing capabilities and would increase insurance rates for residents and businesses.

In order to fund a new water main on Northfield St. ahead of the State paving project, an estimated $1.5million bond is needed no later than March of 2017. This funding issue needs to be addressed in the next month or two so that staff will know whether to focus on the design work this winter.

**Sewer Collection System**

The sewer collection system has been largely neglected due to the state mandates on Combined Sewer Overflow (CSO) elimination. Millions of dollars were spent separating the stormwater from the sewer system but almost all of these projects included new storm drainage pipe while maintaining the existing sewer mains. The majority of the sewer system was installed prior to 1960 with clay tile piping that is prone to groundwater infiltration, cracking, root intrusion, the development of offset joints and collapse. The City does not have a comprehensive study of the improvements needed for the sewer collection system but DPW has developed GIS data which can be used for identifying areas with mainline pipes that are undersized and those that are constructed from clay tile pipe. The minimum recommended size for a sewer main is 8" diameter and the optimal construction material is long lasting, corrosion resistant PVC or high density polyethylene pipe.

Following the same two phase approach provided in the water distribution system report, we propose replacing the undersized piping which includes approximately 4,300ft of 4" & 6" sewer main at an estimated cost of $1.1million. Additionally, there are 6 below ground sewer pump stations which have exceeded their design life. Assuming a $100,000 replacement cost for each pump station this would require $600,000.

Although not part of collection, the sewage treatment plant is under the same fund account and is also in need of significant equipment upgrades, currently estimated at $3.5million. The final component for phase I is the elimination of combined sewer overflows. While still in draft form, there is a new CSO policy being developed by the state which will require a higher level of monitoring, reporting and investment in improvements to work towards eliminating all overflows. This is difficult to estimate due to the uncertainty in the new regulations. However, DPW recommends a minimum investment of $100,000/yr for work associated with reducing / eliminating CSO's. This brings the total phase I investment for sewer improvements to $7.1 million for an annual funding need of about $290,000/yr over a 25 year period. See attached documents with comments from VLCT and DPW on the draft CSO policy.

Phase II of the sewer improvements would be to replace the clay tile lines in the collection system. There is a total of 58,000 linear feet of clay tile sewer main with an estimated replacement cost of almost $16million. This would require $640,000/yr of funding over the second 25 year period.

Just like the water system, these funding levels will only meet state requirements and provide for replacement of the most problematic areas of the system. It does not meet steady state which would require a funding level of $1.5million / year based on a system wide replacement schedule over a 50year period which is the industry standard for the design life of piping systems.

Septage and Leachate revenues and energy efficiency improvements at the treatment facility have provided a small budget surplus in recent years. Additional funding could be provided from creating a stormwater utility which could be structured as a tax on impervious area and encourage green stormwater facilities which in turn would reduce CSO's. The other option is to raise the fixed fee for users and reduce the usage rate as suggested for the water system. There are two bonds needed for the sewer system; $3.5million is needed for the treatment plant upgrades for which the City has been awarded a low interest state revolving loan fund and $1.5million for the Northfield St. sewer main replacement ahead of the state paving project. Both of these bonds will need to be approved no later than March 2017.

Attachments

VERMONT LEAGUE OF CITIES & TOWNS

*Serving and Strengthening Vermont Local Governments*

October 30, 2015

Alyssa Schuren, Commissioner
Department of Environmental Conservation
One National Life Dr.
Montpelier VT 05620-3520

Dear Commissioner Schuren:

I am writing on behalf of the member cities and towns of the Vermont League of Cities and Towns to comment on the draft Combined Sewer Overflow Policy.

What is the standing of a policy relative to a procedure or adopted rules? This is a perennial question for the agency as sometimes policies are adopted without going through a rule making process and without making clear what legal status they have. The proposed update, if adopted, will impose significant costs and obligations on municipalities. In a rules adoption process, the department must include an economic impact analysis. We do not find that here and consider it to be a very important part of adoption of this policy, particularly when viewed in concert with the Vermont Water Quality Act, the Lake Champlain TMDL, local stormwater obligations and other TMDLs, new and dramatically higher than predicted ANR permit fees, and costs to maintain aging water and wastewater infrastructure. We believe that the rule making process is the appropriate forum for adoption of such a substantial program.

We understand that the Combined Sewer Overflow Policy adopted in 1990 is in dire need of updating. We expect that the update will be written with an eye not only to making the policy consistent with water quality science in 2015 but also with consideration for the potential tremendous costs that a revised policy will impose. You understand that the Lake Champlain TMDL and the Vermont Water Quality Act as well as the potential Long Island Sound TMDL on the Connecticut River side of the state are going to impose astronomical costs on local governments and that there are relatively very few dollars committed to addressing those unfunded mandates. Thus, we are very concerned about the purpose described in the introduction - to "further enhance and support the control of CSOs in Vermont", within twenty years, particularly when taken in combination with all the aforementioned programs. What kind of funding will it take to eliminate CSOs? Will the Vermont legislature appropriate sufficient funds to fulfill that goal?

We urge you to retain language in this updated policy at Section II, that states "the compliance schedule shall reflect the shortest reasonable time to bring the CSO(s) into compliance <u>*which is consistent with state funding priorities.*</u> To this end, we also urge you to adopt the integrated permitting program that EPA has endorsed and also to implement the EPA "Combined Sewer Overflows – Guidance for Financial Capability Assessment and Schedule Development:" promulgated in 1997. At that time, the Assessment Approach stated, "in the Water Quality System (WQS) program, economic factors are considered in the process of modifying WQS. State WQS authorities conduct economic analysis of the impacts that will result from treatment levels beyond the technology-based requirements of the Clean Water Act." There is no way that municipalities will be able to implement all the water quality mandates that have been

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imposed on them in the last few years, particularly without substantial and sustained funding from the state and federal governments.

At Section1 A, Definitions, we urge you to define a Combine Sewer Overflow event as a storm that triggers overflows at outfalls. The difference is significant as one storm might trigger several overflows. Each overflow at each outfall should not be considered a separate event.

We suggest conforming the definition of municipality to Vermont law. A municipality in Vermont is not a borough, county, parish or association. It is generally a city, town, village, or district.

With respect to the proposed controls, we are concerned about the absolute prohibition on CSO events during dry weather. We urge you to realistically consider what will be the cost of monitoring to effectively characterize CSO impacts; the efficacy of CSO controls; to establish and maintain precipitation recording stations within the subcatchment of each CSO outfall; and to establish a CSO flow monitoring system. How should a municipality give accurate notice to the public and agency of occurrence of a CSO event within 4 hours of an event (h.2)? Or as is suggested in Section II, Public Notification, no later than 24 hours of an event? We believe 24 hours is the appropriate time frame and four hours would be an impossible standard to meet. What does "Immediate" notification of sewage backing up into buildings or discharges of raw sewage onto the ground (section l) mean?

We endorse Rutland Pubic Works Commissioner Jeff Wennberg's proposal to allow for a "To Be Determined" response to the question of gallons discharged in a storm event. it clearly may take time to accurately assess the amount of water discharged and if possible the amount of sewage discharged (as was discussed at the public hearing).

We have heard concerns that infiltration into the system may result in an event even when actual rainfall itself does not. is there a way to address this in the policy or rule?

We are disappointed in the reliance on enforcement in this proposed policy. No municipality allows CSO events to occur out of negligence, malice or because they want to. Every municipality is burdened with aging infrastructure that will cost millions to upgrade. We are ready to work with the agency to resolve issues. We hope that enforcement would be a last resort and not the first action taken.

Finally, we believe that if the Department is committed to encouraging green stormwater infrastructure, you may want to include incentives or credits for taking action in this CSO procedure or rule.

Sincerely,

Karen B. Horn

Karen Horn
Director, public Policy & Advocacy

City of Montpelier vermont

*America's Small Town Capital*

*DEPARTMENT OF PUBLIC WORKS, City Hall, 39 Main Street, Montpelier, VT 05602*
*Thomas J. McArdle, Director tmcardle@montpelier-vt.org*
*Kurt S. Motyka, PE, City Engineer kmotyka@montpelier-vt.org*

October 30th, 2015

Agency of Natural Resources
Department of Environmental Conservation
Watershed Management Division
1 National Life Drive – Main 2
Montpelier, VT 05620-3522

RE: Comments on Draft CSO Control Policy

Dear DEC Staff:

The City of Montpelier Department of Public works has reviewed the Draft CSO policy and attended the public forum on October 28th, 2015. We offer the following comments on the Draft CSO policy for your consideration.

- Minimum controls, Part a.& i : this section requires control of solids and floatable materials and pretreatment requirements for CSO outfalls. To what standard will this treatment be held? Has the feasibility of this type of treatment been evaluated with consideration of the maintenance accessibility and the ability to supply power to these locations?
- Minimum controls, part h. : A notification of a CSO occurrence within 4 hours is required. This should be amended to be within 4 hours during working hours or within 24hrs during non-working hours as most municipalities do not have 24hr staffing.
- Minimum controls, part j. states that Agency approval for all sewer and CSO replacements is required. This is contrary to the goal of this policy as it could result in delays in the progress of CSO elimination. Often Montpelier DPW will discover a CSO connection during an unrelated construction project and make field decisions to take corrective actions. By requiring review and permission to make improvements you will be effectively hindering progress. We recommend this be amended to only be required for planned full reconstruction projects only. This section also requires both sewer and storm systems to be constructed simultaneously. This should not be a mandate, but rather up to the municipality to determine based on the utility condition and available financing while recognizing CSO elimination is the ultimate objective.
- LTCP indicates retention basins will be required. Lack of available space within the ROW makes this requirement impractical in Montpelier. Has DEC made any

inquiries concerning overflow retention systems in other jurisdictions and determined whether such a device is a practical short or long term solution?

- A statement of policy vs. regulatory requirements needs to be provided.
- Monitoring and reporting, part A.2 a clearer statement of requirements needs to be provided for what is specifically intended when tell-tale blocks are triggered.
- The monitoring and reporting section mandates rain stations at each subcatchment area. This requirement should be removed as it will not add any significant value to CSO analysis. We feel that a single rain station at the treatment plant is sufficient and funds are better spent in working towards CSO overflow reduction / elimination.
- Public notification, Part A: Due to overflows currently not being metered, estimated volumes should not be mandated to be reported at this time. The Website should be modified from the current configuration of only selectable options from a drop down menu to an operator selectable manual input value or comment. The current limitations results in misleading information being conveyed to the public.
- Requirements: This section states that a preliminary engineering report will be used to establish an enforcement schedule. We suggest instead that an integrated plan be developed with a stormwater master plan for full water quality implementation.
- State and federal funding is imperative to reaching the goal of this policy. Montpelier tax payers are still paying for the CSO separation work that took place from 1995-2003 and are faced with mandated wastewater treatment plant and water system upgrades and a generally failing infrastructure.

In general, our department supports all verbal comments offered by Commissioner Wennberg at the recent hearing. This concurrence extends to but is not limited to concerns about policy vs rule making, sufficiency of funding, the 20 year compliance timeline, the beneficial aspect of treating storm water the majority of time, etc.

Thank you for the opportunity to comment on this draft policy, we hope that you consider these items prior to adopting it as a new regulation (or policy). If you have any questions on any of these comments, please call the Department of Public Works at 802-223-9508.

Sincerely,

Thomas McArdle
Director of Public Works

Kurt Motyka, P.E.
City Engineer