CITY OF MONTPELIER
MONTPELIER, VERMONT

Agenda for City Council Meeting

City Council Chambers, City Hall
Wednesday, October 22, 2014
6:30 P.M.

1) Call to Order by the Mayor

2) 14-241. Review and Approve Agenda

3) 14-242. General Business and Appearances

4) 14-243. Consideration of the Consent Agenda:

a) Approve Minutes from the City Council's October 8, 2014 Meeting.

b) Approve award of a professional engineering services contract to survey, design and to develop plans, specifications and contract documents for the reconstruction of the Terrace Street culvert near the Dairy Lane/Walker Terrace intersection.

1) A request for proposal (RFP) was prepared and invitations issued to about a dozen local area engineering consultants and listed on the City's web-site. Nine consultants requested the full RFP and five firms submitted proposals for consideration by the October 16th deadline. Separate cost and technical proposals were required. Public Works staff conducted a review of the technical proposals in accordance with the identified selection criteria. The evaluation results and the award recommendation will be presented in a separate review summary when completed and in advance of City Council Meeting.

2) Partial funding to replace this 38-year-old culvert will come from a VTrans Town Highway Structures Grant in the amount of $175,000 applied toward the construction cost estimated at $218,000. Professional engineering services will be funded through the CIP "Project Management Account". The balance and local construction costs will be covered by the FY '14 bond.

3) Recommendation: Approve the selection process recommendation; authorize the City Manager to be designated as the duly authorized agent to enter into a professional services contract with the successful consultant.

c) Payroll and Bills

5) 14-244. Appointment to Montpelier Community Fund Board.

a) Board Members and staff recently received an e-mail from Beth Boutin stating that, "Due to work and family commitments, I no longer have the time needed to meet the obligations of my position on the Montpelier Community Fund Board." Beth held a 3-year term which expires in August, 2016.

b) Staff advertised, as well as contacted the applicants who were not chosen for an expired term in August. Letters of interest were received from Nancy Sherman, College Street; John Van Deren, Chestnut Hill Road; and Martha Wales, North Street.

c) It is anticipated that City Council will enter into Executive Session in accordance with Title I, §313, Executive Sessions, (3) *The appointment or employment or evaluation of a public officer or employee.*

d) Recommendation: Following an opportunity to meet and ask questions of the candidates, enter into Executive Session; return to public session and announce appointment to fill the unexpired, 3-year term on the Montpelier Community Fund Board.

6) 14-245. Consideration of a request from the Montpelier Community Fund Board of Directors.

a) The Board requested this agenda item, seeking direction from Council for the disbursement of FY '16 grants.

b) Recommendation: Following opening remarks from Board reps, opportunity for discussion; direction to Board/staff.

7) 14-246. Budget Discussion

a) This discussion falls under the City Council's Adopted Goals for 2014-2015: ***#1 Balance and control municipal budgeting, taxes and services relative to current population and grand list tax base.*** The step to reach this goal reads: ***Develop three-year budget projections.***

b) Recommendation: Receive presentation from Finance Director Sandy Gallup; discussion; possible direction to staff.

8) 14-247. Debt Policy Update

a) As with the Budget Discussion, this update also falls under Goal #1. The step reads: ***Complete plan to implement debt and fund balance policy after we receive the annual audit***. This includes the next agenda item as well.

b) Recommendation: Receive presentation from Finance Director; discussion; possible direction to staff.

9) 14-248. Fund Balance Policy Update

a) Recommendation: *Same as above.*

10) 14-249. Consideration of a Public Safety Authority (PSA) Memorandum of Understanding.

a) As one of the City's representatives to this committee, Councilor Tom Golonka requested this item.

b) The MOU will address cost-sharing for the member communities; he will provide a copy at the meeting.

c) Recommendation: Following opening remarks from Councilor Golonka, opportunity for discussion; provide direction to the Board.

11) 14-250. Other Business
12) 14-251. Council Reports
13) 14-252. Mayor's Report
14) 14-253. Report by the City Clerk
15) 14-254. Reports by the City Manager

16) 14-255. *Adjournment*

R1 Residential Properties - 10 Year Overview												
R1 PROPERTY VALUES - MEDIAN x TAX RATES 2005-2014												
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013(FY14)**	**2014(FY15)**		
Median	$ 132,100.00	$ 132,400.00	$ 132,400.00	$ 132,500.00	$ 133,000.00	$ 212,900.00	$ 213,100.00	$ 213,200.00	$ 213,550.00	$ 213,600.00		
Change in Median	0.840%	0.227%	0.000%	0.076%	0.377%	60.075%	0.094%	0.047%	0.164%	0.023%		
Average	$ 140,101.01	$ 140,527.68	$ 140,534.75	$ 141,139.78	$ 141,748.66	$ 226,301.88	$ 226,101.82	$ 226,597.23	$ 227,061.02	$ 227,536.40		
Change in Average	0.257%	0.305%	0.005%	0.431%	0.431%	59.650%	-0.088%	0.219%	0.205%	0.209%		
Total Value	$ 277,960,400.00	$ 278,244,800.00	$ 278,258,800.00	$ 279,597,900.00	$ 280,804,100.00	$ 457,808,700.00	$ 458,534,500.00	$ 458,859,400.00	$ 459,571,500.00	$ 460,078,600.00		
Change in Total Value	0.816%	0.102%	0.005%	0.481%	0.431%	63.035%	0.159%	0.071%	0.155%	0.110%		
Number of Parcels	1984	1980	1980	1981	1981	2023	2028	2025	2024	2022		
	FY06	**FY07**	**FY08**	**FY09**	**FY10**	**FY11**	**FY12**	**FY13**	**FY14**	**FY15**		
Municpal Tax Rate	**1.27**	**1.34**	**1.3829**	**1.4727**	**1.5256**	**1.0074**	**1.0185**	**1.0486**	**1.0534**	**1.0667**		
(includes sewer benefit fees)												
						REAPPRAISAL						
Municlpal Tax Bill	**$ 1,677.67**	**$ 1,774.16**	**$ 1,830.96**	**$ 1,951.33**	**$ 2,029.05**	**$ 2,144.75**	**$ 2,170.42**	**$ 2,235.62**	**$ 2,249.54**	**$ 2,278.47**	36%	10 Year
$ Increase	**$ 53.27**	**$ 96.49**	**$ 56.80**	**$ 120.37**	**$ 77.72**	**$ 115.71**	**$ 25.67**	**$ 65.19**	**$ 13.92**	**$ 28.94**		
% increase	**3.3%**	**5.8%**	**3.2%**	**6.6%**	**4.0%**	**5.7%**	**1.2%**	**3.0%**	**0.6%**	**1.3%**		
compounded % increase		**5.8%**	**9.1%**	**16.3%**	**20.9%**	**27.8%**	**29.4%**	**33.3%**	**34.1%**	**35.8%**		
										over 10 years		
										average 3.45% increase		
Total Tax Bill	2005	2006	2007	2008	2009	2010	2011	2012	2013(FY14)	**2014(FY15)**		
Education Tax Rate-Residential	1.5524	1.6378	1.7594	1.9673	2.1367	1.3763	1.2967	1.3109	1.4343	1.5724		
Education Tax Bill	$ 2,050.72	$ 2,168.45	$ 2,329.45	$ 2,606.67	$ 2,841.81	$ 2,930.14	$ 2,763.27	$ 2,794.84	$ 3,062.95	$ 3,358.65	64%	10 Year
Total Property Tax Rate	2.8224	2.9778	3.1423	3.44	3.6623	2.3837	2.3152	2.3595	2.4877	2.6391		
Total Median Residental Tax Bill	$ 3,728.39	$ 3,942.61	$ 4,160.41	$ 4,558.00	$ 4,870.86	$ 5,074.90	$ 4,933.69	$ 5,030.45	$ 5,312.48	$ 5,637.12	51%	10 Year
$ Increase	$ 259.64	$ 214.22	$ 217.80	$ 397.59	$ 312.86	$ 204.04	$ (141.21)	$ 96.76	$ 282.03	$ 324.63		
% increase	7.5%	5.7%	5.5%	9.6%	6.9%	4.2%	-2.8%	2.0%	5.6%	6.1%		
compounded % increase		5.7%	11.6%	22.3%	30.6%	36.1%	32.3%	34.9%	42.5%	51.2%	over 10 years	
										average 5% increase		

CITY OF MONTPELIER
MONTPELIER, VERMONT

Addendum to Agenda for Regular City Council Meeting

October 22, 2014

14-245(a). Consideration of an application to the US Department of Energy – Energy Efficiency & Renewable Energy Program to be designated a Climate Action Champion City.

a) The Montpelier Energy Advisory Committee has identified this grant opportunity as an additional way to support the Net Zero Montpelier initiative.

b) The Climate Action Champions competition will recognize local, regional, and tribal government entities that are leading emissions reductions and climate resilience efforts.

c) If award this designation, the DOE will work with other Federal partners to provide the City with additional opportunities for financial and technical assistance, as well as facilitated peer-to-peer networking opportunities and mentorship, to support and advance our greenhouse gas emissions reduction and climate resilience objectives.

d) Recommendation: Hear request from MEAC representatives at the meeting, consider the application, and provide direction to MEAC and staff.

CLIMATE ACTION CHAMPIONS

Request for Applications

Opportunity Announcement DE-FOA-0001189
CFDA Number 81.117
Office of Strategic Programs
Technology-to-Market

Key Dates	
Request for Applications Issue Date	October 1
Informational Webinar	1:00 p.m. (ET), October 9
Submission Deadline for Applications	**5:00 p.m. (ET), October 27**
Expected Date for DOE Selection Notifications	No later than November 30

Summary Information	
Means of Submission	Applications must be submitted electronically via EERE Exchange. EERE will not review or consider applications submitted through other means.
Total Amount to be Provided	No funds will be issued under this Request for Applications (RFA). However, applicants designated as Climate Action Champions under this RFA will receive special eligibility status to apply under Funding Opportunity Announcements and Notices of Technical Assistance that target Climate Action Champions. Any future Federal funding is subject to Congressional direction and appropriations. See Section I.F. under this RFA for more details.
Eligible Entity	U.S. local (e.g., cities, counties, townships) and tribal governments, or consortia thereof, are eligible to apply. Please see Section II.A. for the applicable definitions.
Submission of Multiple Applications	U.S. local and tribal governments, or collaborations thereof, may submit one application per entity.
Application Forms	The application template is a separate document in exchange. Please refer to the FOA section entitled "Required Application Documents" for the template and other required forms.
Questions	Questions about the application process may be submitted and responded to via Exchange (https://eere-exchange.energy.gov/login.aspx).

TABLE OF CONTENTS

Section I: Description and Topic Areas

A. Summary

The U.S. Department of Energy (DOE) is committed to advancing the Administration's efforts to reduce greenhouse gas emissions, prepare the United States for the impacts of climate change, and lead international efforts to address global climate change.

In recognition of the importance of the dual policy goals of reducing greenhouse gas emissions and enhancing climate resilience[1], the DOE – in close collaboration with other Federal agencies – is launching an initiative to identify and showcase U.S. local and tribal governments that have proven to be climate leaders through pursuing opportunities to advance both of these goals in their communities. In particular, the initiative will select 10-15 U.S. local governments and tribal governments – or regional collaborations or consortia thereof – that demonstrate a strong and ongoing commitment to implementing strategies that both reduce greenhouse gas emissions and enhance climate resilience, with a particular emphasis on strategies that further both goals. The DOE-led effort will provide a platform for other Federal agencies to participate in, and give leverage to, the activities of communities that are selected for this initiative.

The DOE initiative is being led as a combined effort through the Office of Energy Efficiency and Renewable Energy, the Office of Electricity Delivery and Energy Reliability, the Office of Indian Energy, and the Office of Energy Policy and Systems Analysis.

B. Goals

The Climate Action Champions competition will recognize local, regional, and tribal government entities that are leading emissions reductions and climate resilience efforts. DOE will work with other Federal partners to provide recognized entities with additional opportunities for financial and technical assistance, as well as facilitated peer-to-peer networking opportunities and mentorship, to support and advance their greenhouse gas emissions reduction and climate resilience objectives. This initiative will have the added objective of aligning assets at the Federal level and marshalling private, public, and philanthropic dollars at the local level.

Applicants should be aware that the Federal Government is seeking a continued commitment to achieving sustainable practices leading to both improved climate resilience and reduced greenhouse gas emissions through the planning and implementation of policies or through the deployment of technologies. Applications are encouraged from all types of local and tribal communities, including urban and rural communities (see Section II.C, "Eligibility", below).

[1] "Resilience" means the ability to anticipate, prepare for, and adapt to changing conditions and withstand, respond to, and recover rapidly from disruptions. (E.O. 13653)

C. Background

Across America, states, cities, and communities are taking steps to protect themselves from climate change effects, including extreme weather events. The Administration is committed to supporting local and tribal governments in their efforts to achieve climate resilience and greenhouse gas reduction objectives. As part of the Presidential Climate Action Plan[2], President Obama signed an Executive Order[3] on November 1, 2013, directing Federal agencies to take a series of steps to make it easier for American communities to strengthen their resilience to extreme weather and prepare for other effects of climate change.

A number of place-based initiatives exist through a variety of Federal programs and philanthropic organizations, including the President's Better Building Challenge (which now includes more than 40 cities), the Office of Indian Energy START Program, the Environmental Protection Agency's State and Local Climate and Energy Program, the Rockefeller Foundation's 100 Resilient Cities, the International Council for Local Environment Initiatives' Cities for Climate Protection Program, among others. The Climate Action Champions initiative will build on these existing efforts and identify synergies to strengthen the ability of local and tribal governments to lead the nation in climate resilience and greenhouse gas reductions. A main priority of this effort is to establish coordination and accountability across Federal agencies and align resources to identify, demonstrate, and elevate best practices at the local level and enhance the potential for replication in other communities.

Under this announcement, 10-15 communities will be selected to receive national recognition as Climate Action Champions and will have the opportunity to showcase their efforts and associated learnings on a national stage in order to serve as role models for communities throughout the country.

D. Program Structure

The Climate Action Champions initiative is primarily a designation program that recognizes leading local and tribal governments that have proactively taken steps to reduce greenhouse gas emissions and address the potential effects of climate change on their communities, while inspiring other communities to step up and learn from those that have gone before.

As described in more detail below, the designated Climate Action Champions will have the opportunity to access existing Federal technical assistance programs (described below) and be eligible to compete, through submission of a full application, for Climate Action Champion targeted technical and financial assistance programs from DOE and other participating agencies

---

[2] Climate Action Plan; http://www.whitehouse.gov/sites/default/files/image/president27sclimateactionplan.pdf
[3] Executive Order; http://www.whitehouse.gov/the-press-office/2013/11/01/executive-order-preparing-united-states-impacts-climate-change

that support their efforts to address climate resilience and greenhouse gas emissions reduction in their communities.

In addition to the designation and targeted technical and financial assistance opportunities, the Climate Action Champion designees will have access to a unique peer network consisting of the 10-15 communities identified through this program and the networks of communities that are part of the multitude of existing Federal and philanthropic efforts in this space, some of which were identified in the previous section.

Once selected, the designated Climate Action Champions will each be assigned to a coordinator that will make sure that they are aware of the broad range of technical and financial assistance opportunities from DOE and other participating agencies to which they are eligible to compete, and which could bolster their efforts to address climate resilience and greenhouse gas emissions reduction in their communities.

This is the initial announcement for this initiative. It is anticipated that DOE will post future opportunities to select additional Climate Action Champions.

E. Period of Designation

The period of designation for Climate Action Champions is 27-36 months. It is only during this formal designation period that the designees will be eligible for targeted technical and financial assistance programs.

The designees may still refer to themselves as Climate Action Champions beyond the formal designation period noted above.

F. Anticipated Future Financial and Technical Assistance

As part of the Climate Action Champions designation, the selected communities will be eligible to apply for future targeted technical assistance and financial assistance opportunities issued by DOE and other participating Federal Agencies, including, but not limited to, the U.S. Department of Housing and Urban Development, the U.S. Environmental Protection Agency, the U.S. Department of the Interior, the U.S. Department of Transportation, and the U.S. Department of Commerce. These opportunities will: (1) target certain focus areas that can assist the Climate Action Champions in achieving their climate change objectives and may, (2) be made exclusively available, in whole or in part, to designated Climate Action Champions.

The designated Climate Action Champions will also have access to existing technical assistance programs to help them bolster their current or planned efforts. The technical assistance would be offered by DOE and other participating Federal Agencies. In some cases, further application processes will be required and the technical assistance may be awarded through a competitive process.

For example, support could include – but is not limited to – the following:

- *Multi-Agency:* Champions will be provided with climate data and tools that are tailored to their communities – including validated climate science, data, vulnerability assessments, and risk projection tools needed to make smart planning decisions – and they will be given technical assistance to help them make smart climate adaptation decisions. Such support will be provided through programs within the National Oceanic and Atmospheric Administration (NOAA), U.S. Department of the Interior (DOI), the U.S. Department of Agriculture (USDA), and the Federal Emergency Management Agency (FEMA), among others.

- *Multi-Agency:* Champions will be invited to join the peer network of the Administration's Partnership for Sustainable Communities, which consists of communities that have experience with long-range planning to achieve the objectives of environmental protection, economic competitiveness, and climate resilience. As part of the network, Champions will be invited to regional roundtable discussions to discuss the successes and challenges of their projects. They will also receive access to data and tools that the Partnership has designed.

- *Department of Energy (DOE):* DOE's SunShot Initiative will work with Champions through two programs. First, the Solar Outreach Partnership will help Champions to accelerate solar energy adoption at the local level by providing timely and actionable information through a mix of educational workshops, peer-to-peer sharing opportunities, research-based reports, and online resources. Second, the Solar Technical Assistance Team at the National Renewable Energy Laboratory (NREL) will bring together solar experts to provide Champions with unbiased information on solar policies and issues in order to facilitate the development of a market for solar photovoltaic technologies.

- *DOE:* Champions will be offered the chance to participate in the Strategic Technical Assistance Response Team (START) program (where relevant), which is an in-depth technical assistance program designed to help tribal communities to develop renewable energy projects. This year, the START program will emphasize working with tribes on energy system resiliency.

- *Federal Emergency Management Agency (FEMA):* Champions will be offered the chance to participate in tabletop exercises offered by FEMA, in which the Champions will have an opportunity to assess their preparedness for and resilience to extreme weather events.

- *Council on Environmental Quality (CEQ):* Where possible, Champions will be able to participate with local Federal facilities in new preparedness pilots that are designed to pair local or tribal communities with Federal partners to assess expected local climate impacts and develop plans to address them cooperatively. These would be modeled after two pilots that President Obama announced on July 16, in which the City of Houston will work with the National Aeronautics and Space Administration's (NASA's) Johnson Space Center and the State of Colorado will work with NREL.

- *Department of Housing and Urban Development (HUD):* Champions may be eligible to receive technical assistance and support from the National Resource Network, including participation in its structured peer network events and learning conferences, coaching support through its 311 for Cities feature, and access to its extensive information resources and database on existing technical assistance opportunities.

The designated Climate Action Champions, like any community applying for Federal assistance, will be required to meet program eligibility and competitiveness criteria as governed by an agency's program rules, guidelines, and statutes.

Any potential future financial and/or technical assistance opportunities for designated Climate Action Champion will be communicated via existing channels. If selected under the targeted financial and technical assistance opportunities, a financial assistance award or an agreement to provide technical assistance, such as a Memorandum of Agreement would be issued by the Federal Agency that is providing the assistance.

The Government is under no obligation to pay for any costs associated with the preparation or submission of applications. Any future Federal funding is subject to Congressional direction and appropriations.

G. Scope of Activities

To accomplish the program goals outlined above, the Climate Action Champions competition will identify U.S. local and tribal governments that have taken concrete steps to develop and implement plans to reduce greenhouse gases and prepare their communities for the impacts of climate change. In particular, there will be a focus on a strategy that incorporates these dual-purpose actions to address both of those goals together, where possible.

For purposes of this program, applicants are asked to set or reaffirm a near-term, community wide, annual greenhouse gas emissions reduction target of at least 2% per year (from current levels), but are encouraged to set a more aggressive near term goal. Applicants are also asked to establish or reaffirm a longer term (10 to 35 year) greenhouse gas emissions reduction goal that demonstrates the applicant's long term commitment to serving as a Climate Action Champion.

In their application, applicants should describe a strategic plan for reducing community greenhouse gas emissions sufficiently to meet the target and for improving the resiliency in the community in the face of climate risk. This plan should include proposed actions, milestones, and to the extent feasible, metrics.

Examples of actions that local and tribal governments might take to meet the above emissions reduction targets and/or to bolster their climate resilience could include, but are not limited to:

- Conducting periodic greenhouse gas emissions inventories.
- Developing community-wide emissions reduction plans.
- Promoting the installation of clean or renewable energy that ensures reliable power for emergency responders and critical facilities.
- Conducting climate risk assessments and developing community-wide adaptation plans to protect public investments, infrastructure, public health, and vulnerable populations.
- Adopting and enforcing advanced building codes and standards, zoning and land use planning, and energy and water management programs to improve energy and/or water efficiency and better prepare for future climate conditions and climate change-related hazards such as sea level rise, extreme heat, extreme precipitation, drought, etc.
- Adopting and enforcing guidelines and requirements for development and infrastructure that take into account impacts of climate change, including sea level rise.
- Expanding installation of distributed energy sources, including combined heat and power (CHP), solar and other renewable energy systems in industrial, commercial, and municipal affordable housing, hospitals, universities, or other applications to both reduce emissions and function as back-up power as needed.
- Implementing programs or policies that address the interconnection and dependencies between energy and water so that efforts to increase efficiency or access to one resource do not degrade efforts to also increase efficiency or access to the other resource.
- Implementing natural resource management strategies that incorporate climate impacts and promote resilience and carbon sequestration.
- Increasing urban forest cover to mitigate heat island effects, deal with stormwater, and sequester carbon, particularly in vulnerable neighborhoods.
- Investing in grid modernization and resilience, such as smart grid and microgrid technology deployments that create a more reliable grid with fewer and shorter power interruptions.
- Diversifying an existing local economic base characterized by a reliance on carbon-intensive energy to utilize lower-carbon energy sources, including energy efficiency, and other systems that promote greenhouse gas emissions reductions and climate resilience.
- Supporting the deployment of electric vehicles (EV) in fleets, facilitating the installation of EV charging infrastructure, encouraging workplace charging, establishing EV vehicle use incentives, and enabling charging in public and residential parking through, for example, changes to building codes or inclusion of EV charging in street improvement projects.

- Deploying special windows, such as those using laminated glazing systems with two or more panes of glass and an interlayer of a protective film, to increase the energy efficiency of the building.
- Designing, operating, and maintaining new and existing transportation systems to be resilient in the face of climate effects by siting projects out of flood hazard areas, protecting critical systems, and/or building green infrastructure.
- Reducing greenhouse gas emissions from the transportation sector through land use planning, creating transportation alternatives, adopting alternative fuels, increasing the use of advanced vehicle technologies, and minimizing vehicle miles traveled.
- Strengthening or restoring natural ecosystems or employing nature-based solutions to reduce communities' vulnerability to the growing risks from storms, sea-level rise, flooding, wind damage, or erosion and associated threats.
- Providing useful climate preparedness tools and actionable information to allow citizens to increase their awareness and resilience to threats resulting from climate impacts, including those associated with extreme weather.

SECTION II: ELIGIBILITY

A. ELIGIBILITY

U.S. local and tribal governments, or consortia thereof, are eligible to apply. For the purposes of this initiative, local governments may include a county, municipality, city, town, township, local public authority (including any public and Indian housing agency), school district, special district, intrastate district, council of governments, any other regional or interstate government entity, or any agency or instrumentality of a local government.

To be considered as a tribal government for purposes of this Announcement, the entity must be any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) [43 U.S.C. 1601 et seq.], which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

Section III: Application Review Information

A. Criteria

1. Initial Eligibility Review

Applications submitted after the full application deadline of **5:00 p.m. (ET) on October 27, 2014** will be declined without review. Prior to a full merit evaluation, DOE will perform an initial eligibility review to determine that (1) the Applicant is an eligible entity under this RFA; (2) the information required by the RFA has been submitted; (3) all mandatory requirements are satisfied; and (4) the application is responsive to the objectives of the RFA. Applications that fail to pass the initial eligibility review will not be forwarded for merit review and will be eliminated from further consideration.

2. Merit Review Criteria

Applications will be reviewed and selections will be made based on the following criteria:

Criterion 1: Current Approach and Future Strategic Plan (60%)

Approach and Plan

- Breadth of approach in addressing range of opportunities to reduce greenhouse gas emissions and enhance climate preparedness and resilience;
- Degree to which the approach has been clearly described and thoughtfully considered;
- Degree to which the approach and plan demonstrate, or have the potential to demonstrate, leadership in innovative approaches to addressing climate change at the local and/or regional level;
- Degree to which the strategic plan is clear, detailed, timely, and reasonable;
- Degree to which plan demonstrates collaboration and accountability across local agencies and local communities;
- Discussion and demonstrated understanding of potential risk areas involved in the proposed plan, and the quality of the strategies to address them; and
- Replicability/scalability of current approach and/or proposed plan to other communities who may seek similar outcomes.

Metrics and Milestones

- The strength of the metrics and milestones of the current approach and proposed strategic plan, such that meaningful interim progress will be made and measured; and
- The potential of the current approach and/or proposed strategic plan to inform the viability of future deployment by other communities and the private sector.

Criterion 2: Resources and Partnerships (40%)

- Extent to which the current approach and proposed strategic plan leverage relationships with, and funding from, other public, private, and philanthropic organizations.
- Extent to which the current approach and proposed strategic plan leverage commitments to energy and water efficiency, water reuse, and renewable energy deployment under ongoing Federal initiatives, challenges, and programs.
- Extent to which the current approach and proposed strategic plan increase or amplify the benefits of other proposed projects, accelerate the resilience of natural or cultural/socio-economic system functions, enhance ongoing resilience efforts, and enhance the combined resilience of spatially linked projects.

3. Program Policy Factors

The following policy factors may also be considered in making the selections:

1. Ensuring the selection of a diversity of communities, (i.e. based on geographic region, size, sources of current energy use, and type of Applicant organization, and types of climate-related risks confronting the community).
2. Identifying communities in which Federal facilities and public housing are located, because part of the Federal government's support for designated Climate Action Champions could come in the form of opportunities to pair local or tribal communities with Federal partners to together assess climate impacts expected in their area and develop plans for how to address them.
3. Recognizing projects that will advance innovative technologies and practices, and that have the potential to drive down costs and accelerate adoption of carbon reduction and climate resilience strategies.

SECTION IV: APPLICATION SUBMISSION AND TEMPLATE

Applications must be submitted electronically via EERE Exchange by **5:00 p.m. (ET) on October 27, 2014**. The Principal Investigator, identified in the application should receive an email acknowledging receipt of the application within 24 hours. In addition to the SF-424 Application and SF-LLL (if applicable), Applicants should utilize the Application Template that is found in the Required Application Documents section of EERE Exchange to apply. This document should explain how the Applicant is a Climate Action Champion. Once completed, the Application template should be submitted in Portable Document Format (PDF). Applications must not exceed 7 pages. Additional pages will not be reviewed. See Section V for additional information regarding Exchange.

SECTION V: ADDITIONAL INFORMATION REGARDING EXCHANGE

Register and create an account on EERE Exchange at https://eere-Exchange.energy.gov.

This account will then allow the user to register for any open EERE Opportunity Announcements that are currently in EERE Exchange. It is recommended that each organization or business unit, whether acting as a team or a single entity, use only one account as the contact point for each submission. Applicants should also designate backup points of contact so Applicants may be easily contacted if deemed necessary. **This step is required to apply to this Request for Applications (RFA).**

All submissions must conform to the following form and content requirements, including maximum page lengths, described in Section IV above, must be submitted via EERE Exchange at https://eere-exchange.energy.gov/, unless specifically stated otherwise. **EERE will not review or consider submissions submitted through means other than EERE Exchange, submissions submitted after the applicable deadline, and incomplete submissions**. EERE will not extend deadlines for Applicants who fail to submit required information and documents due to server/connection congestion. A control number will be issued when an Applicant begins the Exchange application process. This control number must be included with all Application documents, as described below.

To be considered eligible for review the Application must be:

- Completed using the "Application Template" located in the Required Documents Section of the FOA in Exchange
- Submitted in Adobe PDF format
- Written in English
- Formatted to fit on 8.5 x 11 inch paper with margins not less than one inch on every side. Use Times New Roman typeface, a black font color, and a font size of 12 point or larger (except in figures or tables, which may be 10 point font). A symbol font may be

used to insert Greek letters or special characters, but the font size requirement still applies. References must be included as footnotes or endnotes in a font size of 10 or larger. Footnotes and endnotes are counted toward the maximum page requirement.

- Formatted with the Control Number prominently displayed on the upper right corner of the header of every page. Page numbers must be included in the footer of every page.
- Within the specified maximum page limit, including cover page, charts, graphs, maps, and photographs when printed using the formatting requirements set forth above and single spaced. If Applicants exceed the maximum page lengths indicated below, EERE will review only the authorized number of pages and disregard any additional pages.

Applicants are responsible for meeting the submission deadline. **Applicants are strongly encouraged to submit their Application at least 48 hours in advance of the submission deadline**. Under normal conditions (i.e., at least 48 hours in advance of the submission deadline), Applicants should allow at least one hour to submit the application. Once the Application is submitted in EERE Exchange, Applicants may revise or update their application until the expiration of the applicable deadline.

EERE Exchange is designed to enforce the deadlines specified in this RFA. The "Apply" and "Submit" buttons will automatically disable at the defined submission deadlines. Should Applicants experience problems with Exchange, the following information may be helpful:

Applicants that experience issues with submission PRIOR to the RFA deadline: In the event that an Applicant experiences technical difficulties with a submission, the Application should contact the Exchange helpdesk for assistance (EERE-ExchangeSupport@hq.doe.gov). The Exchange helpdesk and/or the EERE Exchange system administrators will assist Applicants in resolving issues.

Applicants that experience issue with submissions that result in late submissions: In the event that an Applicant experiences technical difficulties so severe that they are unable to submit their application by the deadline, the Applicant should contact the Exchange helpdesk for assistance (EERE-ExchangeSupport@hq.doe.gov). The Exchange helpdesk and/or the EERE Exchange system administrators (EERE-ExchangeSupport@hq.doe.gov) will assist the Applicant in resolving all issues (including finalizing submission on behalf of and with the Applicant's concurrence). PLEASE NOTE, however, those Applicants who are unable to timely submit their application due to their waiting until the last minute when network traffic is at its heaviest to submit their materials will not be able to use this process.

SECTION VI: ADMINISTRATIVE INFORMATION

A. QUESTIONS/AGENCY CONTACTS

Upon the issuance of this Request for Applications (RFA), EERE personnel are prohibited from communicating (in writing or otherwise) with Applicants regarding the RFA except through the established question and answer process as described below. Specifically, questions regarding the content of this RFA must be submitted to CACRFA@ee.doe.gov not later than 3 business days prior to the application due date.

All questions and answers related to this RFA will be posted on EERE Exchange at: https://eere-exchange.energy.gov. **Please note that you must first select this specific Opportunity Announcement – DE-FOA-0001189 – in order to view the questions and answers specific to this RFA**. EERE will attempt to respond to a question within three business days, unless a similar question and answer has already been posted on the website.

Questions related to the registration process and use of the EERE Exchange website should be submitted to: EERE-ExchangeSupport@hq.doe.gov.

B. SF-424: APPLICATION FOR FEDERAL ASSISTANCE

Complete all required fields in accordance with the instructions on the form. The list of certifications and assurances in Field 21 can be found at http://energy.gov/management/office-management/operational-management/financial-assistance/financial-assistance-forms, under Certifications and Assurances. Save the SF-424 in a single PDF file using the following convention for the title "ControlNumber_LeadOrganization_App424".

C. SF-LLL: DISCLOSURE OF LOBBYING ACTIVITIES

Applicants may not use any Federal funds to influence or attempt to influence, directly or indirectly, congressional action on any legislative or appropriation matters.

Applicants are required to complete and submit SF-LLL, "Disclosure of Lobbying Activities" (http://www.whitehouse.gov/sites/default/files/omb/grants/sflllin.pdf) if any non-Federal funds have been paid or will be paid to any person for influencing or attempting to influence any of the following in connection with your application:

- An officer or employee of any Federal agency;
- A Member of Congress;
- An officer or employee of Congress; or
- An employee of a Member of Congress.

Save the SF-LLL in a single PDF file using the following convention for the title "ControlNumber_LeadOrganization_SF-LLL".

D. Treatment of Application Information

In general, EERE will use data and other information contained in applications for evaluation purposes only unless such information is generally available to the public or is already the property of the Government.

Applicants should not include trade secrets or commercial or financial information that is privileged or confidential in their application unless such information is necessary to convey an understanding of the application or to comply with a requirement in the RFA. Applications containing trade secrets or commercial or financial information that is privileged or confidential, which the Applicant does not want disclosed to the public or used by the Government for any purpose other than application evaluation, must be marked as described in this section.

The cover sheet of the application must be marked as follows and identify the specific pages containing trade secrets or commercial or financial information that is privileged or confidential:

> Notice of Restriction on Disclosure and Use of Data:
>
> Pages [list applicable pages] of this document may contain trade secrets or commercial or financial information that is privileged or confidential, and is exempt from public disclosure. Such information shall be used or disclosed only for evaluation purposes or in accordance with an assistance agreement or Memorandum of Agreement between the submitter and the Government. The Government may use or disclose any information that is not appropriately marked or otherwise restricted, regardless of source. [End of Notice]

The header and footer of every page that contains trade secrets or commercial or financial information that is privileged or must be marked as follows: "May contain trade secrets or commercial or financial information that is privileged or confidential and exempt from public disclosure."

In addition, each line or paragraph containing trade secrets or commercial or financial information that is privileged or confidential must be enclosed in brackets.

The above markings enable EERE to follow the provisions of 10 CFR 1004.11(d) in the event a Freedom of Information Act (FOIA) request is received for information submitted with an application. Failure to comply with these marking requirements may result in the disclosure of the unmarked information under a FOIA request or otherwise. The U.S. Government is not liable for the disclosure or use of unmarked information, and may use or disclose such information for any purpose.

Subject to the specific FOIA exemptions identified in 5 U.S.C. 552(b), all information submitted to EERE by a FOA Applicant is subject to public release under the Freedom of Information Act, 5 U.S.C. §552, as amended by the OPEN Government Act of 2007, Pub. L. No. 110-175. It is the Applicant's responsibility to review FOIA and its exemptions to understand (1) what information may be subject to public disclosure and (2) what information Applicants submit to the Government that are protected by law. In some cases, DOE may be unable to make an independent determination regarding which information submitted by an Applicant is releasable and which is protected by an exemption. In such cases, DOE will consult with the Applicant, in accordance with 10 C.F.R. §1004.11, to solicit the Applicant's views on how the information should be treated.

E. Evaluation and Administration by Non-Federal Personnel

In conducting the merit review evaluation, the Government may seek the advice of qualified non-Federal personnel as reviewers. The Government may also use non-Federal personnel to conduct routine, nondiscretionary administrative activities. The Applicant, by submitting its application, consents to the use of non-Federal reviewers/administrators. Non-Federal reviewers must sign conflict of interest and non-disclosure agreements prior to reviewing an application. Non-Federal personnel conducting administrative activities must sign a non-disclosure agreement.

F. Environmental Review in Accordance with National Environmental Policy Act (NEPA)

DOE is not proposing to provide financial or technical assistance through this RFA at this time. However, if DOE chooses to distribute funds or provide technical assistance in the future, those decisions will be subject to the National Environmental Policy Act (42 USC 4321, et seq.). NEPA requires Federal agencies to integrate environmental values into their decision-making processes by considering the potential environmental impacts of their proposed actions. For additional background on NEPA, please see DOE's NEPA website, at http://nepa.energy.gov/.

While NEPA compliance is a Federal agency responsibility and the ultimate decisions remain with the Federal agency, if DOE chooses to provide financial and/or technical assistance to

Climate Action Champion designees, all Climate Action Champion designees selected to receive financial and/or technical assistance will be required to assist in the timely and effective completion of the NEPA process.

In addition, each Federal Agency that chooses to provide financial and/or technical assistance to Climate Action Champion designees will complete the necessary NEPA review. All Climate Action Champion designees selected to receive financial and/or technical assistance will be required to assist the applicable Federal Agency in the timely and effective completion of the NEPA process.

G. Selection Notices

Selected Applicants Notification: DOE will notify Applicants selected for designation under this RFA.

Non-selected Notification: Organizations whose applications have not been selected will be advised as promptly as possible.

City of Montpelier, Vermont
"The Smallest Capital City in the United States"

Mayor John Hollar

City Council:

Tom Golonka, President
Jessica Edgerly Walsh
Alan H. Weiss
Anne Watson
Thierry Guerlain
T. Andrew Hooper, Parliamentarian

William J. Fraser
City Manager
wfraser@montpelier-vt.org

Beverlee Pembroke Hill,
Assistant City Manager

October 7, 2014

The Times-Argus
Att: Classifieds

Please insert the following with City of Montpelier notices on Friday, October 10th, and Monday, October 13th. Thank you!

CITY OF MONTPELIER

Montpelier Community Fund Board Vacancy

The Montpelier City Council is seeking individuals interested in filling an unexpired 3-year term on the Montpelier Community Fund Board; said term will expire in August, 2016. Letters of interest and/or resumes should be submitted to the Office of the City Manager, City Hall - 39 Main Street, Montpelier (or sent by e-mail to spitonyak@montpelier-vt.org) on or by Thursday, October 16th. The City Council will make this appointment at their October 22nd meeting. Applicants are encouraged to attend; all municipal meetings are accessible to people with disabilities and are held in accordance with the public meeting and public records laws. Further information may also be obtained by contacting the City Manager's Office at 223-9502.

William J. Fraser
City Manager

Sandy Pitonyak

From: Beth & Andy Boutin [baboutin@comcast.net]
Sent: Tuesday, October 07, 2014 10:35 AM
To: William Fraser; Lambek, Bernie; Hendrickson, Julie; Dodd, Eliza; Ron Wild
Cc: Sandy Pitonyak; baboutin@comcast.net
Subject: Montpelier Community Fund Board

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Bill, Bernie, Julie, Eliza, and Ron -

Due to work and family commitments I no longer have the time needed to meet the obligations of my position on the Montpelier Community Fund Board. As a result and regretfully, I am resigning from the Montpelier Community Fund Board effective today, October 7, 2014.

I have enjoyed working with and getting to know you all over the past 3 years. I wish you all the best as you continue onward.

Best regards,
Beth Boutin

20 College Street
Montpelier VT 05602
October 8, 2014

Bill Fraser, City Manager
Montpelier City Hall
39 Main Street
Montpelier VT

Dear Bill and Members of the City Council;

I am interested in being considered for appointment to the City's Community Fund Board. I have relevant and long term experience serving the city in several capacities. I represented District 2 on the Council for six terms; I chaired committees that presented recommended action on the Taylor Street Bridge restoration, Barriers to Housing, and City Charter revisions. I participated collaboratively in numerous additional appointments, representing the city on the Kellogg Hubbard Library Board, Central Vermont Solid Waste District Board, Green Mountain Transit Board, and the Central Vermont Regional Planning Commission's Transportation Advisory Committee.

While I am familiar with some of the service providers and arts organizations that are important resources for city residents, I can remain impartial and participate in the Board's evaluation and decision making process. During my 10 years as director of an AmeriCorps program, I had extensive experience preparing grant proposals, evaluating requests for services and funding, and assessing outcomes at the completion of a grant cycle.

I would be pleased to join the Community Fund Board and work with them on decisions about funds for community service organizations and in support of culture and the arts in the city.

Respectfully submitted,

Nancy Sherman

Sandy Pitonyak

From: John Van Deren [johnvanderen@comcast.net]
Sent: Saturday, October 11, 2014 11:45 AM
To: Sandy Pitonyak
Subject: Fwd: Montpelier Community Fund Board Letter of Interest

Hi Sandy,

I am again submitting my interest in becoming a Board member of the Montpelier Community Fund. Please let me know if there is any additional information you require of me.

Many thanks,

John Van Deren
~~~~~~~~~~~~~~~~
(H) 802-223-1494
(C) 802-272-2600

Begin forwarded message:

From: John Van Deren <johnvanderen@comcast.net>
Subject: Montpelier Community Fund Board Letter of Interest
Date: August 4, 2014 at 10:02:49 AM EDT
To: spitonyak@montpelier-vt.org
Cc: Julie Hendrickson <juliehendrickson4@gmail.com>

Hi Sandy,

Julie Hendrickson spoke to me about applying to fill one of the Montpelier Community Fund 3 year Board vacancies. This email is my Letter of Interest.

Last December I retired from my position as Grant Writer at the Family Center of Washington County. While there, I successfully applied for MCF grants for my organization for the past two years. I worked in that position for 5 years and previously worked for 7 years as a program coordinator at the Family Center. I think my grant writing experience will be an asset to the Montpelier Community Fund in providing a critical eye while reviewing applications for future funding. As a retiree, I now have the time and interest to give back to the City and would like to help the Montpelier Community Fund in any way I am able. As a note, I am a past member of the Montpelier Tree Board and would once again like to contribute my time and experience to the City.

If you require any further information, please let me know.

Best regards,

John F. Van Deren
151 Chestnut Hill Rd.
~~~~~~~~~~~~~~~~

October 15, 2014

To the city council of Montpelier,

I would like to submit my name for the open position on the Montpelier Community Fund Board.

Here is some information about me:

- I work part-time as a staff accountant at a local firm, Pace & Hawley LLC, and I have been there for 4 years.
- I worked at Bear Pond Books for 9 years, which gave me the chance to meet many of the residents of Montpelier.
- I have been a member of the council of the Hunger Mountain Coop for two terms, a total of 3 years so far, and I am on the finance and communications committees. I find board work stimulating and rewarding and I work well with the other members.
- I have a degree in Mathematics from the University of Wisconsin, and I did advanced work in Accounting at the University of Vermont.
- My husband David and I moved here from Minnesota in 1996 and built a house on North Street in Montpelier in 1998.

I feel the city needs to be prudent in any spending it undertakes, so the task this committee has is very important. Many of the entities asking for funds are necessary to the well-being of Montpelier, and thoughtful decisions are needed. I would like to help Montpelier distribute funds wisely, and make sure that every entity asking for funds get a fair assessment of their needs. I am a listener, and I ask a lot of questions before I come to a conclusion.

Montpelier is my town, and it is time for me to step up and help the city be the best it can be.

Sincerely,

Martha Wales

Martha Wales
500 North Street
Montpelier, VT 05602
802.223.4675

City of Montpelier
Department of Public Works
Memorandum

To: **William Fraser, City Manager**

From: **Thomas McArdle, Assistant Director of Public Works**

Date: **October 17, 2014**

Subject: **Selection of Design Consultant - Professional Engineering Services**
Terrace Street Culvert Reconstruction - VTrans Town Highway Structures Grant

This memorandum serves as a recommendation for the selection of a consulting engineering firm and request for authorization to enter into a professional services contract agreement. Professional design services are necessary to assist the City with preparation of construction plans and specifications for the reconstruction of the culvert carrying the so-called "Terrace Street Brook" through the intersection of Terrace St, Walker Terrace & Dairy Lane. Although a portion of this very long culvert was replaced in 1998, the remainder is approximately 40 years old and is now partially collapsed.

The Public Works office submitted applications for funding assistance from the Vermont Agency of Transportation for the last couple of years and a successful application was approved this spring. The maximum allowable funding of $175,000 was awarded through the Town Highway Structures program which will be applied toward the construction costs estimated @ $218,000. Professional engineering services will be funded primarily through the CIP fund under the "project management account". The balance and local construction cost expenses will be covered by the FY 14 bond proceeds as previously identified.

The tentative project schedule is to complete design over the next several months to allow for advertisement of construction bids in the spring or early summer of 2015 and project completion by early fall 2015.

A request for proposal (RFP) was prepared and an invitation issued to about a dozen engineering consultants in the area and listed on the City's web-site. A total of nine consultants requested the full RFP and five firms submitted proposals for consideration. Separate cost & technical proposals were required. Public Works staff conducted a review of the technical proposals in accordance with the identified selection criteria. The evaluation results will be presented in a separate review summary when completed. Upon conclusion of the technical proposal reviews, the cost proposals are then opened and considered. The recommended award of the contract for engineering services is made through a combination of the best ranked technical proposal and a determination of the cost in comparison with the services offered in the technical proposal.

Conclusion / Recommendation

As the review summary indicates, two consulting engineering firms, Dubois & King (D&K) and the Dufresne Group (DG), received favorable evaluation rankings submitting high quality technical proposals with D&K scoring the highest. We have had good working relationships and experience with both firms so DPW staff next considered the cost proposal & number of associated hours anticipated to complete the basic services tasks. Although D&K estimated cost of $37,129 is much greater than the DG cost of $22,750, the total hours of 466 vs 183 respectively also reflects a considerable price difference in the hourly rates of key personnel to be assigned to the project. Therefore staff has concluded that the D&K proposal represents the better overall deal for the City. Specifically, we believe many of the tasks can be accomplished in much less time while other tasks can readily be achieved in-house. Therefore, our recommendation is to enter into negotiations with

D&K to define the necessary services, exclude those not needed and arrive at a maximum limiting amount (MLA) closer to our expectations of $25,000 - $28,000.

We request this matter be placed on the first available City Council agenda. In addition to approval of the selection process recommendation, we also seek approval for the City Manager to be designated as the duly authorized agent to grant final approval of the negotiated fees and project scope and to enter into professional services contract with the successful consultant.

Attachment
C: Todd Law, P.E., Director of Public Works
Kurt Motyka, P.E., Project Engineer

City of Montpelier, Vermont
"The Smallest Capital City in the United States"

TO: City Council Members
William J. Fraser, City Manager
Jessie C. Baker, Assistant City Manager

FROM: Sandy Gallup, Finance Director

DATE: October 17, 2014

SUBJECT: Debt Policy Update

In September of 2011 the City Council adopted a Debt Policy with the following debt ratios:

DEBT RATIOS.
The following guidelines will be used when determining if debt should be issued:

1. Total direct debt service (principal and interest) for Government Activities (General Fund and other Governmental Activities) of the City will not exceed 8.2% of the total budgeted revenues for Governmental Activities (Based of Moody's 2009 U.S. Local Government Medians for A rating for U.S. Cities under 50,000 population).
2. Total direct debt service (principal and interest) for the City as a Whole (Governmental Activities and Business Activities) will not exceed 15% of the total budgeted revenues for the Governmental Activities and the Business Activities (Water Fund, Sewer Fund, Parking Fund).

In the event that the total direct debt service (principal and interest) for Government Activities or City as a Whole exceed the ratios in the above guidelines, the City Council will adopt a plan to how to bring the debt ratios down to the recommended levels.

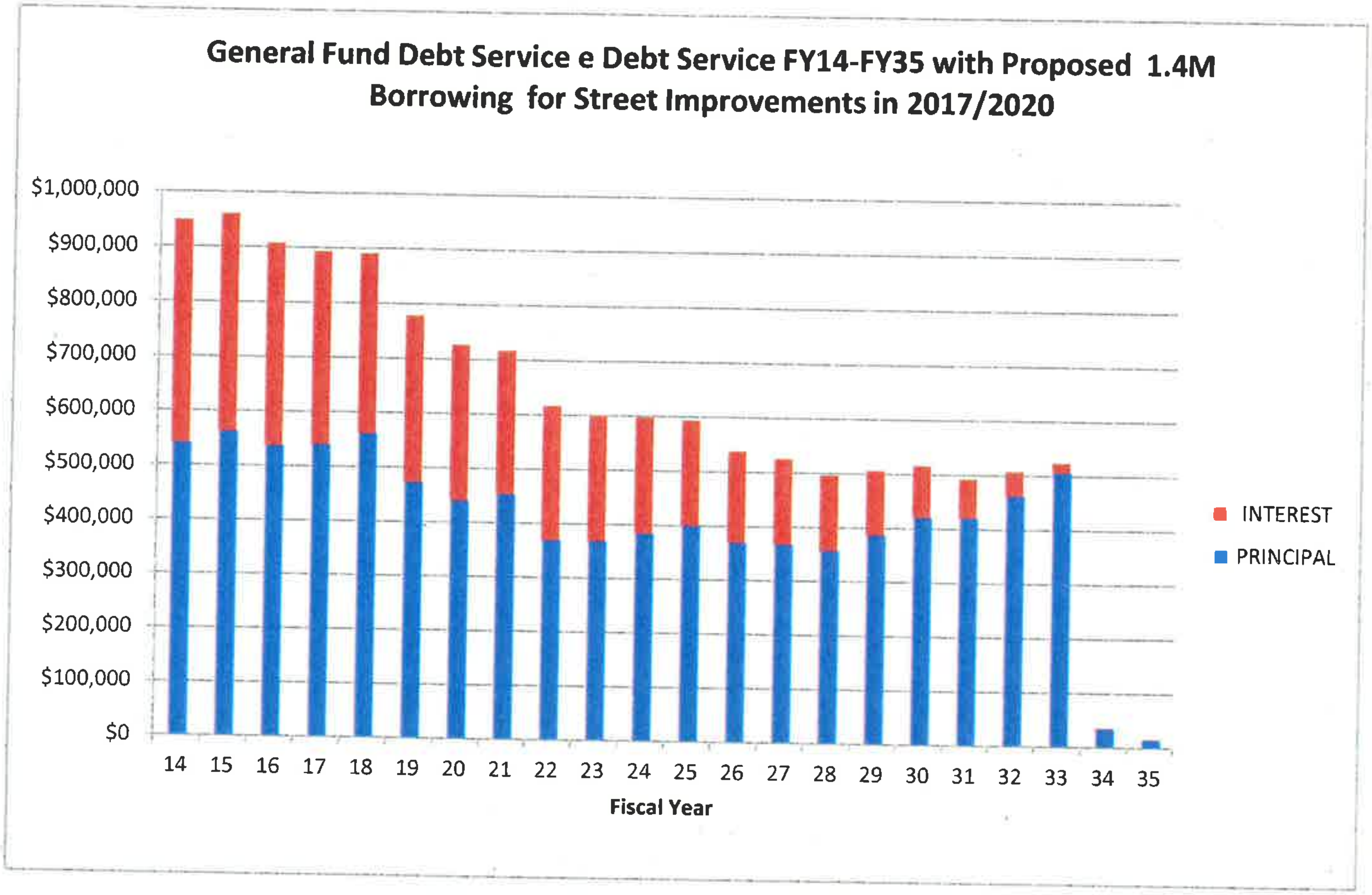
We used these debt ratio guidelines when developing our "Steady-State" capital plan. We borrowed $710,000 in 2014 for Street/Capital Improvements and plan on borrowing $710,000 in 2017 and $710,000 in 2020.

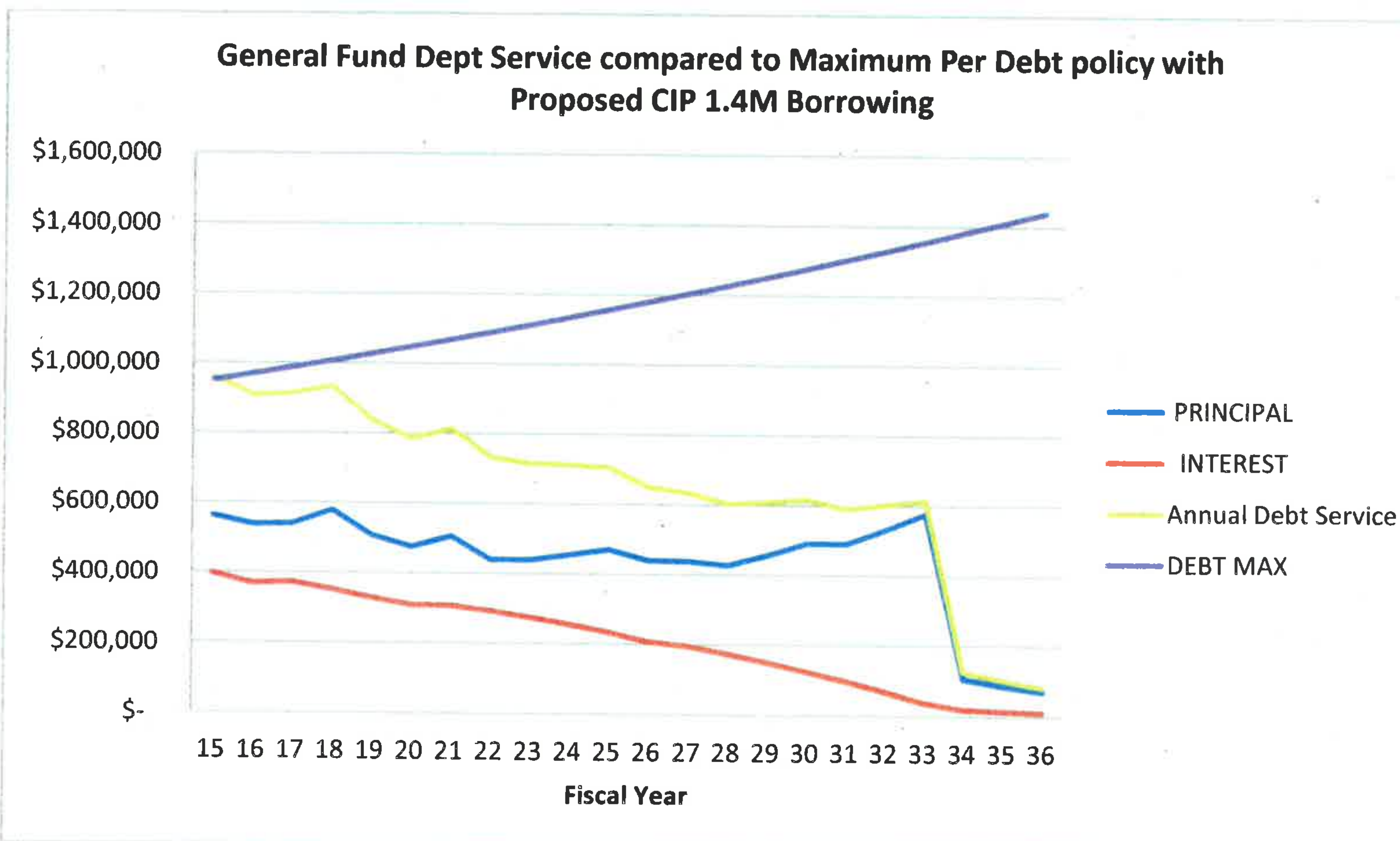
The attached graphs show updated debt service information and compares the total debt service costs to the debt service maximum guideline provided by our debt service policy ratios (above)

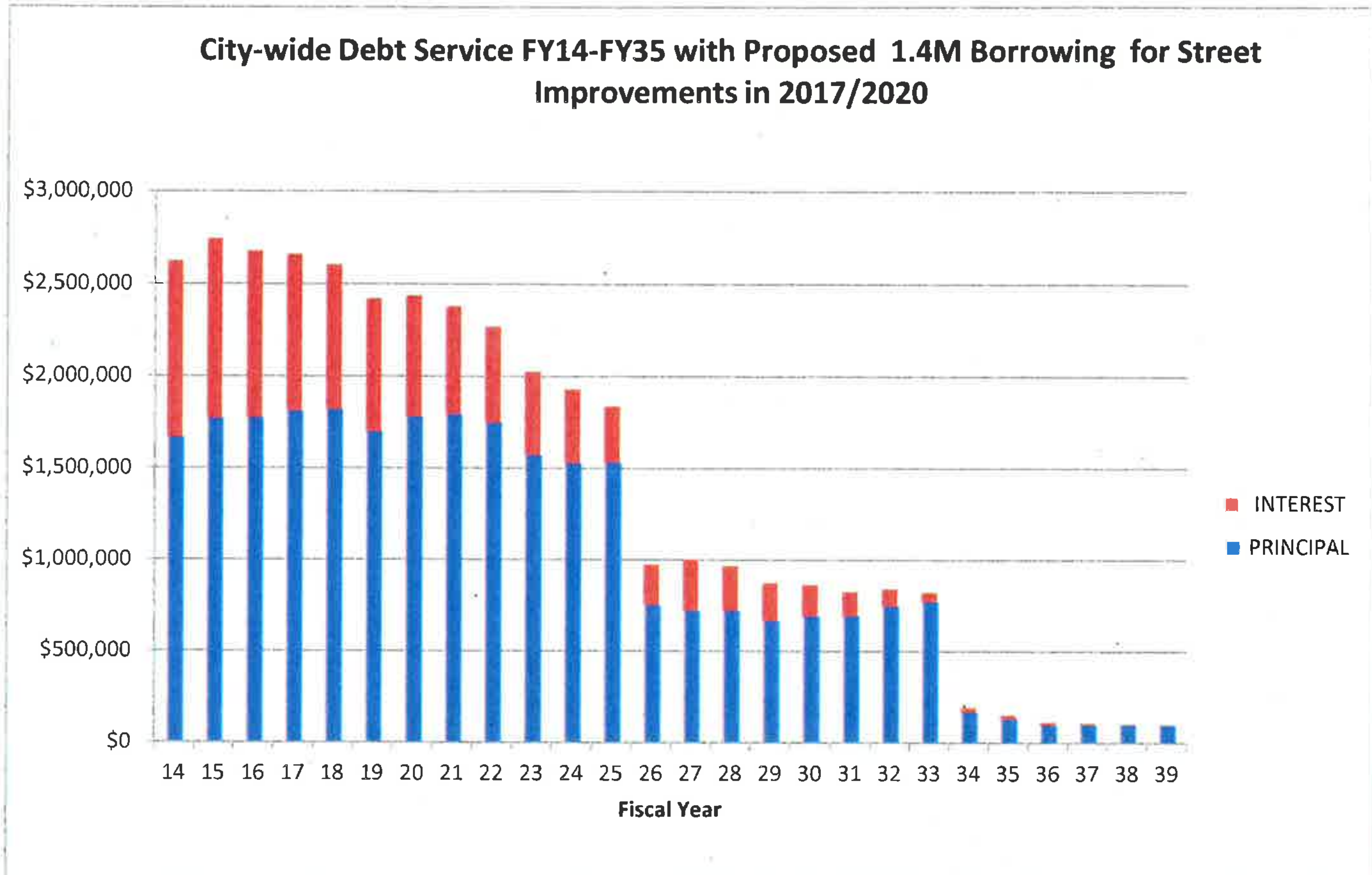
I have attached 4 graphs (Note: All graphs include the proposed borrowing in 2017 and 2020):

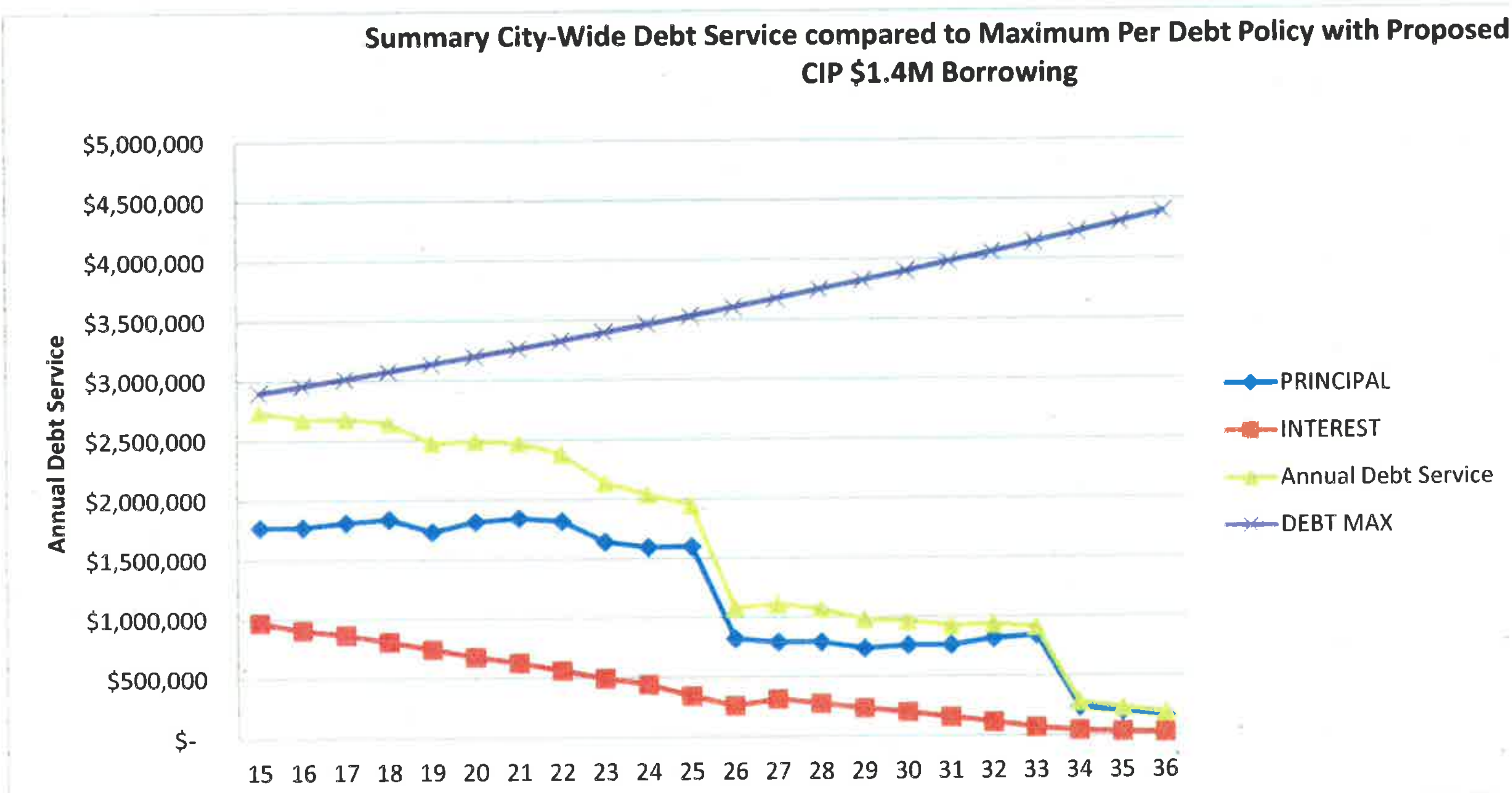
- Bar Chart - General Fund Debt Service principal and interest from FY14-FY35.
- Line Chart – General Fund Debt Service compared to Maximum (from 8.2% guideline.) This assumes a 2% increase in budgeted revenue each year. FY15 we are currently at 8.1% of General Fund budgeted revenue. In FY16 this ratio drops to 7.5%. The sharp decrease in FY34 is when the pension debt is paid off.
- Bar Chart – City-Wide Debt Service which includes Water, Sewer, District Heat, Parking and 1 Taylor Street debt service.
- Line Chart – City-wide Debt Service compared to Maximum (from 15% guideline) This assumes a 2% increase in budgeted revenue each year. FY15 we are currently at 14.2% of General Fund budgeted revenue. In FY16 this ratio drops to 13.6%. The sharp decrease in FY26 is when many of the Water and Sewer loans are paid off.

I am attaching a copy of the Debt Policy that was approved in September 2011.


General Fund Debt Service e Debt Service FY14-FY35 with Proposed 1.4M Borrowing for Street Improvements in 2017/2020
$1,000,000
$900,000
$800,000
$700,000
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35
Fiscal Year
INTEREST
PRINCIPAL


General Fund Dept Service compared to Maximum Per Debt policy with Proposed CIP 1.4M Borrowing
$1,600,000
$1,400,000
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$-
15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36
Fiscal Year
PRINCIPAL
INTEREST
Annual Debt Service
DEBT MAX


City-wide Debt Service FY14-FY35 with Proposed 1.4M Borrowing for Street Improvements in 2017/2020
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39
Fiscal Year
INTEREST
PRINCIPAL


Summary City-Wide Debt Service compared to Maximum Per Debt Policy with Proposed CIP $1.4M Borrowing
Annual Debt Service
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36
PRINCIPAL
INTEREST
Annual Debt Service
DEBT MAX

City of Montpelier, Vermont
"The Smallest Capital City in the United States"

DEBT MANAGEMENT POLICY
Approved: September 28, 2011

PURPOSE. The purpose of this Policy is to establish the guidelines for the issuance of debt by the City of Montpelier. Debt levels and the related annual debt service expenditures are important long-term obligations that must be managed with available short- and long-term resources. This policy also addresses the level of indebtedness that the City can reasonably expect to incur without jeopardizing its existing financial position.

Adherence to a debt management policy, along with the utilization of other sound and prudent financial practices and the City's other financial policies, will assure the lending market that the City is well managed and will meet its obligations in a timely manner.

PLANNING AND PERFORMANCE. Debt management means adopting and maintaining financial plans for both the issuance and repayment of debt. The determination to issue new debt should be made as a part of the adoption of the annual capital budget, which prioritizes capital projects and identifies the various funding sources available for those projects. Planning for the repayment of debt will include analysis of the operating budget to determine if the fund will incur the additional debt service required by the new debt.

USE OF SHORT-TERM AND LONG-TERM DEBT. Short-term debt should be limited to borrowing to cover short-term, temporary cash flow shortages within the City's fiscal year through the use of tax anticipation notes in those instances where there is an inadequate level of cash flow, or through the use of bond anticipation notes when cash is required to initiate a capital project prior to the receipt of bond proceeds. The City Council should manage the City's finances so as to avoid the use of short-term debt when possible.

Long-term debt should be issued for the acquisition, construction, or improvement of land, buildings, infrastructure, equipment, public improvements and payment of prior pension liability that cannot be financed from current revenues or other resources. Current year budget appropriations and accumulated reserve funds should be used to minimize the amount of long-term borrowing that is required.

PURPOSE OF DEBT. General obligation debt funded by general fund property taxes shall be used for projects that provide a general benefit to City residents and that cannot otherwise be self-supporting. Debt incurred for use by an enterprise fund, even if backed by a general obligation pledge of the City, shall be self-supporting and repaid solely from the revenues of such fund, unless a general benefit to City residents can be demonstrated.

REPAYMENT OF DEBT. The Council will project the revenue sources that will be utilized to repay any debt, and will analyze the impact on voters of both the additional debt service as well as any additional operating expenses resulting from the improvement, to determine if new debt should be issued and to structure the appropriate repayment terms for each debt issue. The maturity of long-term debt shall be kept as short as possible to minimize the overall impact on the taxpayers during the life of the debt. At the same time, it should not be so short that the repayment will create an unreasonable burden. In no event shall the life of the debt exceed the life of the improvement being financed.

DEBT RATIOS.
The following guidelines will be used when determining if debt should be issued:

1. Total direct debt service (principal and interest) for Government Activities (General Fund and other Governmental Activities) of the City will not exceed 8.2% of the total budgeted revenues for Governmental Activities (Based of Moody's 2009 U.S. Local Government Medians for A rating for U.S. Cities under 50,000 population).
2. Total direct debt service (principal and interest) for the City as a Whole (Governmental Activities and Business Activities) will not exceed 15% of the total budgeted revenues for the Governmental Activities and the Business Activities (Water Fund, Sewer Fund, Parking Fund).

In the event that the total direct debt service (principal and interest) for Government Activities or City as a Whole exceed the ratios in the above guidelines, the City Council will adopt a plan to how to bring the debt ratios down to the recommended levels.

City of Montpelier, Vermont
"The Smallest Capital City in the United States"

DATE: October 16, 2014

TO: City Manager, Department Heads
Mayor and City Council Members

FROM: Sandra Gallup, Finance Director

SUBJECT: June 30, 2014 - Early Projections for Year-end Unassigned Fund Balances

In September of 2011 the City Council adopted a Fund Balance Policy which include the following guideline for unassigned fund balances:

Unassigned Fund Balance
Unassigned Fund Balance is the residual amount in the General Fund. It represents the resources available for future spending. An appropriate level of Unassigned Fund Balance should be maintained in the General Fund in order to cover unexpected expenditures and revenue shortfalls.

Unassigned Fund Balance may be accessed in the event of unexpected expenditures or a revenue shortfall up to the minimum established level by the City Council. Any funds accessed by the City Council must be approved and recorded in the minutes.

The Fund Balance Policy establishes a goal to accumulate a minimum Unassigned Fund Balance equal to 15% of the budgeted General Fund expenditures each year. If this goal is not met, the City Council will adopt a multi-year plan to achieve the minimum Unassigned Fund Balance established in this policy.

Unrestricted Net Assets are the residual amount in the City's Water, Sewer and Parking Funds. It represents the resources available for future spending. ***The Fund Balance Policy also establishes a goal to achieve positive Unrestricted Net asset balances in the City's Water, Sewer and Parking Funds. If this goal is not met, the City Council will adopt a multi-year plan to achieve the minimum Unrestricted Net Assets balances established in this policy.***

General Fund Balance Summary – Unassigned Fund Balance

Unassigned Fund Balance 6/30/2013	**$713,077**	
FY14 increase in Fund Balance (projection)	**112,000**	
Unassigned fund Balance 6/30/2014	**$825,077**	**(7.2% of budgeted expenditures)**

Target General Fund Balance per Fund Balance Policy $1,711,567 (15% of budgeted expenditures)

Water, Sewer and Parking Fund Balances:
Unassigned Fund Balance information for June 30, 2014 is not yet available for the Proprietary Funds. But, as of June 30, 2013, the combined overall deficit of these funds improved from $491,876 to $380,961. I anticipate continued progress towards the reduction in deficits in the proprietary funds in FY14.

I am attaching a complete copy of the Fund Balance Policy which was adopted in September, 2011.

City of Montpelier, Vermont
"The Smallest Capital City in the United States"

FUND BALANCE POLICY
Approved: September 28, 2011

The Fund Balance Policy is intended to provide guidelines during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. It also is intended to preserve flexibility throughout the fiscal year to make adjustments in funding for programs approved in connection with the annual budget. The Fund Balance Policy should be established based upon a long-term perspective recognizing that stated thresholds are considered minimum balances. The main objective of establishing and maintaining a Fund Balance Policy is for the City of Montpelier to be in a strong fiscal position that will allow for better position to weather negative economic trends.

The Fund Balance consists of five categories: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

- **Nonspendable Fund Balance** consists of funds that cannot be spent due to their form (e.g. inventories and prepaids) or funds that legally or contractually must be maintained intact.

- **Restricted Fund Balance** consists of funds that are mandated for a specific purpose by external parties, constitutional provisions, or enabling legislation.

- **Committed Fund Balance** consists of funds that are set aside for a specific purpose by the City's highest level of decision making authority (City Council). Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.

- **Assigned Fund Balance** consists of funds that are set aside with the intent to be used for a specific purpose by the City's highest level of decision making authority or a body or official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance.

- **Unassigned Fund Balance** consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

Nonspendable and Restricted Funds

Nonspendable funds are those funds that cannot be spent because they are either:
1) Not in spendable form (e.g. inventories and prepaids)
2) Legally or contractually required to be maintained intact

It is the responsibility of the Finance Director to report all Nonspendable Funds appropriately in the City's Financial Statements.

Restricted funds are those funds that have constraints placed on their use either:

1) Externally by creditors, grantors, contributors, or laws or regulations or other governments
2) By law through constitutional provisions or enabling legislation.

It is the responsibility of the Finance Director to report all Restricted Funds appropriately in the City's Financial Statements.

Order of Use of Restricted and Unrestricted Funds
When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

When committed, assigned and unassigned funds are available for expenditure, committed funds should be spent first, assigned funds second, and unassigned funds last.

Authority to Commit Funds
The City Council has the authority to set aside funds for a specific purpose. Any funds set aside as Committed Fund Balance requires the passage of a resolution by the City Council. The passage of a resolution must take place prior to June 30th of the applicable fiscal year. If the actual amount of the commitment is not available by June 30th, the resolution must state the process or formula necessary to calculate the actual amount as soon as information is available. Funds that are set aside during the budget approval process, such as Capital Improvement Plan funds, Equipment Plan funds will be included in the passage of a resolution prior to June 30th of the applicable fiscal year.

Authority to Assign Funds
Upon passage of the Fund Balance Policy, authority is given to the City Manager to assign funds for specific purposes in an amount not to exceed the City Manager's authorization level in City of Montpelier Purchasing Policy (I. B. Non Capital Purchases). Any funds set aside as Assigned Fund Balance must be reported to the City Council at their next regular meeting and recorded in the minutes.

The City Council has the authority to set aside funds for the intended use of a specific purpose. Any funds set aside as Assigned Fund Balance requires a simple majority vote and must be recorded in the minutes. The same action is required to change or remove the assignment.

Unassigned Fund Balance
Unassigned Fund Balance is the residual amount in the General Fund. It represents the resources available for future spending. An appropriate level of Unassigned Fund Balance should be maintained in the General Fund in order to cover unexpected expenditures and revenue shortfalls.

Unassigned Fund Balance may be accessed in the event of unexpected expenditures or a revenue shortfall up to the minimum established level by the City Council. Any funds accessed by the City Council must be approved and recorded in the minutes.

The Fund Balance Policy establishes a goal to accumulate a minimum Unassigned Fund Balance equal to 15% of the budgeted General Fund expenditures each year. If this goal is not met, the City Council will adopt a multi-year plan to achieve the minimum Unassigned Fund Balance established in this policy.

Unrestricted Net Assets are the residual amount in the City's Water, Sewer and Parking Funds. It represents the resources available for future spending. The Fund Balance Policy also establishes a goal to achieve positive Unrestricted Net asset balances in the City's Water, Sewer and Parking Funds. If this goal is not met, the City Council will adopt a multi-year plan to achieve the minimum Unrestricted Net Assets balances established in this policy.

Management is expected to manage the budget so that revenue shortfalls and expenditure increases do not impact the total unassigned fund balance. In the event that a budget shortfall occurs that brings the unassigned fund balance below the minimum level, the Council will adopt a plan on how to return unassigned fund balance back to the required level.

The Fund Balance Policy may be amended from time to time per the City Council.

DATE: October 7, 2014

TO: City Manager, Assistant City Manager
City Council Members
Department Heads

FROM: Sandra Gallup, Finance Director

SUBJECT: BACKGROUND INFORMATION FOR FY 16 BUDGET

YEAR	VOTER APPROVAL
★ FY 15	75%
★ FY 14	75%
★ FY 13	70%
★ FY 12	75%
★ FY 11	73%

MUNICIPAL PROPERTY TAXES AND ECONOMIC INDICATORS

FIVE YEAR HISTORY-% Changes	FY11	FY12	FY13	FY14	FY15	AVERAGE
Property Tax Increases- Municipal	*0.8%	1.4%	3.2%	0.5%	1.3%	1.5%
Median Tax Bill Increases-Municipal	5.7%	1.2%	3.0%	0.6%	1.3%	2.4%
Consumer Price Index(Annual)	0.3%	3.8%	2.0%	2.0%	1.3% Aug	1.9%
City Employee Cost of Living Adj	1.5-3.5%	0-3.5%	0-2.5%	2-2.25%	1.5%-2.25	2.3%
Grand List (Property Values) -Municipal	*54.8%	0.3%	0%	1.5%	.7%	0.6%
Unemployment Rate-Montpelier	5.3%	4.1%	5.3%	4.0%	3.7%	4.5%
Total Budgeted Expenditures-General Fnd	4.3%	4.7%	2.3%	2.7%	1.6%	3.1%
Property Tax Dollars Raised-Municipal	3.0%	1.9%	3.9%	2.3%	2%	2.6%

Note: In FY16 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 14, Montpelier has the 15th (8th highest in the previous year) municipal tax rate in the state (Barre City, Springfield, Athens, Rutland City, Windsor, Brattleboro, Newport City, Winooski are higher). When the education tax rates are included in the total, Montpelier has the 21st highest residential tax rate in the state as compared to the 13th highest the previous year.

Our FY15 tax rate increased from $2.4877 to $2.6391 (up 6%). Most of the increase was in the education tax rates. The change in the municipal tax rate was small - only up $.013 (1.3% increase). We had projected a $0.02 (2%) increase at budget time but an unexpected growth in the grand list reduced the impact to taxpayers to half a cent on the tax rate.

For FY15 (second year), a Downtown Improvement Tax rate of $0.0515 was approved for downtown commercial properties.

INFRASTRUCTURE SUPPORT-CAPITAL IMPROVEMENT PROGRAM – Second 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 FY16 as per the "Steady-State" plan.

Preliminary detail for FY16:

Debt Payments	$703,195
Annual Capital Projects	853,109
Equipment	515.000
Total (per Multi-year Plan)	$2,071,304

The CIP committee will meet in October to review the city's capital needs and recommend a plan for FY16 expenditures.

FY 16 NET OPERATING BUDGET

- ASSUME NO GROWTH IN NON-TAX REVENUE
- ASSUME NO GROWTH IN GRAND LIST
- PROJECT PERSONNEL COSTS INCREASE 3.5% (COLA and step increases)
- ASSUME 1.5% INCREASE IN SUPPLIES INCLUDING FUEL COSTS $10,000

Total NET OPERATING BUDGET INCREASES $279,000

SUMMARY OF EARLY PROJECTIONS FOR FY16:

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

Increase in operating – Personnel Costs	$269,000	5.9% increase
Increase in operating – supplies	10,000	1.5% increase in supply costs
Increase in CIP/Equipment/Debt	$166,300	CIP planned increase

Total increase in General Fund Budget $445,300 3.8% of FY14 Exp Budget

To fund this $445,300, the property tax rates would increase 5.2 cents which is a 5.3% increase (3.5% before CIP increase)

EXPENSE TRENDS/PROJECTIONS - Details

Consumer Price Index – The Consumer Price Index: August 2014 was 1.3% higher than August 2013 although the average for the first half of 2014 was 1.6%.

Personnel Cost Projections: Only the DPW contract is settled for FY16 and it has a range of 1.5% to 2.5% Cost of Living Adjustments depending on Northeast CPI ratios. We hope to have the Police Union contract completed soon. The Fire Union and Personnel Plan have not yet been negotiated/determined. I will assume 2% Cost of Living Adjustments for projection purposes. When I add steps, staffing adjustments, the total salaries and wages will increase approximately 3.5%.

City-wide this means a $220,000 increase in employee wages. When I add the FICA/Medi, Workers Compensation and Pension costs, this number increases to $266,000

Other Employee-related increases:

Increase in VMERS Employer Contribution	$8,000	
Health Insurance (11.5% rate increase)	$100,000	
Subtotal Projected Other Employee-related Increases		$108,000
Total Projected Employee Wages and Benefit Increase		$374,000

The General Fund has 72% of Employee Salaries. Therefore, $269,000 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. Based on the current schedule, our insurance options will not be affected until the single-payer system is introduced in January, 2017.

BlueCross BlueShield health is increasing our 2015 insurance premiums by 14.5%. The city's employee health insurance committee has agreed to implement a wellness program which will bring our premium increase down 3% to 11.5% for the 2015 calendar year.

Supplies and Vehicle Fuel Costs – UP 1.5% increase of $10,000 – Early Estimate

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. Energy conservation improvements were made to City Hall back door in FY14.

Todd Law, Director of Public Works will provide projection for energy costs for FY16.

The Street Light Committee has proposed a plan for new energy-efficient street lighting and a reduction in the number of street lights. As of June 2013, all of the street lights that can be upgraded have been changed. The only remaining non-LEDs are 4 flood lights and the T &C underground lights for which we have no substitute. The City's Green Mountain Power lease for street lights will have to be re-negotiated to achieve the financial benefit of the energy-conservation improvements.

Grant Revenue –

Montpelier continues to receive state and federal funds for capital improvements, flood damage, the transit center and the bike path projects. The police and dispatch operations also have received substantial grants for communications equipment. 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 "develop a multi-year plan to achieve a minimum unassigned fund balance equal to 15% of the budgeted General Fund expenditures." As of June 30, 2013 the unassigned fund balance was 6.4% ($713,077/$11,110,028) of the budgeted expenditures. It appears that the General Fund may have a $112,000 surplus in FY14. Therefore, our unassigned fund balance is projected to increase to $825,000 which is 7.2% of the budgeted General Fund expenditures. The FY14 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 FY16 and beyond.

DATE: October 7, 2014

TO: City Manager, Assistant City Manager
City Council Members
Department Heads

FROM: Sandra Gallup, Finance Director

SUBJECT: BACKGROUND INFORMATION FOR FY 16 BUDGET

YEAR	VOTER APPROVAL
★ FY 15	75%
★ FY 14	75%
★ FY 13	70%
★ FY 12	75%
★ FY 11	73%

<u>MUNICIPAL PROPERTY TAXES AND ECONOMIC INDICATORS</u>

FIVE YEAR HISTORY-% Changes	FY11	FY12	FY13	FY14	FY15	AVERAGE
Property Tax Increases- Municipal	*0.8%	1.4%	3.2%	0.5%	1.3%	1.5%
Median Tax Bill Increases-Municipal	5.7%	1.2%	3.0%	0.6%	1.3%	2.4%
Consumer Price Index(Annual)	0.3%	3.8%	2.0%	2.0%	1.3% Aug	1.9%
City Employee Cost of Living Adj	1.5-3.5%	0-3.5%	0-2.5%	2-2.25%	1.5%-2.25	2.3%
Grand List (Property Values) -Municipal	*54.8%	0.3%	0%	1.5%	.7%	0.6%
Unemployment Rate-Montpelier	5.3%	4.1%	5.3%	4.0%	3.7%	4.5%
Total Budgeted Expenditures-General Fnd	4.3%	4.7%	2.3%	2.7%	1.6%	3.1%
Property Tax Dollars Raised-Municipal	3.0%	1.9%	3.9%	2.3%	2%	2.6%

<u>Note: In FY16 every 1% increase in the tax rate adds almost 1 cent to the current tax rate and raises an additional $85,000</u>

MUNICIPAL PROPERY TAXES:

For FY 14, Montpelier has the 15th (8th highest in the previous year) municipal tax rate in the state (Barre City, Springfield, Athens, Rutland City, Windsor, Brattleboro, Newport City, Winooski are higher). When the education tax rates are included in the total, Montpelier has the 21st highest residential tax rate in the state as compared to the 13th highest the previous year.

Our FY15 tax rate increased from $2.4877 to $2.6391 (up 6%). Most of the increase was in the education tax rates. The change in the municipal tax rate was small - only up $.013 (1.3% increase). We had projected a $0.02 (2%) increase at budget time but an unexpected growth in the grand list reduced the impact to taxpayers to half a cent on the tax rate.

For FY15 (second year), a Downtown Improvement Tax rate of $0.0515 was approved for downtown commercial properties.

INFRASTRUCTURE SUPPORT-CAPITAL IMPROVEMENT PROGRAM – Second 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 FY16 as per the "Steady-State" plan.

Preliminary detail for FY16:

Debt Payments	$703,195
Annual Capital Projects	853,109
Equipment	515.000
Total (per Multi-year Plan)	$2,071,304

The CIP committee will meet in October to review the city's capital needs and recommend a plan for FY16 expenditures.

FY 16 NET OPERATING BUDGET

- ASSUME NO GROWTH IN NON-TAX REVENUE
- ASSUME NO GROWTH IN GRAND LIST
- PROJECT PERSONNEL COSTS INCREASE 3.5% (COLA and step increases)
- ASSUME 1.5% INCREASE IN SUPPLIES INCLUDING FUEL COSTS $10,000

Total NET OPERATING BUDGET INCREASES $279,000

SUMMARY OF EARLY PROJECTIONS FOR FY16:

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

Increase in operating – Personnel Costs	$269,000	5.9% increase
Increase in operating – supplies	10,000	1.5% increase in supply costs
Increase in CIP/Equipment/Debt	$166,300	CIP planned increase

Total increase in General Fund Budget $445,300 3.8% of FY14 Exp Budget

To fund this $445,300, the property tax rates would increase 5.2 cents which is a 5.3% increase (3.5% before CIP increase)

EXPENSE TRENDS/PROJECTIONS - Details

Consumer Price Index – The Consumer Price Index: August 2014 was 1.3% higher than August 2013 although the average for the first half of 2014 was 1.6%.

Personnel Cost Projections: Only the DPW contract is settled for FY16 and it has a range of 1.5% to 2.5% Cost of Living Adjustments depending on Northeast CPI ratios. We hope to have the Police Union contract completed soon. The Fire Union and Personnel Plan have not yet been negotiated/determined. I will assume 2% Cost of Living Adjustments for projection purposes. When I add steps, staffing adjustments, the total salaries and wages will increase approximately 3.5%.

City-wide this means a $220,000 increase in employee wages. When I add the FICA/Medi, Workers Compensation and Pension costs, this number increases to $266,000

Other Employee-related increases:

Increase in VMERS Employer Contribution	$8,000	
Health Insurance (11.5% rate increase)	$100,000	
Subtotal Projected Other Employee-related Increases		$108,000
Total Projected Employee Wages and Benefit Increase		$374,000

The General Fund has 72% of Employee Salaries. Therefore, $269,000 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. Based on the current schedule, our insurance options will not be affected until the single-payer system is introduced in January, 2017.

BlueCross BlueShield health is increasing our 2015 insurance premiums by 14.5%. The city's employee health insurance committee has agreed to implement a wellness program which will bring our premium increase down 3% to 11.5% for the 2015 calendar year.

Supplies and Vehicle Fuel Costs – UP 1.5% increase of $10,000 – Early Estimate

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.   Energy conservation improvements were made to City Hall back door in FY14.

Todd Law, Director of Public Works will provide projection for energy costs for FY16.

The Street Light Committee has proposed a plan for new energy-efficient street lighting and a reduction in the number of street lights. As of June 2013, all of the street lights that can be upgraded have been changed. The only remaining non-LEDs are 4 flood lights and the T &C underground lights for which we have no substitute. The City's Green Mountain Power lease for street lights will have to be re-negotiated to achieve the financial benefit of the energy-conservation improvements.

Grant Revenue –
Montpelier continues to receive state and federal funds for capital improvements, flood damage, the transit center and the bike path projects. The police and dispatch operations also have received substantial grants for communications equipment.   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 "develop a multi-year plan to achieve a minimum unassigned fund balance equal to 15% of the budgeted General Fund expenditures." As of June 30, 2013 the unassigned fund balance was 6.4% ($713,077/$11,110,028) of the budgeted expenditures. It appears that the General Fund may have a $112,000 surplus in FY14. Therefore, our unassigned fund balance is projected to increase to $825,000 which is 7.2% of the budgeted General Fund expenditures. The FY14 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 FY16 and beyond.

MEMO

To: Bill Fraser, Montpelier City Manager
From: Montpelier Community Fund Board
Date: 9/16/14
Re: Appropriation Request for FY16

Bill,

The Montpelier Community Fund Board met last night and voted to request a Community Fund allocation of $118,000 for the coming year's grant cycle (FY16). This is the same amount as was allocated for the current year. The Board is not seeking an increase.

Please let us know if this item can be placed on the upcoming agenda so that representatives from the Board can be on hand to answer any questions the Council may have.

Many thanks,
The Montpelier Community Fund Board:

Beth Boutin
Julie Hendrickson
Bernie Lambek
Eliza Leeper
Ron Wild

Minutes of the Montpelier City Council Meeting
October 8, 2014
City Council Chambers

In attendance: Mayor John Hollar, Councilors Tom Golonka, Justin Turcotte, Thierry Guerlain, Dona Bate, Jessica Edgerly Walsh and Anne Watson. City Manager William Fraser was in attendance. Deputy City Clerk Crystal Chase served as Secretary of the meeting.

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

14-223. Approval of agenda passed unanimously after being moved and seconded by Councilors Guerlain and Bate respectively.

14-225. Motion to approve Consent Agenda was made by Councilor Guerlain, seconded by Councilor Edgerly Walsh; motion passed unanimously

14-226. Ed Larson was seeking reappointment and the motion to appoint him for another term was made by Councilor Watson and seconded by Councilor Guerlain; passed unanimously.

14-227. Paul Carnahan from Montpelier Alive spoke about the survey responses that had come in regarding the parklet, noting that people seemed to be split with 45% saying they didn't think the parklet benefited the city, and 55% believing it did. Most negative responses where directly related to the loss of the parking spaces. He noted that they were exploring other options with putting them off-street rather than in parking spaces. Councilor Watson questioned if involving the design review committee should be in the approval process. Council Member Golonka thought adding the design review was an appropriate step. Councilor Edgerly Walsh was concerned that since Positive Pie had already been through all the hoops and was approved for their parklet that adding this step (and the possibility of them not getting approved by design review) would be unfair. Councilor Guerlain said that he believes how it looks is really important, and should be done to a certain standard. Councilor Turcotte thanked everyone involved for their work. Resident and down town business owner Cindra Conison addressed the council with her displeasure with the parklets using vital parking spaces. Jay White from the Design Review Committee took a moment to note that going through design review doesn't have to be a hurdle or negative thing. He noted that there are formal and informal meetings and if people wanted to have informal meetings, where no final "yes" or "no" decision has to be made, it could be very helpful to applicants. Councilor Watson suggested that going forward they ask/suggest that everyone meet with design review including VTC since they are going to be moving the location of the parklet to another area. The council all agreed that this was a proper request.

14-228. The Council received a Parking Committee update from Michael Clasen, Brain Cain, and Nolan Langweil. The Parking Committee was asking for a reconsideration of the State

Street parking plan. Councilor Bate thought it would be a good idea to hold off on the final decision and have a bigger “Transportation committee” created with all subcommittees involved so they could all come together and figure things out collectively. Councilor Guerlain voiced his concern for holding off and delaying the decision. Bill Merrilees spoke to the council about the importance of creating good bike routes and bike lanes by using “sharrows” and putting in bike lanes where they fit. He also thought that getting all the committees together was a great idea. David Ellenbogen, President of the Pedestrian/Bicycle Coalition voiced his concerns with only using sharrows and one way bike lanes. He is afraid that the lack of safety from not have full bike lanes would deter some “would be” bikers from doing so. He also noted that encouraging these “would be” bicyclists could ease the downtown parking pressure. Councilor Watson, along with Councilor Edgerly Walsh, voiced support for creating the transportation committee. Councilor Golonka strongly urged reconsideration while Mayor Hollar felt they needed to make a decision and move forward with the project. While he thought adding parking was important he thought it went against the vision for this area. Councilor Bate disagreed by noting that the state house is a number 1 tourist spot and there needed to be parking around it. She agreed this needed to be revisited and suggested that the Council direct staff to have these 5 or 6 related committees come together.

Brian Cain spoke about the coach bus parking issues in town, noting they did help the situation this year by getting some designated bus parking areas out there, but noted that they still needed more. They are exploring the outside perimeter areas and suggested that the city get a page on the web site to provide bus drivers with information and directions as to where to park because that was a number one complaint of company’s who will not come into Montpelier.

Police Chief Facos gave a brief update on the smart meter pilot program noting that all agreements for the trial have been signed. Councilor Guerlain voiced his opinions of the single street meter as being archaic, asking why Montpelier couldn’t use more of the kiosk machines to de-clutter the streets. Kevin Casey stated that single pay creates more turnover, better management and easier enforcement. Mayor Hollar mentioned that Burlington was in process of adding kiosk machines on their streets, and it seems like a good idea. Councilor Watson asked that they come back after the smart meter pilot evaluation was complete to compare with some of Burlington’s kiosk data.

Michael Clasen addressed the council on the Winter Parking ban issues. They are currently talking to business owners with off street parking trying to make agreements with them as well as possibly trying to come up with a pilot proposal to allow parking on the north side of Barre Street from the Catholic Church down to Sibley Avenue.

14-234. Councilor Bate moved that the Council adopt the proposed resolution to save antibiotics for medicine. Councilor Turcotte, through his experience with raising pigs, added that with proper care and using best practice there should be no need to use antibiotics. Karl Martin, Page Guertin, Melissa Moon, and Seth Collins all voiced their support to the council. Councilor Turcotte suggested that they strengthen the motion by including "let it be further resolved that Montpelier supports the Prevention of Antibiotic Resistance At (PARA S. 1256) and the preservation of Antibiotic for Medical Treatment Act (PAMTA H.R.1150). And be it further resolved that Montpelier will send a letter to the Vermont's Congressional delegation call for a ban on the nontherapeutic use of antibiotics in livestock agriculture and their support for PARA/PAMTA." The Turcotte motion was accepted and seconded by Councilor Bate. The vote was unanimous in favor.

14-229. Councilor Watson- Recused herself for the discussion regarding the upcoming School Board FY16 budget process. Ken Jones was present to discuss the issue.

Mayor Hollar suggested that they focus on the growth of per pupil spending, as it had gone up substantially. Councilor Golonka suggested looking at more collaboration and shared resources with U-32. Councilor Guerlain asked that they take an "end goal" approach by setting a target, then looking at the necessary give and take to meet it. Resident Chris Curtis brought up the fact that Union school is bursting at its seams with a 33% increase in enrollment and urged the council to think ahead as this big bubble of students will be eventually moving along up the system. He also noted that there is a $25,000 match grant available for Union's playground, which is in need up some upgrading, asking that they advise the School Board do what they can to capitalize on this. Councilor Edgerly Walsh expressed her feelings on how important the quality of education is and how seriously it is taken. She suggests that they look at the breakdown of the costs and weaknesses, and look for what is driving the increases. Mr. Jones noted that 80% of the budget is personnel.

14-230. Assistant Manager Jessie Baker addressed the council on the topic of bringing Recreation Department management under the City's purview, stating that If the Council really wanted to have this happen as part of a bigger plan, then she would look at the steps involved on how to make it happen - but her opinion is that it is not worth the time and effort to do this just for the sake of simply doing it. Mayor Hollar asked if she had a sense of the savings. Baker said she could see no real dollar savings but perhaps more efficient departments with sharing resources. Councilor Turcotte questioned if there were already collaborations between the departments. City Manager Fraser noted that when asked to, they do/will work well together but currently operate independently. Sandy Gallup, Finance Director, noted that this would be a huge undertaking and would require a lot of focus and time. Mayor Hollar asked about the impact on staff, worrying that addressing this one task may take away or move other priorities back. Councilor Edgerly Walsh said while she does believe this is a smart idea, she feels that with everything else that they want to see happen it would be wise to push this timeline back so they can get other tasks off their table before adding this one. Councilor Golonka noted that this was a goal of the council almost 10 years ago, as well as being a priority in the Matrix report, and would still like the Assistant Manager to come back January with a plan. Councilor Turcotte also expressed his concern for the Assistant Manager's time and worried about compromising other tasks to get this done by January. Ms. Baker agreed that it would take an incredible amount of her time, but added that she would make it happen if it was the Council's wish.

Councilor Turcotte made a motion to push back the timeline 6 months to give ample time. This motion was seconded by Councilor Bate. The motion carried 4-2, with Councilors Guerlain & Golonka opposed.

14-231. Finance Director Sandy Gallup reviewed the budget calendar. There was a brief discussion before Councilor Edgerly Walsh moved for approval. Motion was seconded by Councilor Turcotte and passed unanimously.

14-232. The Council considered a funding request to continue a Technical Feasibility Assessment for a parking structure in downtown Montpelier. Planning Director Mike Miller gave a quick rundown on what is in place and what they were still working on. He thinks that this feasibility assessment would be a great asset so the city will know whether the site will even work, before spending more time and resources on trying to secure it. Councilor Golonka stated he was not in favor of the general idea of building a 7.5-10 million dollar structure that the City cannot afford. He thinks that before moving forward the City should be looking for resources and partners to help fund it. Mayor Hollar agreed with Mr. Miller that they should determine if it's even feasible before looking for funding partners. Councilor Guerlain also voiced his support of the request. Councilor Edgerly Walsh moved to approve the request, seconded by Councilor Guerlain. Motion carried by a vote of 4-2, with Councilors Bate and Golonka opposed.

14-233. The Council opened a public meeting to discuss the Vermont Transportation alternative Grant Application due October 16, 2014. Planning Director Miller explained that this is an effort to limit the exposure of the costs involved to taxpayers for the purpose of exploring the feasibility. This would be a 3-year, $300,000 grant which requires a 20% ($60,000) match which would go into next year's budget. If it is found the project should not go forward for any reason, the City can simply not sign the grant and no money will have been spent. Councilor Edgerly Walsh moved to give the go ahead for the grant application, seconded by Councilor Watson. Motion passed unanimously.

14-236. Councilor Bate thanked everyone involved in the community meeting that was held about parklets. She also wanted to give thanks to Matt Dwyer, the owner of the building on School Street, for being a responsible owner and having the new brick work done and repaired.

Councilor Turcotte noted he would be attending the VLCT meeting that was scheduled for the next day. He also put thanks out to the road crew and all involved for the road work that was done to Judson Drive and Cherry Avenue. He also wondered if a small sign could be created to hang on the public microphone at Council meetings welcoming people and reminding them to introduce themselves and speak into the mic so the Council wouldn't have to continually remind people and make them lose their focus up there.

Councilor Golonka mentioned that the Public Safety Authority meeting was the next day and that they were still waiting on a vote from Barre Town. He also gave a heads up to the council that once the committee is up and running they may need to ask for money for staffing to get them through the first year.

Councilor Watson spoke of some confusion relating to a possible vacancy for her seat, but indicated she does plan on running in March. She noted that she loved the branding that was brought forward a couple of weeks ago. She reported that the Solar Subcommittee met and interviewed the three finalists and will soon have recommendation for the Council.

14-237. Mayor Hollar echoed Councilor Turcotte in saying that the road work that has been done looks great.

14-239. City Manager Fraser mentioned the VLCT town fair happening tomorrow and thanked Councilor Turcotte for going and voting on the city's behalf.

Motion to adjourn was made by Councilor Edgerly Walsh and seconded by Councilor Bate. Motion carried unanimously at 10:22pm.

Request for Proposals				10/17/2014
Terrace Street Culvert Replacement				
Rank	Company	Cost	Hours	Average Score*
1	DuBois and King	$37,129.00	466	86
2	Dufrense Group	$22,750.00	183	84
3	Weston and Sampson	$26,829.00	224	68
4	Green Mountain Engineering	$37,912.00	281	61
5	Otter Creek	$24,000.00	260	55
* Average Score was computed using the scores from three evaluators				