



***CITY OF MONTPELIER
MONTPELIER, VERMONT***

Agenda for **SPECIAL** City Council Meeting

City Council Chambers, City Hall

Thursday, January 24, 2013

6:30 P.M.

THIS MEETING IS BEING HELD ON A THURSDAY DUE TO THE STATUTORY REQUIREMENT THAT ACTION, ON SOME OF THE FOLLOWING AGENDA ITEMS, IS REQUIRED 40 DAYS PRIOR TO TOWN MEETING

- 1) Call to Order by the Mayor
- 2) 13-027. General Business and Appearances
- 3) 13-028. Consideration of the Consent Agenda:
 - a) Consideration of the Minutes from the City Council's Meetings on December 18th, 2012; January 2nd, 2013; and January 9th, 2013. 
 - b) Approval of Payroll and Bills
- 4) 13-029. Appointment(s) to Montpelier's Conservation Commission. 
 - a) Both Christopher Hilke's and Erik Esselstyn's terms expire this month; Erik has chosen to resign. Staff advertised and only received a response from Christopher who wishes to be reappointed.
 - b) Recommendation: Reappoint Christopher Hilke to another 2-year term which will expire in January, 2015; direction to staff regarding the remaining vacancy.
- 5) 13-030. Further discussion regarding the Downtown Improvement District that the Montpelier Alive Board of Directors has formulated. 
 - a) This item was on the Council's January 9th agenda. After a lengthy discussion, Council voted to table the item until the next meeting. Mayor Hollar noted "that it wouldn't be necessary to return with dramatically increased details on the potential implementation, but that a couple more weeks of communication between Montpelier Alive and potential stakeholders would be positive."

- b) Recommendation: Opportunity for further discussion and public input; direction to staff as necessary.
- 6) 13-031. Receive, review and approve any Petitions filed for inclusion on the March 5th, 2013 Annual City Meeting Warning.
- 7) 13-032. Conduct Second Public Hearing on Proposed FY14 Municipal Budget
 - a) The City Manager presented a recommended budget on December 12th, 2012. The Council conducted “budget workshops” as part of their meetings held on December 18th, 2012, and January 2nd, 2013.
 - b) Council held the First Public Hearing on January 9th.
 - c) The proposed budget requires a two cent increase in the municipal tax rate (two cents for Capital Projects and Equipment Purchases).
 - d) Recommendation: Conduct the Second and Final Public Hearing; provide direction to staff as necessary.
- 8) 13-033. Consideration of a Necessity Resolution for the financing of sidewalks, retaining walls and storm drains and culverts in an amount not to exceed \$710,000. 
 - a) This Resolution and the following Resolution were on the Council’s January 9th agenda; because the “language” was not available for their review, action on these items was tabled until this meeting.
- 9) 13-034. Consideration of a Necessity Resolution for the financing of sewer line improvements in and around River Street in an amount not to exceed \$670,000.
- 10) 13-035. Conduct Second Public Hearing on Warning for the March 5, 2013 Annual City Meeting. 
 - a) Council conducted the First Public Hearing on January 9th, 2013; this hearing is the deadline for all petitioned ballot items.

b) Recommendation: Conduct the Public Hearing; approve final Warning for presentation to voters.

- 11) 13-036. Reports by City Council
- 12) 13-037. Mayor's Report
- 13) 13-038. Report by the City Clerk
- 14) 13-039. Status Reports by the City Manager
- 15) 13-040. Agenda Reports by the City Manager

Adjournment

From: "Condos, Jim" <jim.condos@sec.state.vt.us>

Date: January 23, 2013, 5:48:34 PM EST

To: "jhollar@montpelier-vt.org" <jhollar@montpelier-vt.org>, "thooper@montpelier-vt.org" <thooper@montpelier-vt.org>, "awatson@montpelier-vt.org" <awatson@montpelier-vt.org>, "aweiss@montpelier-vt.org" <aweiss@montpelier-vt.org>, "tgolonka@montpelier-vt.org" <tgolonka@montpelier-vt.org>, "tguerlain@montpelier-vt.org" <tguerlain@montpelier-vt.org>, "atimpone@montpelier-vt.org" <atimpone@montpelier-vt.org>

Cc: William Fraser <WFraser@montpelier-vt.org>

Subject: Letter regarding Budget for January 24th meeting

Bill Fraser...

I am unable to attend the Thursday January 24th Budget meeting as I will be in Washington DC for a National Association of Secretaries of States conference. I ask that you insure the City Council receives a hard copy at the meeting and that this letter be read into the record.

Thanks, Jim

Dear Montpelier City Council,

As a former 18 year city councilor, and an 8 year state senator, I am well aware of the need for essential public services. Citizens across Vermont expect their city and town government leaders to protect them; and that is accomplished by providing quality police, fire and public works services.

The City Council is proposing to cut one firefighter and despite what you hear, this will impact response times to you, your loved ones, your friends, your neighbors, and the City's businesses. This past year there were at least 300 calls that came in while the dept was already on a previous call – almost 1 per day! This means that a fire/ambulance equipment needed to be dispatched from a nearby town – delaying the critical response for the second call.

Here are the FACTS:

- A fire DOUBLES in size every minute!
- A heart attack victim's chance to live is REDUCED by 10% for every minute of delay.
- Initial call response time is a very reasonable 4-5 minutes.
- Second call response times will increase to over 10 minutes
 - A heart attack victim's chance to live is reduced 50-60%.
 - A house could be fully engulfed
- Montpelier Fire Department fire/medical calls have INCREASED by an average of 3% per year!
- Over the last several years, the fire department has seen a continued EROSION of personnel!
- Fire Department staffing is already at the LOWEST in its history!

This staffing reduction is gambling with our safety - I ask the City Council to be reasonable, thoughtful, and responsible by protecting our essential public services.
Reinstate the cuts for our safety!

Jim Condos, Secretary of State
Montpelier
802-238-3809 cell





OFFICE OF THE CITY MANAGER
City Hall - 39 Main Street, Montpelier, VT 05602
Telephone: (802) 223-9502
Fax: (802) 223-9519
E-Mail: wfraser@montpelier-vt.org

January 8, 2013

The Times-Argus

Please insert the following with City of Montpelier notices on Thursday, January, 10th.

CITY OF MONTPELIER
Conservation Commission Vacancies

The City of Montpelier is looking for citizens interested in filling two, 2-year seats; said terms will expire in January, 2015. Letters of interest and/or resumes should be submitted to the Office of the City Manager, City Hall - 39 Main Street, Montpelier (or by e-mailing spitonyak@montpelier-vt.org) by noon on Thursday, January 17th. The City Council will make these appointments at their meeting on Thursday, January 24th, 2013; 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. Questions should be directed to Commission Chair Roy Schiff: 223-7214.

William J. Fraser
City Manager

Sandy Pitonyak

To: 'christopherjhilke@gmail.com'; 'Erik Esselstyn'
Cc: Audra Brown; roy.schiff@aya.yale.edu; roy.schiff@aya.vale.ada
Subject: Terms Expiring This Month

Hi Chris and Erik ...

Your terms expire on the 20th. I have attached the ad that will go in this Thursday's Times-Argus. If you would like be reappointed, please just respond to this e-mail with a brief note.

Thank you ...

Sandy Pitonyak

Administrative Assistant to the City Manager
City Hall - 39 Main Street
Montpelier, VT 05602
Telephone: (802) 223-9502
FAX: (802) 223-9519
spitonyak@montpelier-vt.org

Sandy Pitonyak

From: Chris Hilke [christopherjhilke@gmail.com]
Sent: Tuesday, January 08, 2013 12:58 PM
To: Sandy Pitonyak
Cc: Erik Esselstyn; Audra Brown; roy.schiff@aya.yale.edu; roy.schiff@aya.vale.ada
Subject: Re: Terms Expiring This Month

Hi Sandy,

Thanks for the heads up. I would very much like to continue serving on the MCC. Roy's able leadership has brought a boost of energy to the committee that increases the degree of satisfaction from participating.

Cheers,
Chris

Sandy Pitonyak

From: Erik Esselstyn [erikess@comcast.net]
Sent: Thursday, January 17, 2013 5:03 PM
To: Sandy Pitonyak
Cc: roy.schiff@aya.yale.edu
Subject: Re: Conservation Commission

Hi Sandy,

A bit chagrined that last week's email to you and Roy about my resignation did not come through. I attended the last MCC meeting and discussed my tenure and wish to resign at that time. The MCC brims with new energy and focus and I'm sure you will find others eager to serve.

My warm best, Erik

Erik Esselstyn
2850 Route 14 N
Plainfield, VT 05667
802-454-7306

erikess(at)comcast.net

From: [Sandy Pitonyak](#)
Sent: Thursday, January 17, 2013 11:21 AM
To: [Erik Esselstyn](#)
Subject: Conservation Commission

I need to get an e-mail from you today, Erik, if you'd like to be reappointed to the Conservation Commission. Thank you ...

Sandy Pitonyak

Administrative Assistant to the City Manager
City Hall - 39 Main Street
Montpelier, VT 05602
Telephone: (802) 223-9502
FAX: (802) 223-9519
spitonyak@montpelier-vt.org

To: Mayor Hollar, Montpelier City Council
cc: Area Businesses

As I am not certain that I can make tomorrow's Council meeting, I wanted to send this prior and allow anyone who has any questions an opportunity to ask them.
Please don't hesitate to contact me by email or phone.
I am in the office this afternoon and expect to be Thursday. 229-5711

Below and attached are comments / testimony outlining the Central Vermont Chamber's opposition to the proposed Downtown Improvement District ballot issue. We applaud the objectives, but we reiterate our opposition to local option taxes.

To: Mayor Hollar and Montpelier Council
From: George Malek, Central Vermont Chamber of Commerce
Date: January 23, 2013
Re: Proposed Downtown Improvement District

While the Central Vermont Chamber of Commerce supports downtown improvements and encourages local marketing and visitor outreach, it does not endorse the improvement district ballot item. The vast majority of marketing and promotion is voluntarily funded by those who believe they will benefit, directly or indirectly, from their participation. Those who are spending their own money tend to receive far more value for their dollars than those who are spending someone else's money. Contributions to such programs should be voluntary, not mandatory.

In general, the Chamber is opposed to local option taxes – additional taxes approved by voters to tax something other than their own property. Quite simply, it is far easier for voters to approve a tax that many of them will not be required to pay.

The State of Vermont not only granted municipalities the right to tax property, but they continue to make it by far the most attractive, most efficient way for municipalities to raise funds.

If council believes these downtown improvements are a benefit to residents, and if council believes marketing will pay dividends to the general citizenry, then the monies should come from the general appropriations of the city or be placed on the ballot as a special item to be funded by additional citywide property taxes.

The above paragraph should NOT be construed as an endorsement or recommendation for such action. The Chamber does not encourage or endorse the ever-widening the scope of government involvement. It does, however, see an appropriation from citywide property taxes as more responsive to and more reflective of overall voter support than taxing a select few.

As noted, the State of Vermont continues to make property taxes the most efficient means of raising municipal funds. The most vulnerable are exempt from property tax increases, and homestead taxes are "income sensitive." The unpaid portion of citywide taxes on these property owners are, in fact, paid to the city by Vermont's general fund.

There is no income sensitivity or means testing for commercial property owners.

A reasonable estimate suggests that if Montpelier residents approved a \$75,000 increase in citywide taxes, residents would actually be responsible for something just above \$50,000. The remainder would come from the state's general fund.

The Chamber agrees with the concept, we cannot agree with the proposed method of raising the funds. Please do not hesitate to call for clarification or to ask any questions: 229-5711.

We appreciate your thoughtful consideration of these issues.

Thank you.



CITY OF MONTPELIER, VERMONT

- THE SMALLEST CAPITAL CITY IN THE UNITED STATES -

Mayor John Hollar

City Council:

Tom Golonka
Thierry Guerlain
Andy Hooper
Angela Timpone
Anne Watson
Alan Weiss

William Fraser,
City Manager

MEMORANDUM

To: Mayor Hollar & City Council Members

From: William Fraser, City Manager

Re: Budget and Tax Rate Information

Date: January 18, 2013

The following chart shows the various budgets and tax rates as per current proposals. The ballot item line includes the additional \$14,498 for the Library (\$308,473 total), \$40,000 for the GMTA circulator bus and \$56,669 for the Firefighter petition. We are not aware of any other money item petitions being circulated so this should represent the highest tax rate scenario.

Tax Rate	FY12	FY13	FY14		
City	\$0.81	\$0.84	\$0.86	\$0.019	2.3%
Recreation	\$0.07	\$0.07	\$0.07	\$0.000	0.0%
County	\$0.01	\$0.01	\$0.01	\$0.001	8.9%
Ballot Items (Lib, GMTA, Fire)	\$0.04	\$0.04	\$0.05	\$0.008	20.7%
Municipal Sub Total	\$0.93	\$0.96	\$0.98	\$0.028	3.0%
School - residential	\$1.30	\$1.31	\$1.44	\$0.130	9.9%
School - non residential	\$1.38	\$1.40	\$1.43	\$0.032	2.3%
Sewer/CSO Benefit	\$0.09	\$0.09	\$0.09	\$0.000	0.0%
Total Residential	\$2.32	\$2.36	\$2.51	\$0.158	6.7%
Total Non-Residential	\$2.40	\$2.45	\$2.51	\$0.060	2.5%

The School Board has chosen to propose only one bond for \$2.3 million. As I understand it, this bond includes internal heating system and roofing work at Union Elementary School as well safety items at all three schools. Consistent with new state law, the School Budget will be broken into two votes.



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Mayor John Hollar

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Tom Golonka
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Andy Hooper
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Anne Watson
Alan Weiss

William Fraser,
City Manager

MEMORANDUM

To: Mayor Hollar & City Council Members

From: William Fraser, City Manager

Re: Petition for Fire Department Funding

Date: January 18, 2013

I have received many questions about a petition being circulated by the members of Montpelier Firefighters Local 2287 and the Professional Firefighters of Vermont. The petition is worded as follows: "Shall the registered voters of the City of Montpelier, appropriate an additional \$54,669.00 (cut by the City Council) into the Fire Department budget for the sole purpose of retaining the Full-Time Firefighter/EMT position in an effort to maintain the current safety and staffing levels?"

As history, a comparable petition for \$85,145 was circulated by the Fire Union and placed on the ballot in 1996 after a proposed budget reduction. The article passed 1,538 to 1,093.

- If the petition is submitted with sufficient certified signatures and the appropriation of funds is for a legitimate action within the city government's scope (which this is), the article must be placed on the ballot.
- The council may choose to add its own parenthetical statement. In 1996, the Council added : "(By Petition. This article was proposed by members of the fire department union, This amount would be in addition to the \$984,156 budgeted for the fire and ambulance department. Because matters related to personnel are by law assigned to the City Council and collective bargaining, the provision relating to staffing levels in the fire department is non-binding and will be considered advisory only.)"
- Once the petition is filed with the signatures of the requisite number of registered voters, it cannot be withdrawn by any group who may have circulated the petition. The petition is presumed to speak for all of the signatories, not just the organizers.
- If the article is passed by the voters, the sum of money named (in this case \$54,669) must be added to the tax levy, appropriated into the city budget and added, specifically, to the

fire department budget. The sum of money may not be directly re-allocated for other purposes.

- Title III, Section 1 of the City Charter states that “The administration of all fiscal, prudential and municipal affairs of the city and the government shall be vested in the mayor and council members, subject to the provision herein contained respecting a city manager.”

Title IX, Section 3 of the Charter states that “..the council may add or increase budget programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for fixed debt service requirements.”

Title X, Section 6 (b) of the Charter states that the city manager “shall exercise administrative control over all departments herein created or that may be created by administrative codes.” Section 6 (c) states that the city manager “shall make all appointments and removals as provided on this charter”. Section 7 says that “the city manager shall make the following appointments:...and such other officers and subordinate officers as may be required by law, by this charter or by the city council.”

- To summarize the above - because the article relates to the operations of a city department, as opposed to an appropriation for a specific agency or project, the expenditure of these funds is under the management of the Council and Manager. The ballot article appropriates money to a department but does not alter the administrative discretion of city officials. The Council and Manager can choose whether to authorize an additional position and the Manager can choose whether to fill any vacant positions. The Council has the discretion to alter the city or department budget before finalizing the ballot article for that budget.

Given the above factors, the options for addressing this petition should it be submitted are as follows:

- 1) Place the item on the ballot as submitted with or without a parenthetical explanation.
- 2) Consider whether to adjust the city budget on the ballot by \$54,669 as a result of the petition.
- 3) If the fire department budget is reduced by \$54,669 and the ballot article passes, maintain the present plan of operation since the funding will be as currently planned
- 4) If the budget is reduced by \$54,669 and the article fails the choices are to reduce the fire department budget by an another \$54,669, identify \$54,669 in other reductions within the city budget to make up for this additional fire department cut, cover the difference with fund balance for this year and operate as presently planned or some combination of the above.
- 5) If the budget is not reduced and the petition passes the funds would be added to the tax rate (approximately 0.65 cents). A fire department position could be restored or the position could be left vacant and the department operated according to the current plan.
- 6) If the budget is not reduced and the petition fails, the budget remains as currently proposed by the council.

**Minutes of the Montpelier City Council Meeting
December 18, 2012, 6:30 PM
City Council Chambers, Montpelier City Hall**

In attendance: Mayor John Hollar (presiding), City Manager Bill Fraser, City Councilors Andy Hooper, Angela Timpone, Thierry Guerlain, Alan Weiss, Anne Watson, and Tom Golonka. City Clerk John Odum acted as Secretary of the Meeting.

The Mayor called the meeting to order at 6:32PM and thanked the Council for its flexibility in rescheduling the meeting.

- 12-306. Marge Power rose to speak about the Senior Center budget, expressing concern that budgetary needs relating to the new facility may merit particular consideration by the Council.

John Bloch rose to comment on consent agenda item (c), characterizing it as “giving Sovernet a subsidy.” He shared his opinion that their request was inappropriate.

Mary Alice Bisbee, a former Board member of the Senior Center, asked that the Council approve the Senior Center budget. She added that she would prefer the Senior Center be un-attached from the city and be an independent entity. She also believes that the Council should re-orient itself towards those 60 and above. She also objected to changes to the mission statement specifying the Center’s service to Montpelier.

Jane Kast spoke in favor of the Senior Center budget, but is also concerned about tax rates and would like to see the Senior Center’s increase be offset elsewhere in the budget.

Jane Osgatharp also spoke in support of the Senior Center budget, noting the benefits beyond the individual seniors.

Esme Sobel empathized with the challenges of building a budget before speaking in support of the Senior Center budget, characterizing it as part of a greater community health and wellness strategy.

Samara Mays, Director of the Children’s House on Barre Street, spoke supportively of the GMTA circulator. Councilor Weiss raised a point of order, given that the subject was a pending agenda item. Mayor Hollar allowed for the comment at the time, prior to the agenda-driven discussion.

- 12-307. City Manager Fraser noted item (c) of the Consent Agenda, given that Mr. Bloch had risen in opposition. Fraser indicated he did not believe it constituted a subsidy, as it had been characterized. Todd Law rose and introduced Karen Kotecki of Sovernet (contractor) who explained that Sovernet did some work in

Montpelier this last year attaching some hardware/fiber to poles, and the item was a simple permit for the anchors, to facilitate the procedure (part of a federal grant to deploy high speed internet).

Councilor Hooper moved approval of the consent agenda, seconded by Councilor Watson.

John Bloch shared his view that the staff time spent on the Sovernet project constituted a subsidy. Mayor Hollar countered that any time anyone wants to do business in the city; it would attach city staff time. Mr. Bloch rejected the comparison.

The motion passed 5-1 at 6:50PM, with Councilor Weiss voting nay.

Passage of the consent agenda provided approval for the following corrections to the 2012 Grand List (errors and omissions) as requested by the Assessor's Office (items below designate the property owner, parcel number, listed value, corrected value, and the reason for the change):

1. Back, Katie, 801-285000, \$2,000, \$0 - Duplicate entry under owner & business name, *Balance of Being*.
2. Black Sheep Books, 801-003000, \$912, \$0 - Business closed.
3. College Hill Psychiatric Svcs, 801-203000, \$2,880, \$0 - Business closed.
4. Fig Rig Web Crafters, 801-162000, \$1,728, \$0 - Duplicate entry under owner & business name, *Carter Stowell*.
5. DeLage Landen Operational Svcs, 800-750000, \$123,680, \$109,788 - Incorrect listing of equipment leased to Northfield Savings Bank which was not located in Montpelier.

- 12-308. Meredith Birkett, Harold Garabedian, and Tawnya Kristen addressed the Council on the GMTA bus routes. Birkett was very appreciative that the base support was included in the proposed budget, and then broached the topic of the circulator (circ) bus – noting that it would be a burden to collect the signatures.

At the Mayor's request, ridership and cost statistics were passed out to the Council. Councilor Guerlain asked for clarification on the federal support for the circ. Ms. Kristen indicated that ridership had grown and broadened demographically in the last year. Councilor Timpone asked for and received more detail on the utility of the routes.

Councilor Weiss felt that the ridership was too low to merit the circ's inclusion on the proposed budget and advised that they should work through the ballot process.

Councilor Guerlain had questions about the numbers, and noted he had come up with an average cost per rider of approximately \$8.60, which was distinctly lower than numbers in circulation.

Councilor Golonka expressed concern that other funding sources (CCMTA?) would disappear and that the city would be expected to make up the difference in the future, characterizing it as a “bait and switch.” Birkitt indicated there was no deadline on this funding, but that were statewide benchmarks that could have funding implications.

Garabedian noted that the genesis of the circ was a citizen-driven process, and that GMTA had been approached to implement it.

Councilor Timpone spoke supportively of the circ, but felt that it should be on the ballot given the budget challenges.

Councilor Guerlain wondered if the circ needed to stay free indefinitely. Birkett indicated that comparable routes and services elsewhere were free. She also indicated that many of the grants GMTA receives require local matching funds.

12-309. Councilor Weiss asked for, and received permission to discuss the school resource officer. Weiss questioned whether the city’s share of the position could be transferred to the school budget, where state money could partially offset the costs to city taxpayers. The Mayor concurred that it was a good question, and the City Manager responded that he would have the conversation with the superintendent, adding that it was a topic that had been discussed, and the 50-50 split reflected what they felt was a reasonable split given the duties of the position, but that it was a conversation worth having.

Fire Chief Gowans addressed the Council on the challenges of level-funding the budget, and spoke to the impacts of reducing staffing to what he felt were unprecedented levels, and during a time of increasing demands on the department. He suggested it would impact the department’s ability to respond appropriately to crises, and to manage overtime costs.

Gowans suggested that outreach programs – such as those in the schools and the community – will likely have to be cut as a result of the reduced staffing.

Councilor Guerlain responded that the budget controls were necessary. Councilor Golonka asked if there were other revenue sources that could be examined, and Chief Gowans identified a couple options that had been unsuccessfully pursued in other towns.

Councilor Weiss asked about plans for ambulance billing, and the Chief outlined the options being looked at, and indicated that the future was uncertain, given that the staff may be in flux due to a potential retirement.

Councilor Guerlain wondered about ambulance billing unpaid debt. Gowans did not have specific numbers, but responded it was being looked at. Fraser indicated that some of the unpaid debt was a phantom figure, indicating some monies that perhaps should not have been billed, but were as a matter of bookkeeping.

Councilor Watson wondered whether the average resident would notice the impacts of the proposed staffing reduction.

Jake Larabee, president of the Montpelier Firefighters Union read a statement in strong opposition to the proposed staffing cuts, indicating that the union intended to mount a door-to-door campaign on the issue.

David Beatty asked if volunteer firefighters were an option. Gowans replied that there was a call force they had been working with, but it had not been very successful. He granted that Waterbury had been very successful in recruiting a volunteer force, but that it was a cultural difference. Beatty followed up, asking if the potentially retiring administrative position could be filled by volunteers. Gowans indicated it had not been discussed.

The mayor asked Gowans if he agreed with the statement that response times would be effected. Gowans would not agree or disagree with the characterization (but suggested that second or third calls could conceivably be affected), while City Manager Fraser indicated he would not have been comfortable proposing the budget if it would drastically change the response time.

Larabee noted that he was referring to second and third call impact, and Gowans agreed with the concern.

Councilor Golonka emphasized that the Council was looking to level-fund the budget, rather than cut budgets. He also had questions about budget spending to date. Finance Director Sandra Gallup reviewed the numbers and explained why spending was down as compared to the previous years at this point. Golonka suggested that, factoring those reductions in, that the FY14 proposal could be considered a budget increase in real money. Gowans indicated that some of that difference was sustainable, and some related to the pace of filling vacant positions and the like. Gallup noted the increases in such things as Worker's Comp as an offset. A brief discussion of the city's workers compensation insurance followed.

Councilor Weiss, noted the comment by the union president, and asked about the allowable political activity of the unionized staff. The City Manager indicated there were no limitations on political activity on individuals' personal time.

The Mayor called for a five minute recess. The meeting resumed at 8:05.

Department of Public Works Director Todd Law spoke about the DPW budget, noting its decrease in staffing under the FY14 budget, and expressing concerns about the expected increased workload, given the Council's increased emphasis on road and pedestrian infrastructure upkeep.

Director Law suggested that a mild winter would make for a minimal impact. Councilor Timpone asked in more detail about the impacts of staffing, and probed further about seasonal staffing, external contracting, and potential seasonal staff sharing with the recreation department. City Manager Fraser noted that there is some staff sharing with the cemetery.

At the mayor's request, Law indicated that the position to be eliminated (by not filling a staff vacancy) is a truck driving position during the winter months. He related the challenges under the current staffing.

Councilor Weiss asked about the staff impact of the District Heat project. Law indicated that he, himself was currently the project manager, and that some of his time would be taken up working with the resident engineer the project will need to pick up. He noted that DPW staff would be on call in the case of questions or unanticipated incidents during the district heat construction.

Mayor Hollar noted the tremendous amount of salt the sidewalk plows leave behind. Law replied that the City Manager had brought this to his attention recently. He indicated that the hardware on the salt spreading mechanism left much to be desired.

Councilor Guerlain relayed an email complaint about a sidewalk plow passing by a constituent home repeatedly. He also expressed concerns about the amount of salt in use, suggesting that the driver was not being diligent enough in monitoring it.

Law indicated that he also receives concerns about inadequate sidewalk clearing and salt coverage, suggesting there are two sides to such issues. Councilor Golonka also expressed frustration with the large amounts of salt and the commensurate costs. Law reviewed with Golonka the department's salt monitoring procedure, and the related standards.

Councilor Watson asked if a sand/salt combination would be more appropriate, and noted the potential environmental impacts. Law responded that the sand had a higher environmental impact on regional waterways, while noting that sand was used on back roads as the primary agent.

Councilor Weiss asked the City Manager if any of the staff time costs related to district heat would be reimbursed to the department. Fraser indicated most of them would be.

Councilor Guerlain asked for clarification on where the proposed budget increase targeted for street and sidewalk maintenance is reflected. City

Manager Fraser indicated it was in the capital fund, and that any increases that may appear in departmental budget lines are accounted for in the \$129,000 increased revenue projected. Guerlain further asked about the choices made on the accounting sheets to reflect these numbers. Fraser replied that the approach had been discussed previously, but that the numbers could be displayed differently.

The Mayor asked where the position cut was reflected in the department's budget. Law replied that it was in the DPW street operations budget line.

Councilor Watson asked for clarification about the equipment replacement costs.

The Finance Director took a moment to highlight a fund transfer to the capital improvement fund reflected in the budget book.

Planning and Development Director Gwen Hallsmith discussed the impact of staffing changes proposed for the department. Some of the technological responsibilities will be moved to DPW and IT, while the reduction in the zoning administrator position to half time will have unknown impacts (and Hallsmith indicated she would return to the Council and report if it became untenable).

Councilor Hooper wondered if a half time position would attract qualified applicants. Hallsmith replied that applicants for the full-time position had responded well to the change to part-time, and were still interested in the position.

At Councilor Weiss's question, Director Hallsmith reported that the Building inspector position has been filled, and the department had been working with the state to insure the fees stay in the city. She spoke positively about the new hire.

Director Hallsmith's largest concern was with the loss of GIS expertise in the department.

Councilor Guerlain opined that Director Hallsmith's department seemed to be shortchanging the economic development portion of its mission. The City Manager answered, reviewing some of the city's work to develop the grand list, and referred to the previous Council discussions on the issue which delineated economic and community development tasks in the context of the Council's goals.

Councilor Guerlain indicated he was not seeing "payback" on the efforts. Director Hallsmith countered that the department had brought in grant monies of \$14 million over her tenure, based on what was available. She cited the growth center designation, and the residential tax stabilization work underway – while noting the economic slump since 2008.

The City Manager added that the city has struggles with its role as an economic development engine, and whether it should be primarily supporting the private sector, or directly involving itself. He indicated that the Council could give guidance in this capacity.

Councilor Guerlain reiterated his feeling that economic development is being given insufficient priority, and offered Barre as a positive model.

The Mayor suggested the Council should continue the conversation, but added his own opinion that – as the City Manager had said – the city should play a support role, rather than an active one. At Councilor Guerlain’s questioning, the Mayor suggested that Barre had a more developable downtown. Director Hallsmith also indicated that Barre City was ahead of Montpelier on Tax Increment Financing in light of decisions made not to pursue it by the City Council in the past. City Manager Fraser also noted that Barre put up \$610,000 on their redevelopment.

Councilor Watson asked whether economic development can be addressed with such a large budgetary decrease. Hallsmith indicated that helping to make that budgetary room for the Assistant City Manager would yield dividends in this way.

- 12-310. Councilor Watson expressed her feeling that she was not opposed to providing the Senior Center with their full budget request.

Councilor Guerlain asked for clarification on the coming budget discussion process and schedule. A brief back-and-forth review followed.

Councilor Weiss reported on the Washington County Budget presentation attended by himself and the City Clerk. Tomorrow at 4:30, the Charter Committee will meet to discuss portions of the charter relating to indebtedness and utility rates.

- 12-311. The Mayor reported that he and the City Manager met with the VTRANS Director on the bike path and received a status report. He indicated it was likely that the project would be approved in a modular way, allowing the City to go forward on its segment before concerns in other towns’ segments are worked out.

On the Carr Lot, the Mayor indicated that discussions continue with the lot owner.

Councilor Guerlain moved for adjournment, and Councilor Hooper seconded. The motion passed unanimously at 9:17PM.

**Minutes of the Montpelier City Council Meeting
January 2, 2013, 6:30 PM
City Council Chambers, Montpelier City Hall**

In attendance: Mayor John Hollar (presiding), City Manager Bill Fraser, City Councilors Andy Hooper, Angela Timpone, Thierry Guerlain, Alan Weiss, Anne Watson, and Tom Golonka. City Clerk John Odum acted as Secretary of the Meeting.

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

- 13-002. The City Clerk noted that the previous meeting's minutes were not available, as an edit needed to be made. Councilor Hooper moved approval for the remaining items on the Consent agenda and Councilor Timpone seconded. The motion passed unanimously and without discussion at 6:31 PM.
- 13-003. City Manager Fraser reviewed the pending city citizen survey, using the previous survey in 2009 as an example. Councilor Weiss spoke positively about the past surveys. Councilor Timpone asked questions to ascertain the purpose and functionality of the survey.
- Councilor Guerlain asked about the relationship with Berlin in regards to the sewer system, and how their payments relate to the infrastructure maintenance.
- Police Chief Anthony Facos briefed the Council on the proposed FY13 budget. He addressed the challenges of the proposed staff reduction, particularly in relation to special events. He also spoke about the proposed changes in parking permit and lot rates which would bring the parking portion of the budget out of the red.
- Councilor Weiss has questions about how the School Resource Officer position is funded. He also questioned the workload and budget for the position, given the school calendar.
- The City Manager responded that half the budget for the position is billed to the school – and that it is a negotiated amount, in the context of their other budget challenges. He also expressed his view that the position supports the school and the greater community. Finally, he noted that the incoming Resource Officer was of the same rank as the outgoing one.
- Chief Facos added details on the partnership with the school district, as well as the specific expertise of the incoming officer. He also advocated for keeping the current funding relationship to firmly establish the officer as a Police employee who answers to the Police Department, rather than the school. Facos added that he felt an SRO was appropriate and necessary for a community like Montpelier.

Councilor Weiss asked whether the current SRO would stay on in a contract capacity, and Facos indicated there would be some overlap – restating his opinion that a 16-officer force was not ideal, but that the force was adapting.

Councilor Guerlain asked if there were other personnel resources available for special events. Chief Facos indicated there weren't, but made a note of the expertise and experience within the department on such events.

On the Parks budget, the City Manager noted that the only change was to craft a caretaker for the house in Hubbard Park, as Geoff Beyer was moving out of the house. The budget envisions renting the house, while paying a salary for a caretaker living on site.

Councilor Guerlain wondered whether police department staffing could be modified to provide more coverage for parking patrols between 4 and 5 PM.

The Mayor noted that the next meeting was a public hearing and invited Councilors to place any major proposed budget changes on the table with that in mind. Councilor Weiss took a moment to discuss the mission of Montpelier Alive and the budget monies and office space used to support the organization. He characterized the focus of Montpelier Alive as too narrow in scope, in terms of area. The Mayor responded that the meeting on the 9th would be an appropriate venue to raise the discussion, and that Montpelier Alive representatives would be in attendance. City Manager Fraser offered details on the geographic range served by Montpelier Alive as relating to the city's official downtown designation.

Councilor Guerlain asked about the responsibility of the City Council for the other budgets which appear before the voters (the Schools and the Recreation Department). City Manager Fraser and Mayor Hollar responded that the roles were distinct, and that there was little to be gained by the Council putting time and energy into the matter.

Councilor Timpone noted that voters keep approving budgets, and that this was evidence that there wasn't broad dissatisfaction with the overall budgets, as some suggest. She further suggested that the distinct budgets and budgetary perspectives between these differing entities was a structural quality of the city.

Mayor Hollar suggested that increasing communication between the city and the school prior to crafting budgets in the future would be prudent, so that the Council could take school cost increases into consideration when it crafts the municipal budget. The City Manager reflected that the two budgets had been more closely rolled out in previous years. Councilor Watson suggested it would be useful to see combined recent budgetary trends.

Finance Director Sandra Gallup directed the Council's attention to data presented in the budget books that compares the recent growth in the school and municipal budgets. Councilor Guerlain expressed concern over the

increasing tax bills. When Councilor Timpone noted that the increasing budgets did not give a clear picture of how individual tax bills have increased (particular given income-sensitivity support from the state), Councilor Golonka expressed his concern that such state support should not be counted on, given the state's own budgetary volatility.

Councilor Weiss spoke out strongly against both proposed bonds, expressing his opinion that the city was too far in debt. Councilor Guerlain and City Manager Fraser briefly reviewed the bonding option for dealing with the city's infrastructure needs, versus a "pay as you go" option. Mayor Hollar referred to a memo authored by Councilor Guerlain reporting that the Capital Improvement Committee recommended the proposed bonding scheme, and suggested in was late in the process to reopen the discussion.

Councilor Golonka insisted that, contrary to the Mayor's statement that no Councilors had objected to the bonding proposal at the time, he did object at the time – but noted that he did not do so in a Council meeting. He then added that he was inclined – but not committed – to supporting these particular bonding proposals.

Councilor Guerlain reviewed the past Capital Improvement Committee discussions in more detail, clarifying his concerns, and adding that a change in direction at this time would not require a wholesale rewrite of the proposed budget, as the Mayor suggested it would.

Councilor Golonka suggested that the city could consider putting off moving on the infrastructure repair question another year, given the likelihood of a large budget request from the schools.

Councilor Weiss reminded the body that he had previously made clear his objection to any additional bonding.

Councilor Guerlain asked the City Manager about the implications of putting off the infrastructure bond decision for an additional year. Councilor Timpone noted that, in her experience, the Council continually has put off needed infrastructure improvements.

Mayor Hollar if there was a specific proposal to amend the draft budget. Councilor Guerlain indicated he was feeling somewhat reassured about the contents of the budget.

Councilor Golonka moved that the Council set the first public hearing for next week with the bond proposal as written to be included on the ballot pending public input. Councilor Hooper seconded. The motion passed unanimously at 8:10PM.

- 13-004. Councilor Weiss commended the Fire Department's response to the fire alarm in City Hall the previous week.

Councilor Hooper related that a lot of people were unhappy about the lack of First Night activities.

Councilor Timpone announced that she will not run for re-election to the Council.

13-006. The City Clerk reported that the City should be receiving two additional optical scan voting machines via the Secretary of State's office (through federal funds) in time for the annual city meeting. He indicated he would refrain from a formal announcement until the actual machines came into the city's possession.

13-007. City Manager Fraser noted that a grant had been received to overhaul police department consoles. He also referenced Councilor Weiss's commendation to the fire department on their response to the City Hall alarm, noting the false alarm was caused by insulation work underway that was authorized and paid for by a previous bond vote.

Councilor Guerlain made a motion to adjourn at 8:15PM. Councilor Timpone seconded. The motion passed unanimously.

**Minutes of the Montpelier City Council Meeting
January 9, 2013
City Council Chambers, Montpelier City Hall**

In attendance: Mayor John Hollar (presiding), City Manager Bill Fraser, City Councilors Andy Hooper, Angela Timpone, Thierry Guerlain, Alan Weiss, and Anne Watson. City Clerk John Odum acted as Secretary of the Meeting. Councilor Tom Golonka was not in attendance.

Mayor Hollar called the meeting to order to order at 6:32 PM.

13-011. Councilor Guerlain noted mistakes in the minutes presented before the Council, and the City Clerk suggested they be tabled until the next meeting. The Clerk also requested that an application from Capitol Grounds for a liquor license (serving beer and wine) be added to the consent agenda for approval, and the Council agreed.

Councilor Weiss moved for approval of the consent agenda, minus the minutes and with the addition of the Liquor license request. Councilor Timpone seconded. The motion was approved unanimously at 6:35.

13-013. Councilor Guerlain moved that Claude Stone and Beth Boutin be reappointed to the Montpelier Business Loan Fund. Councilor Watson seconded. The motion passed unanimously at 6:37PM.

13-013. Steve Love of *Love, Cody and Company* CPAs in Bennington (the city's auditing firm) addressed the Council on the final FY12 Audit Report. Councilor Timpone asked questions about the city's debt relative to other towns. The Auditor generally spoke positively about the City's approach to debt.

At the Mayor's request, the Auditor noted no points worthy of "flagging" for particular attention, noting that there was still some auditing work to be done.

Mayor Hollar asked about the procedures for the Council's signing of warrants, and whether it is necessary and/or appropriate for the elected Council to sign them, and in doing so attest to the warrants that individual Councilors have no specific knowledge of. The Auditor understood the point, but noted there could be legal obligations for signatures, suggesting that some different wording on the signatures may address the concern.

Councilor Weiss asked for clarification on the total debt load carried, and accounts receivable figures. Councilor Guerlain asked about the relative complexity of Montpelier's financials, wondering if they were disproportionately complex in comparison to other municipalities. The Auditor indicated they were comparable. Councilor Weiss indicated that he would prefer a more qualitative analysis along with the quantitative accompanying future audits.

Love commended Ruth Dockter and Sandra Gallup for their work. Finance Director Gallup rose to commend the entire finance team – particularly Charlotte Hoyt, Sharon Blatchford and Kris Morande – along with Ruth Dockter.

Councilor Weiss moved that the council receive the Audit report with commendation. Councilor Guerlain seconded. The motion was approved unanimously at 7:02PM.

13-014. The Mayor opened the first public hearing on the proposed FY14 municipal budget. The City Manager made note of the 793-0642 call-in number for members of the television viewing public for questions or input in on the proposed budget. Mayor Hollar introduced the proposed budget as a consensus document from a Council with diverse perspectives. He reviewed the recent increases in city budgets and tax burdens, contrasting the rise against a Vermont-wide decrease in average household incomes. He indicated that the budget represents an attempt to address these concerns, while addressing infrastructure needs.

David Beede congratulated the Council and the manager for their work. He noted that extra items on the ballot will likely change the 2.2% increase to a 2.3% increase, and further disapprovingly of the ballot process, which he felt could create further financial challenges in the future.

The mayor clarified that the GMTA ballot item currently gathering signatures (the circulator route) would not further raise the budget, as it was already accounted for within the proposal (and that in fact, if the GMTA article were to fail, the 2.2% level of increase would be reduced). He clarified that the additional library funds expected to be included as a ballot article (and any other such ballot items) were not so accounted for and would raise the budgetary percentage increase.

Vicki Lane testified that she was tired of budget cuts always coming from public service and public works, and assailed the “huge salaries right here in [City Hall].” She indicated she felt less positive about the budget this year than in previous years.

Paige Guertin spoke disapprovingly about proposed personnel cuts in public works and planning & community development.

Phil Dodd generally supported the budget, while lamenting the fact that the rates were not cut. He hoped the overall approach could be maintained next year.

Elizabeth Dodge indicated that she rode the circulator bus, and that it was “chock full of people.”

Jane Kast appreciated the work done on the budget, but had questions about the appearance of \$2 million in unpaid loans to the city indicated on the auditors' report.

Bob Gross rose to thank the Council and Manager for their work, particularly for their work on reducing personnel.

- 13-019. Greg Guyette, Andrew Brewer, Sarah Jarvis (Montpelier Alive board members) and Executive Director Phayvanh Luekhamhan gave an overview of Montpelier Alive's mission and work, and briefed the Council on the proposed Design Review District, and its accompanying business property assessment (which would be collected as part of the property tax bill on downtown business property). The group elaborated on the financial status and sources of revenue for Montpelier Alive before explaining the particulars of the requested ballot item, and the related ordinance which would follow a successful ballot article vote.

The Mayor indicated that Councilor Golonka had concerns and had asked that the vote be put off until the meeting on the 24th. Jarvis asked that they do not delay the vote, as the timing would mean that Montpelier Alive would be constrained against placing it on the ballot in the case of a negative vote. The Mayor responded he would vote against such an approach, even though he supports the proposal. Councilor Weiss suggested the petition process be initiated immediately, to account for the possibility of a negative vote.

Councilor Timpone and Mayor Hollar asked about the levels of support for the idea in the business community, while Councilor Guerlain asked about how (and if) the state properties would be assessed the additional amount.

Councilor Weiss felt that it was inappropriate for the voters to be asked to rule on a tax assessment on a subset of property owners. He also felt it was inappropriate to assess a tax to be funneled directly to a private organization like Montpelier Alive, and further questioned whether Montpelier Alive was exceeding its role and authority.

Councilor Timpone asked for details about comparable districts in other Vermont cities, and whether they are funded and administered similarly. Luekhamhan and Jarvis indicated that the relationships and arrangements vary, but that the downtown organizations are generally separate from the municipal structure. Timpone spoke positively about the downtown improvements in Rutland City, which she felt was a comparable model.

Councilor Guerlain spoke broadly positively of the basic proposal, but wanted more information. He inquired about how the collected assessment funds would be spent (in regards to programs versus staff time), and expressed concern as to the potential financial impact on low-income residential tenants.

Councilor Hooper asked how the assessment would be renewed. He further asked for elaboration on the Councilor Weiss's concern as to the appropriateness of asking the voters-at-large to weigh in on such a targeted tax regime. Councilor Watson asked for details on how the overall process would be implemented and accounted for.

Councilor Guerlain wanted to confirm that the ballot could be written such that the program could sunset in three years.

Phil Dodd noted that a Vermont Supreme Court decision required the full town vote on the district and the associated assessment, in the case of Rutland. He also suggested that, if the city were concerned about ceding spending control to a private entity, there may be ways to address it.

Vicki Lane (via the phone) expressed concern that any expenditures rising from the new assessment could become a spending expectation that could be inherited by the city in future budgets. Jarvis responded that this sort of budgetary creep would be limited.

Fred Bashara indicated he was a supporter of Montpelier Alive, but asked that the item not be given special consideration for placement on the ballot by the Council. He also spoke out against assessing any new property tax.

Katie Fahnestock expressed her concern for those living in the residential units. She then asked why the supportive businesses don't simply give more money to Montpelier Alive if so many are supportive of the assessment. The Montpelier Alive representatives indicated openness to parsing the language to prevent the cost being passed to residential renters, but were dubious (along with Councilor Hooper) about how it could be enforced.

Jed Guertin reiterated the concern about low-income renters, and further advised the Council be wary of putting its imprimatur on a proposal that contained ambiguities.

Jane Kurt testified that she thought the idea was excellent.

Councilor Timpone asked whether removing mixed use properties from the assessment would affect the amount dramatically. The sense was that it could have an impact of a couple thousand dollars, which would still leave the overall project viable.

Councilor Guerlain wondered further about the philosophical ramifications of outsourcing economic development to a private entity in this way.

Councilor Weiss referenced Title 12 of the City Charter, questioning whether the proposal would be consistent with its conditions on publicly voted ballot articles. Jarvis noted that specific authority for the district designation comes from the state. Councilor Hooper noted that Rutland's comparable program had

entailed a charter change. Jarvis noted that the project did not necessarily require ballot approval.

Terry Youk asked if a square footage revenue model had been examined.

Jesse Jacobs said he felt it was irresponsible and unacceptable for the Council to take any action during the meeting. He said that Montpelier was “notorious” for approving everything on the ballot and that too many questions were unanswered, particularly on accountability and oversight. Mr. Brewer advised against over-defining public relations project metrics, given that they need to remain fluid and adaptable.

Jacobs further noted that most of the stakeholders listed were businesses, not property owners. Brewer invited Jacobs onto the committee that would oversee the project.

Jacobs closed by suggesting it might be a good idea to wait another year.

At 8:38 PM, at Councilor Watson’s request, the council took a 5 minute break. At 8:46, the council reconvened.

Ms. Jarvis explained to the Council that Montpelier Alive had reached its maximum capacity under the current model, and that this proposal would enable them to accomplish more for the downtown.

Councilor Timpone asked that the proposal be tabled until the next meeting. Mayor Hollar agreed, noting at Jarvis’s question that it wouldn’t be necessary to return with dramatically increased details on the potential implementation, but that a couple more weeks of communication between Montpelier Alive and potential stakeholders would be positive. Hollar read from a supportive email sent by Kevin Ellis of KSE Partners.

- 13-015/13-016 Councilor Timpone moved to approve the necessity resolutions relating to the proposed bonds. Councilor Hooper seconded. Councilor Weiss noted that the language of the resolutions was not included in the packets. The Council agreed to table the motion until the next meeting.
- 13-017. The first public hearing on the warning for the March 5 Annual City Meeting was opened. There were no public comments. The hearing was concluded at 8:54 PM.
- 13-018. Councilor Hooper moved that the Council set the date for the Annual City Meeting on Tuesday, March 5th, 2013, from 7:00 A.M. to 7:00 P.M. in the City Hall Auditorium. Councilor Timpone seconded the motion, which passed unanimously at 8:56 PM.
- 13-020. Councilor Guerlain took a moment to ask that accompanying documents to agenda items (such as those relating to the consideration of a VTrans

Transportation Alternatives Grant) be more clearly labeled as to source and date in the future.

Planning and Community Development Director Gwen Hallsmith reviewed the genesis and content of the grant.

Councilor Weiss moved that the council authorize Director Hallsmith to move forward with the grant process. Councilor Timpone seconded. Councilor Watson asked for clarification on the process moving forward. The motion then passed unanimously at 9:01 PM.

13-021. Director Hallsmith explained that the National Endowment for the Arts “Our Town” Grant was a grant the city previously applied for and did not receive, and went on to explain the purpose of the grant and its applicability to Montpelier and the potential to promote the city as a “creative economy” center in various ways. Bill Kaplan of the VT College of Fine Arts and Terry Youk of the Savoy theater spoke of the process of writing the grant and spoke positively of the process it would support.

Councilor Weiss asked for clarification on the matching funds portion of the grant, and the budgeted amount that would go to staffing. He further asked for (and received) clarification as to what degree of outreach to schools had been undertaken up to this point. Finally, Councilor Weiss asked for more information on the makeup and procedures of the steering committee.

Councilor Weiss moved that Council authorize the city to move forward on the grant. Councilor Hooper seconded.

Councilor Guerlain asked for further clarification about the matching funds, and what the total program budget would be. He asked for clarity about the costs to the city, and whether this would create a long-term burden on the city.

The motion passed unanimously at 9:13 PM.

13-021A. Councilor Weiss asked that the Bicycle Advisory Committee track annual expenditures for upkeep of the bike path. Councilor Weiss moved approval of the charge to the committee as follows:

1. To gather information and opinions about bicycle-related issues from people who live, work or bike in the city, and from model programs in other cities.
2. To recommend policies and actions by the city that will promote bicycling for all purposes and that will provide safe and convenient access to all parts of the city via bicycle.
3. To advise the city in its pursuit of Bicycle Friendly Community designation.

The motion was seconded by Councilor Watson and passed unanimously at 9:15 PM.

13-022. Councilor Guerlain asked for clarification on part of the Manager's Weekly Report, and on the additional Terrace Street transmission antenna converted to DSL as the Hebert Road antenna was. City Manager Fraser indicated that was done to pre-empt any neighborhood objections following the Hebert Road antenna issue.

15-023. Mayor Hollar updated the Council on the process to evaluate the City Manager.

13-025. The City Manager reported that Senior Center representatives had secured a substantially increased funding request to appear on East Montpelier's ballot. He also indicated that Representative Mary Hooper was ready to proceed with the Council's stated goal to merge the Montpelier and Berlin fire districts.

The City Manager reviewed the potential overall tax impact to the citizens of Montpelier if all the anticipated ballot items pass, along with the expected request from the schools (in regards to budget and bonding)

After a review of schedules, the Council decided it would schedule the evaluation for the City Manager on February 20th (and have no other business on the agenda), and to have regular meetings on February 13th and 27th (the latter would include the required bond hearing).

Councilor Weiss move to adjourn. Councilor Timpone seconded. The motion was approved unanimously at 9:29 PM.

CITY OF MONTPELIER
MONTPELIER, VERMONT

NECESSITY RESOLUTION CERTIFICATE

RESOLVED, that the public interest and necessity demand that improvements be made to the City's sewer system, viz, sewer line repair, replacement and rehabilitation in and adjacent to River Street, at an estimated aggregate cost of Six Hundred Seventy Thousand Dollars (\$670,000);

BE IT FURTHER RESOLVED, that the cost of completing said public improvements, after application of funds available from the United States of America and/or the State of Vermont, will be too great to be paid out of the ordinary annual income and revenue of the City of Montpelier; and,

BE IT FURTHER RESOLVED, that a proposal for the issuance of general obligation bonds or notes of the City of Montpelier, in an amount not to exceed Six Hundred Seventy Thousand Dollars (\$670,000), subject to reduction from available state and federal grants-in-aid and other financial assistance, to pay for cost of said improvements should be submitted to the legal voters of the City at the annual meeting thereof to be held on March 5, 2013; and

BE IT FURTHER RESOLVED, that all acts relating to the proposition of incurring indebtedness and the issuance of general obligation bonds or notes of the City of Montpelier for the purpose of financing such improvements, as well as the construction, maintenance and operation of such improvements within the corporate limits of the City, be in accordance with the provisions of Chapters 53, 97, 101 and 120 of Title 24, Vermont Statutes Annotated, and the Charter of the City of Montpelier; and

Dated January 24, 2013

ATTEST: _____
City Clerk

Received for record and recorded this ____ day of January, 2013 in the records of the City of Montpelier.

John Odum, City Clerk
City of Montpelier

CITY OF MONTPELIER
MONTPELIER, VERMONT

NECESSITY RESOLUTION CERTIFICATE

RESOLVED, that the public interest and necessity demand that certain public highway improvements be made viz, sidewalk, retaining wall, storm drain and culvert repairs, replacement and rehabilitation, at an estimated aggregate cost of Seven Hundred Ten Thousand Dollars (\$710,000);

BE IT FURTHER RESOLVED, that the cost of completing said public improvements, after application of funds available from the United States of America and/or the State of Vermont, will be too great to be paid out of the ordinary annual income and revenue of the City of Montpelier; and,

BE IT FURTHER RESOLVED, that a proposal for the issuance of general obligation bonds or notes of the City of Montpelier, in an amount not to exceed Seven Hundred Ten Thousand Dollars (\$710,000), subject to reduction from available state and federal grants-in-aid and other financial assistance, to pay for cost of said improvements should be submitted to the legal voters of the City at the annual meeting thereof to be held on March 5, 2013; and

BE IT FURTHER RESOLVED, that all acts relating to the proposition of incurring indebtedness and the issuance of general obligation bonds or notes of the City of Montpelier for the purpose of financing such improvements, as well as the construction, maintenance and operation of such improvements within the corporate limits of the City, be in accordance with the provisions of Chapter 53 of Title 24, Vermont Statutes Annotated, and the Charter of the City of Montpelier; and

Dated January 24, 2013

ATTEST: _____
City Clerk

Received for record and recorded this ____ day of January, 2013 in the records of the City of Montpelier.

John Odum, City Clerk
City of Montpelier

**CITY MEETING WARNING
FOR
MARCH 5, 2013**

The legal voters of the City of Montpelier, in City Meeting in Montpelier, in the County of Washington and the State of Vermont, are hereby warned to meet in the City Hall Auditorium, in said Montpelier, on the first Tuesday in March, March 5, 2013, at seven o'clock in the forenoon, and there and then to cast their ballot for the election of officers, matters that by law must be determined by ballot, and other matters as directed by the Council. The polls will be opened at 7:00 A.M. and shall be closed and the voting machine sealed at 7:00 P.M.

ARTICLE 1. To elect one commissioner for the Green Mount Cemetery for a term of five years; one park commissioner for a term of five years; three school commissioners, each for a term of three years; one council member from each district, for a term of two years.

ARTICLE 2. Shall the voters appropriate the sum of \$7,210,518 for the payment of debts and current expenses of the City for carrying out any of the purposes of the Charter, plus payment of all state and county taxes and obligations imposed upon the City by law to finance the fiscal year July 1, 2013 to June 30, 2014? (Requested by the City Council)

ARTICLE 3. The total proposed budget of \$17,359,522 (local budget of \$16,986,916 plus grant budget of \$372,606, for a total school budget of \$17,359,522) is the amount determined by the school board to be necessary to support the school district's educational program. State law requires the vote on this budget to be divided because (i) the school district's spending per pupil last year was more than the statewide average and (ii) this year's proposed budget is greater than last year's budget adjusted for inflation. (Requested by the School Board)

Part A. Shall the voters of the school district authorize the school board to expend \$16,970,390, which is a portion of the amount the school board has determined to be necessary?

Part B. If Part A is approved by the voters, shall the voters of the school district also authorize the school board to expend \$389,132, which is the remainder of the amount the school board has determined to be necessary?

ARTICLE 4. Shall the voters appropriate the sum of \$575,230 for the support of the Recreation Department for the fiscal year July 1, 2013 to June 30, 2014? (Requested by the School Board)

ARTICLE 5. Shall the voters appropriate the sum of \$3,000 as compensation to the Mayor for services for the fiscal year July 1, 2013 to June 30, 2014? (Requested by the City Council)

ARTICLE 6. Shall the voters appropriate the sum of \$7,200 (\$1,200 each) as compensation to the Council Members for their services for the fiscal year July 1, 2013 to June 30, 2014? (Requested by the City Council)

ARTICLE 7. Shall the voters appropriate the sum of \$7,300 (Chair \$1,300; others \$1,000 each) as compensation to the School Commissioners for their services for the fiscal year July 1, 2013 to June 30, 2014? (Requested by the School Board)

ARTICLE 8. Shall the voters authorize the Board of School Commissioners to hold any audited fund balances as of June 30, 2013 in a reserve (restricted) fund to be expended under the control and direction of the Board of School Commissioners for the purpose of operating the school? (Requested by the School Board)

ARTICLE 9. Shall the voters authorize the City Council to borrow a sum not to exceed \$710,000 for street improvements including sidewalks, retaining walls, storm drains and culverts? If approved bonds for these capital items would be issued for a term of 20 years. With a 20 year bond, approximately \$15,600 would be required for the first year interest payment and approximately \$53,900 for the second year principal and interest payment and future payments declining each year as the principal is repaid. (Requested by the City Council)

ARTICLE 10. Shall the voters authorize the City Council to borrow a sum not to exceed \$670,000 for sewer line improvements in and around River Street? If approved bonds for these capital items would be issued for a term of 20 years. With a 20 year bond, approximately \$14,700 would be required for the first year interest payment and approximately \$50,900 for the second year principal and interest payment and future payments declining each year as the principal is repaid. (Requested by the City Council)

ARTICLE 11. Shall the City of Montpelier make the following public school building improvements, namely, repairs, renovations, system replacements, and betterments to the Union Elementary School, Main Street Middle School, and Montpelier High School, and incur indebtedness not to exceed \$2,300,000 for such purpose, subject to reduction from available state and federal grants-in-aid. If approved, bonds would be issued for a term of twenty years, with first year interest payments of approximately \$54,795, and approximately \$179,892 of second year principal and interest payments, with declining principal and interest payments in subsequent years. (Requested by the School Board)

Notice required by 24 V.S.A. 1758(b)(3) - State funds may not be available at the time this project is otherwise eligible to receive state construction aid. The City is responsible for all costs incurred in connection with any borrowing done in anticipation of state school construction aid.

ARTICLE 12. Possible Library Funding Article

ARTICLE 13. Possible GMTA Funding Article

ARTICLE 14. Possible Fire Department Article

ARTICLE 15. Possible other articles