CITY OF MONTPELIER
MONTPELIER, VERMONT

Agenda for City Council Meeting
Wednesday,
December 14, 2011
07:00 P.M.

1) Call to Order by the Mayor

2) 11-308. General Business and Appearances

3) 11-309. Consideration of the Consent Agenda:

a) Consideration of a "Declaration of Official Intent of City of Montpelier to Reimburse Certain Expenditures from Proceeds of Indebtedness" for the District Heat Project. City Attorney Paul Giuliani suggests that a reimbursement resolution be in place before any project costs are paid. (Council tabled this item at their December 7th meeting, requesting further information.)

b) Consideration of Corrections to the 2011 Grand List (Errors & Omissions) as provided by the City Assessor's Office.

c) Consideration of executing documents necessary to set the annual limit for the City's Health Reimbursement Arrangement. A copy of the "Summary of Material Modification" is attached; Council is being asked to sign the "Formal Record of Action" and authorize the City Manager to sign the "Health Reimbursement Arrangement Amendment".

d) Consideration of becoming the Liquor Control Commission for the purpose of acting on the following:

1. No applications as of "press time".

e) Payroll and Bills

4) 11-310. Setting of "approximate times" for the following agenda items.

3) 11-309. Consideration of the Consent Agenda:

5) 11-311. Presentation of the 2011 Way to Go "Carbon Cup".

a) Tom Horn, from the Vermont Energy Investment Corporation (VEIC), is making this presentation to the City for its efforts to encourage participation, save energy and reduce greenhouse gas emissions from transportation during the Way to Go Week (May 16-20, 2011).

b) He will also give an award for participation to National Life, many of whose participants are Montpelier residents.

c) Recommendation: Receive award.

6) 11-312. Consideration of an appointment to the City's Conservation Commission.

a) There has been an unfilled seat on this board since Anthony Iarrapino stepped down approximately a year ago.

b) Alex Hoffmeier has indicated that he is very interested in serving on the Conservation Commission and former Chair, Kris Hammer, wrote that "Alex would be a great asset to the Commission".

c) Recommendation: Meet Mr. Hoffmeier; appointment to fill the unexpired 4-year term until June, 2012.

7) 11-313. Establish City Council's Budget Priorities

8) 11-314. Complete review of Operating Budgets for: Administration, Community Justice Center, Cemetery, Planning & Development, Parks and Senior Center.

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9) 11-315. Reports by City Council

10) 11-316. Mayor's Report

11) 11-317. Report by the City Clerk-Treasurer

12) 11-318. Status Reports by the City Manager

13) 11-319. Agenda Reports by the City Manager

Adjournment

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Adjournment

Sandy Pitonyak

From: Kris Hammer [Kris@vlt.org]
Sent: Thursday, October 27, 2011 9:14 AM
To: Sandy Pitonyak
Cc: Roy Schiff
Subject: RE: Conservation Commission

Sandy,
Alex would be a great asset to the Commission. I'd say bring him on ASAP. I am no longer chair-that passed on to Roy Schiff. I will be leaving the Commission as soon as we wrap our input to the PC on the new zoning regulations (10 years is long enough!), so I could come off now officially (I guess I would be resigning from an unexpired term), though I will continue to attend meetings until that work is done. This might make room for another full member to fill out my term. We have a great group of commissioners but are always looking for new blood. You could tell Alex he is welcome to come to our November meeting on the 10th to introduce himself.

Roy, could you include Alex in the distribution list for any future emails? ahoffmeier@gmail.com. Thanks

Kris Hammer
Regional Stewardship Manager
Vermont Land Trust
8 Bailey Avenue
Montpelier, VT 05602
(802)262-1222; cell (802)371-8612
kris@vlt.org

From: Sandy Pitonyak [mailto:SPitonyak@montpelier-vt.org]
Sent: Thursday, October 27, 2011 8:49 AM
To: Kris Hammer
Subject: FW: Conservation Commission

When would be the appropriate time to bring this guy on board, Kris?

Sandy Pitonyak

From: Alex Hoffmeier [ahoffmeier@gmail.com]
Sent: Wednesday, October 26, 2011 8:32 PM
To: Sandy Pitonyak
Subject: Conservation Commission

Hi Sandy,

I had stopped by the City Manager's office several weeks ago inquiring about joining the Montpelier Conservation Commission. I am still interested in joining and was hoping to get on the City Council's agenda for the meeting on Wednesday, November 23rd. I apologize that it has taken so long to follow up from when we first spoke. Please find below a description of myself and why I am interested in becoming part of the Conservation Commission. Please feel free to pass it along. Thank you for your time.

My interest in seeking a position on the Conservation Commission comes from my commitment to the community of Montpelier and my background in environmental science, landscape planning and design, and trail construction. Having moved to Montpelier three years ago after finishing a graduate program in Sustainable Landscape Planning and Design, I am interested in offering my skills and knowledge to promote conservation and recreation in my community. Montpelier has the best of both worlds - a vibrant downtown and readily accessible natural areas. This is unique, especially for a state capitol and promoting and preserving both is very important.

For the past three years I have been a part of Timber and Stone, LLC. We are a trail planning, design, and construction business based in Woodbury, VT. Over the years, we have successfully provided trail design and construction expertise to many land management agencies throughout Vermont. We are both contractors and educators. Depending on the project, we have worked as an independent crew or alongside volunteers, students, and stewards. I hope to offer my expertise in conservation and trail construction to the city of Montpelier as part of the Conservation Commission.

Thanks you for your consideration of my request to be a part of the Montpelier Conservation Commission. I look forward to hearing from you.

Kind regards,
Alex Hoffmeier

--
Timber & Stone, LLC
Trail Design and Construction
802 - 917-1812

From the Office of the City Assessor . . .

TO: Montpelier City Council

FROM: Stephen Twombly, City Assessor

DATE: December 8, 2011

RE: Corrections to the 2011 Grand List (Errors & Omissions)

I hereby request approval from the City Council for Errors & Omission adjustments to the 2011 Grand List. The following Grand List corrections should be made for the reasons given:

Personal Property:

Property Owner	Parcel ID#	Listed Value	Corrected Value
1. AARP Office moved to Burlington 3/2008.	800.874000	$58,701	$0
2. Bill's Barber Shop Deleted from GL in error.	800.534000	$0	$1,099
3. Harris Enterprises Inc. Business closed 2/2011.	801.218000	$8,524	$0
4. Kaufman, Mark Tax exempt business, 501 (c) (3)	801.204000	$2,400	$0
5. Murphey, Emily MA Office closed 3/2011.	800.576000	$7,114	$0
6. Ruderman, Brad & Associates Inc. Office closed 2/2011.	800.364000	$1,910	$0
7. Snell Infrared Office moved to Barre 1/2011.	800.782000	$79,133	$0
8. Trilogy Leasing Equipment not located in Montpelier.	801.034000	$6,587	$0
9. Trumbull-Nelson Construction Co. Revised equipment value.	801.230000	$5,000	$3,681
10. Wells Fargo Financial Leasing Inc. Revised equipment value.	801.224000	$24,887	$14,233

Real Property:

Property Owner	Parcel ID#	Listed Value	Corrected Value
1. VT College of Fine Arts Frail House, 29 College Street Value revised per Title 32, Subsection 3831 (a) (c) (see attached letter)	020-029000	$27,300	$179,600
2. Dunne, Daniel & Nancy 45 Easy Street Sold 13.6 acres to Brownlee Typo on PTR, said 13.06 acres Total correct acreage for Dunne is 2.24	157-006100	$337,400	$334,100
3. Brownlee, Adrienne 172 Chestnut Hill Rd Bought 13.6 acres from Dunne Typo on PTR, said 13.06 acres Total correct acreage for Brownlee is 13.99	016-016000	$557,600	$558,900

COPY

Assessor's Office
City Hall, 39 Main Street - Suite 10
Montpelier, VT 05602
Tel: 802/223-9505 FAX: 802/223-9519
Email: stwombly@montpelier-vt.org

December 15, 2010

Thomas C. Greene
President
Vermont College of Fine Arts
36 College Street
Montpelier, Vermont 05602

RE: Valuation of Frail House property, 29 College Street

Dear Tom:

I regret to inform you that a review of the City's recent reappraisal by the Property Valuation and Review Division of the Vermont Department of Taxes has determined that the "Frail House" property was incorrectly valued, and has been for many years.

As you know, we had numerous discussions during the reappraisal process and thought we had reached a reasonable settlement regarding assessment of your properties.

As you may recall, Frail House has historically been assessed at $27,300 and the assumption has been that the value was to be held at that level perpetually as long as the use is exempt.

PVR has directed us to Title 32, subsection 3831(a), which says essentially that properties such as this "acquired after April 1, 1941, by any college, university .... be set in the grand list .... at the value fixed in the appraisal next preceding the date of acquisition ... and taxed on such valuation." This is what the City has done for the past 30+ years.

Subsection 3831(c) states that "In the event of a general reappraisal of all property in the municipality completed after 1982, the appraised value of property subject to subsection (a) shall be changed to an amount which yields a tax liability ... equal to the tax liability for such property for the year immediately preceding the reappraisal...". This is the piece that the City has overlooked all these many years. The obvious intent was to index the value to maintain parity with all other taxpayers.

Since 1982, the City has had 5 reappraisals; in 1985, 1988, 1995, 2003 and 2010. Had the City been aware of and properly applied the law, the value of the Frail House property would have been adjusted per statute in each of these years.

I have researched the city-wide average increase in property value in each of these reappraisals. When applied to the Frail House property, the result is a current assessed value of $179,600.

Upon the advice of the PVR Division of the Tax Department, and as provided by statute, I have requested permission of the City Council to correct this error. When approved, this will result in an increase in the assessed value of this property from $27,300 to $179,600.

While a significant increase, the new value is still well below the 2010 estimated market value of $310,100 initially determined for this property in the recent reappraisal.

If you have questions regarding this matter, I would recommend that you contact Bill Johnson, Director of the Property Valuation and Review Division of the Vermont Department of Taxes at 828-5867.

If I can be of further assistance, please be in touch.

Sincerely yours,

Stephen Twombly
City Assessor

HEALTH REIMBURSEMENT ARRANGEMENT

SUMMARY OF MATERIAL MODIFICATIONS

The purpose of this Summary of Material Modifications is to inform you of a change that has been made to the Health Reimbursement Arrangement. This change has affected the information previously provided to you in the Plan's Summary Plan Description. The Summary Plan Description is modified as described below.

Limits on Reimbursement

The annual limits on reimbursement are as follows:

One Covered Person (Participant only): $3,000, an additional $500 will be available after $500 of the shared responsibility has been satisfied.
Two Covered Persons (Participant plus one other Covered Person): $6,000, an additional $1,000 will be available after $1,000 of the shared responsibility has been satisfied.
More than two Covered Persons (Family coverage): $6,000, an additional $1,000 will be available after $1,000 of the shared responsibility has been satisfied.

FORMAL RECORD OF ACTION

The following is a formal record of action taken by the governing body of **City of Montpelier** (the "Company").

With respect to the amendment of the Company's Health Reimbursement Arrangement (the "Plan"), the following resolutions are hereby adopted:

RESOLVED: That the Plan be amended in the form attached hereto, which amendment is hereby adopted and approved;

RESOLVED FURTHER: That the appropriate officers of the Company be, and they hereby are, authorized and directed to execute said amendment on behalf of the Company;

RESOLVED FURTHER: That the officers of the Company be, and they hereby are, authorized and directed to take any and all actions and execute and deliver such documents as they may deem necessary, appropriate or convenient to effect the foregoing resolutions including, without limitation, causing to be prepared and filed such reports documents or other information as may be required under applicable law.

Dated this _____ day of _____, 2011.

Signed:

_____
Mary S. Hooper, Mayor

City Council Members:

_____ _____

_____ _____

_____ _____

ATTEST:

_____
Charlotte L. Hoyt, City Clerk

HEALTH REIMBURSEMENT ARRANGEMENT

AMENDMENT

WHEREAS, the Company maintains the Health Reimbursement Arrangement (the "Plan") for the benefit of certain of its employees; and

WHEREAS, Pursuant to Section 8.01 of the Plan, the Company desires to amend the Plan;

NOW, THEREFORE, the Plan is hereby amended as follows, effective as provided therein:

1. Section C.3b is deleted in its entirety and the following substituted effective January 1, 2012 as provided therein:

3b. Enter the maximum annual amount that will be credited to a Participant's Health Reimbursement Arrangement in any Plan Year for the applicable coverage category (Section 4.01):

- **i.** One Covered Person (Participant only): **$3,000, an additional $500 will be available after $500 of the shared responsibility has been satisfied.**
- **ii.** Two Covered Persons (Participant plus one other Covered Person): **$6,000, an additional $1,000 will be available after $1,000 of the shared responsibility has been satisfied.**
- **iii.** More than two Covered Persons (Family coverage): **$6,000, an additional $1,000 will be available after $1,000 of the shared responsibility has been satisfied.**

IN WITNESS WHEREOF, the Company has caused this Amendment to be executed this _____ day of _____, 2011.

Signature:_____

Print Name: William J. Fraser

Title/Position: City Manager

To: City Council

FROM: Mary S. Hooper

DATE: December 9, 2011

RE: Policy Guiding Budgeting

We agreed that we would have a policy discussion of the principles that guide our budgeting discussion.

Let us establish the guiding policy and then measure our budget proposals against those principles. To that end, let's answer the following questions:

1. What services are core to the work of city government?
2. Is there an alternative way to provide these services?
3. Should property taxes support these services or should we consider alternative revenue sources?

Once we establish an agreement on what is core to the operation of city government, we can consider the ancillary services and if and how they should be funded. This process may be as simple as I agree with the manager's assessment, or as complex as dissecting individual services. I don't think it is useful to have a debate about a plow truck driver or whether the police department is staffed on Tuesday mornings. I do think it is useful for our community to understand why we may or may not think we need to have a 24-7 fire and emergency services department or provide water services.

Let's try to look at it on a macro level before we go to the details.

To kick this off: in my view, government has an obligation to provide for the health safety and welfare of its citizens. Given this, in general the services provided by the public works department; fire and emergency services; and, police are central to our governmental obligation. I consider them core services.

However, I would like to explore alternative ways of providing some of these services. As has been noted we have had numerous efforts to regionalize some of these services, including the on-going 4-town analysis which does not anticipate a proposal which could be implemented before 2013. In the interim, I would like to see a proposal for:

1. the immediate consolidation of dispatching services with Barre.
2. If this is not possible, I would like to see a conceptual proposal for dispatching services to be provided by the state during the times of lowest demand.
3. In addition, I would like to see a conceptual proposal for the consolidation of police, fire and emergency services with Barre and/or Berlin during the times of lowest demand. (At low service times can we reduce staffing and when called out rely on adjacent towns to respond with us to emergencies?)

Let's develop consensus on this and then go on to list other services that we may or may not think should be funded, or should be funded differently.