St. Albans City Council
Minutes of Meeting
Monday, July 13, 2015
City Hall, Council Chambers

A regular meeting of the St. Albans City Council was held on Monday, July 13, 2015, at 5:30 pm on Ferris Street followed by council chambers at City Hall at 6:30 pm.

Council Present: Mayor Elizabeth Gamache; Aldermen: Tim Hawkins, Scott Corrigan, Jim Pelkey, Chad Spooner and & Alderwoman Kate Laddison.

Council Absent: Alderwoman Tammi DiFranco.

Staff Present: Dominic Cloud, City Manager; Chip Sawyer, Director of Planning & Development; Sue Krupp, City Clerk & Treasurer; Marty Manahan, Director of Operations and New Business Development; Chief Gary Taylor, Police Chief; Paul Talley, City Police and Tom Leitz, Director of Administration.

Visitors: See attached sign-in sheet.

1. Site Visit Re: Ferris St. Discontinuance
A brief site visit took place at Ferris Street. Peter Cross of Cross Consulting was present to answer questions as well as BFA's SRO Officer, Paul Talley.
   a. Overview of proposed discontinuance, Peter Cross.
   b. BFA Comment, Public Comment, Council Questions.
   c. Recess and return to City Hall.
2. Re-open Regular Meeting and Pledge of Allegiance.
Mayor Gamache re-opened the regular meeting and led the pledge of allegiance at 6:30 pm.
3. Public Comment.
No public comment was made.
4. Public Hearing Re: Discontinuance of Ferris Street.
   a. Overview, Peter Cross.
   Mr. Cross presented a survey of the discontinuance of Ferris Street completed in 1997 by Cross Consulting. The discontinuance starts at the Northeast corner of Miller's Automotive across Ferris Street to the BFA property. All points to the East will be deeded to BFA if approved. Two parcels under 2,000 square feet in size will be conveyed back to the City by BFA. There are three total transactions that will complete the discontinuance; one from the City to BFA and two from BFA to the City.
   b. BFA Presentation
   David Kimel explained that this step was initiated by the St. Albans Police Department with the encouragement of the BFA SRO officer, Paul Talley. He added that the main driving factor for pursuing this discontinuance is safety.
   c. Public Comment.
   Mr. Doyle asked what the implications will be for the public passing onto this property after the discontinuance is completed. Mr. Kimel responded that there will be little if any implication in the short-term. As people become more concerned about school safety, he believes there is a possibility that the road will be blocked in some fashion by the school in the future. Mr. Kimel noted a prior

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incident where someone walked down Ferris Street carrying a gun with innocent intentions but certainly opened up the public's eyes about potential safety concerns. He noted that the next step toward making the campus more secure would be to have the public to re-route through another portion of the property. Mr. Doyle asked what the northern limit is on Academy Drive. Mr. Cross pointed it out on the map displayed. Mr. Doyle asked if the school has been working with the City to address student parking issues. Mr. Kimel responded that the school and City have worked quite diligently on the issue but is not aware of any ongoing discussions at the present time. Mr. Spooner stated that he has been working with the Principal and Assistant Principal as issues have cropped up. Mr. Cross added that there are municipal utilities that run down Ferris Street. The City will be reserving the rights to maintain those utilities as part of this transaction.

Mr. Hawkins asked if Miller's Automotive is the only reason we are holding onto the end piece as indicated in the survey. Mr. Kimel responded affirmatively and believes that is the reason when the plans were originally drawn up.

5. Consider motion directing City Manager to prepare the transactional documents necessary to effectuate the discontinuance of Ferris St. (D&V).

A motion was made by Alderman Spooner; seconded by Alderman Pelkey to authorize City Manager to prepare the transactional documents necessary to effectuate the discontinuance of Ferris Street. Vote was unanimous, 6-0.

Mayor Gamache proposed moving on to agenda item # 11 & 12. A motion was made by Alderman Hawkins; seconded by Alderman Spooner to amend order of agenda and consider approval of minutes and warrants. Vote was unanimous, 6-0.

Mayor Gamache proposed moving on to agenda item # 9 & 10. A motion was made by Alderman Hawkins; seconded by Alderman Pelkey to amend order of agenda and move on to agenda item # 9 & 10. Vote was unanimous, 6-0.

Mayor Gamache proposed moving on to agenda item # 13, "Other Business". A motion was made by Alderman Hawkins; seconded by Alderman Pelkey to amend order of agenda and move on to agenda item # 13. Vote was unanimous, 6-0.

6. Public Hearing on Proposed Liquor Ordinance.

a. Overview, Colin McNeil, City Attorney.
Mr. McNeil explained that he is presenting the draft Liquor Control Ordinance which adopts the Statewide Liquor Control regulations, sets forth the grounds and adds transparency and consistency for the granting, denying and renewing of liquor licenses, sets forth the standards conditions that will be attached to all liquor licenses granted by the local board, includes language that protects the City from liability and divides the violations that have been adopted into 3 different classes and imposes different penalties based on severity of each violation. Mr. Cloud asked Mr. McNeil to talk about DRAM SHOP. Mr. McNeil stated that one provision made which allows the basis for denying or not renewing a license includes a requirement that establishment owners have DRAM SHOP insurance and lists a minimum of $1 million per occurrence.

b. Public Comment.
Mr. Doyle asked for an example of how the cost of DRAM SHOP is determined and what owners are likely to incur as a fee as a result of the DRAM SHOP. Mr. McNeil stated that the Liquor Control Board doesn't require any specific level of DRAM SHOP insurance but found a statute dating back to 1987 which talks about possibly requiring it if you are found in violation of some of the regulations. Mr. Cloud stated that staff spoke with an agent who suggested carrying at least $1 million in coverage. That agent has a client who pays a premium of $4300 based on an operation of $180,000

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in revenue. Doug Grevatt, owner of Shooter's Saloon stated that he is paying over $6000/year for the same insurance with $500,000 in coverage. Lisa Johnson stated that premiums are determined based on a foot traffic formula. Ross Arsenault, owner of Beverage Mart acknowledged that he is required to carry liquor liability insurance because he owns a liquor store but asked how this board or the City can require other license holders to carry it. Mr. Grevatt stated that if the City can guarantee the DRAM SHOP quote that Mr. Cloud received, he will be happy to get it because he currently pays $250 toward liability insurance per week with a $500,000 policy. Mr. Cloud asked Mr. Grevatt if there is a standard. Mr. Grevatt responded that he is unsure but has personally paid over $70,000 toward liability insurance in the 11 years he has been in business. Mayor Gamache reminded the public that this is a public hearing to allow for public input and nothing is set in stone. Dave Leduc, owner of 84 North Main asked what is creating the City's interest in wanting to initiate this ordinance. Mayor Gamache responded that the intention is to drive more consistency and the proposed ordinance uses a classification system for the ABC violations which will help achieve that goal. Mr. Leduc expressed his concern over the financial impact this will have on businesses. Mayor Gamache asked if he was speaking specifically in regards to the DRAM SHOP insurance. Mr. Leduc responded that he has no idea what else this ordinance will bring or what enforcement will look like and isn't sure if the City is looking for extra income. Mayor Gamache responded that it is not about individual interest but rather about finding a balance between the needs of the business community and the public good.

Mr. Hawkins reiterated that it is the board's duty to protect the public at large and the public sentiment against alcohol and bars is not good. He explained that goal isn't to put anyone out of business but have a responsibility as a board and are trying to codify that responsibility in an ordinance. He gave the example of a big business issued with a $300 fine for serving alcohol to a minor and noted that a $300 fine to a large, profitable business is not going to impact them. Mr. Hawkins added that under this ordinance, the City Police would address enforcement. Mr. Hawkins stated that the board can require insurance because they are the ones that issue the licenses. He noted that the amount of DRAM SHOP required is to be determined and the goal is to make sure everyone is protected and stays in business. Mr. Leduc asked if the board could consider a sliding scale based on alcohol revenue for DRAM SHOP requirements. Mr. Hawkins responded affirmatively.

Mr. Doyle asked for examples of the 3 classifications and an explanation as to why they were separated into those categories. Mr. Hawkins responded that he wouldn't want a licensee to receive a 10 day suspension for a violation such as not taking a class or not changing a board of director's name. If you are caught serving alcohol to a minor, however, he believes that is a major violation that should be addressed appropriately. Mr. Hawkins stated that the board looked at the violations in severity and then classified them. Mr. Doyle asked for a further explanation of all classifications. Mr. McNeil responded that for instance an example of a Class A violation would be serving to minors, a Class B violation could be two Class C violations combined and an example of a Class C violation would be for not framing a liquor license under a clear plastic covering and displaying it publicly. Mayor Gamache asked Mr. Hawkins to explain the penalties for Class A, B and C violations. Mr. Hawkins noted page 6, paragraph A of the ordinance which describes the different classes and noted the table at the bottom of the page which lays out the various penalties for all classes. Mr. McNeil noted Section 116: Penalties which further outlines the penalties for Class A, B, and C violations. He explained that a penalty for a Class A violation would include suspension of license for at least ten (10) business days, a penalty of up to $800 per violation and/or revocation of license. A penalty for a Class B violation would include suspension of license for no more than nine (9) business days and/or penalty of up to $500 for each violation and a penalty for a Class C violation

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would include suspension of license for no more than four (4) business days and/or penalty of up to $250 for each violation. Mayor Gamache stated that with the penalties, there is a consistency and a level of discretion within the categories that would come before the Liquor Control Board for review.

Mr. Arsenault stated that what might not be considered a severe violation to the City is considered severe by the State and under the proposed ordinance; businesses would still have to answer to the State. He gave the example of not being able to provide the proper paper work which results in a one day liquor license suspension. Mr. Hawkins asked Mr. Arsenault if under that example he would prefer to receive a one day suspension or a fine of $250. Mr. Arsenault responded that he would prefer to pay the fine. Mr. Hawkins stated that this ordinance allows the City to step in and issue a fine over a suspension. Mr. Arsenault commented that businesses will still have to deal with the State's repercussions. Mr. Hawkins responded negatively. Chief Taylor stated that with this ordinance, the City would have jurisdiction over the State and there would be no double jeopardy. He noted that the City of Burlington operates in the same fashion. Mr. Arsenault asked if the City would be conducting the State training. Mr. McNeil responded that license holders still have to deal with the State in terms of training and the local board is under the purview of the State. Mr. Hawkins reiterated that the ordinance provides more consistency but also gives the local board more leeway in issuing lesser penalties.

Mr. Grevatt expressed concern over the City Police enforcing the ordinance. He said lately he has had at least 5 police cars parked outside of his establishment on a Saturday night which worries the patrons and causes them to leave. He worries that even more police cruisers will be parked outside his bar. Mr. Hawkins asked if the trouble that usually occurs on Kingman Street stems from his bar. Mr. Grevatt responded negatively. Mr. Hawkins stated that this ordinance will give him the assistance he needs. Chief Taylor noted that if you go to Burlington, there are cops on foot all over in the downtown district and bar area. He stated that the issue with Kingman Street is that there are 3 bars, everyone smokes outside of the bars due to State regulations and fights end up occurring. He added that the City Police doesn't have enough manpower to park 5 cruisers in front of the bar but acknowledged that there are fights and liquor violations that occur on the street. Mr. Grevatt stated that he has no problem with police on foot but once there is a cruiser parked in front of his establishment that is a deterrent.

Mr. Doyle asked if the Class C violation is a $250 fine or up to a 4 day suspension. Mayor Gamache stated that it is a suspension of license for no more than four (4) business days and/or penalty of up to $250 for each violation. Mr. Hawkins noted that it could result in a penalty of $25. Mr. Doyle asked if the penalty is based on a number of occurrences. Mr. Hawkins responded that multiple class violations could bring a violation up to a higher class but there is also a length of time considered. He noted that he receives a report from the City Clerk at every liquor control hearing listing all the violations that have occurred over the last 5 years. Mr. Doyle asked why there is such a broad swath in terms of the number of days that a business' license could be suspended for if the intention is to drive consistency. Mr. Hawkins disagreed that up to 4 days is too broad. Mayor Gamache commented that part of the review for this ordinance was to explore other policies and the intent is to drive consistency but also not to be bound by inflexibility. Mr. Leduc asked if this ordinance would increase the City's budget for patrolling. Chief Taylor responded negatively.

Mr. Grevatt asked what the procedure would be if there is a violation at his establishment. Mr. McNeil responded that it would follow the same process that's currently in place where a notice of violation is submitted by a local police officer or State officer to the local liquor control board and a hearing would occur before the local board decided on a punishment, if any.

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Michelle Monroe of the St. Albans Messenger noted that a license holder could face a day's suspension for failing to properly complete paper work while at the same time, an establishment could face up to a $300 fine for serving to a minor. She asked if it's a correct statement to say that the goal is to make the punishments better reflect the priorities of the local community. Mr. Hawkins responded affirmatively. She noted the landlord program and asked if this program would be similar in that the State law still applies but the City is taking on the enforcement authority for State law. Mr. Cloud stated that that under this ordinance, the City is adopting the same laws outlined by the State but council wants to be able to enforce locally and apply the punishment that they see fit. Mr. Pelkey referenced page 6 and 7 of the ordinance which outline the State liquor control regulations.

Mr. Hawkins acknowledged the pushback regarding the DRAM SHOP coverage and agreed that $1 million is a lot of money but noted that the cost of a defense alone is in the ballpark of $200,000. While he is in agreement that $1 million is high, he is against the notion of having none at all. He doesn't think it's fair that one establishment pays for DRAM SHOP because they are trying to do the right thing while others don't have any coverage.

Mr. Arsenault asked if the board would like bars and stores to hold DRAM SHOP. Mr. Hawkins responded that anyone who holds a liquor license regardless of class should have insurance. Mr. Grevatt asked if the City has looked into a co-op allowing all bars to sign onto the same insurance policy at a reduced price. Mr. Hawkins stated that is an excellent idea. Mr. Cloud stated that it is possible that the industry itself will take care of this and perhaps insurance companies will have a standard set. Mr. Hawkins stated that he doesn't want to see businesses go out of business in the meantime. Mr. Arsenault responded that Mr. Cloud is correct because when he completes his liability insurance paperwork, it is based on alcohol sales and not food. Mr. Spooner noted that his only concern is that insurance companies would take past violations into consideration when quoting them. Mr. Arsenault responded negatively. Mr. Cloud stated that the requirement by the City could be as simple as providing proof of insurance. Mr. Pelkey responded that he believes a minimum needs to be set.

Dick Hebert of JW Ryan's made it clear that when DRAM SHOP insurance is received, if a business has exceeded the amount of sales the carrier has insured them for, the business must pay that dividend at the end of the year. Mr. Hawkins asked if the insurance companies actually look at the books. Mr. Hebert responded affirmatively.

Mr. McNeil clarified that although the City issues the license, it is still a State of VT liquor license and the State still has the authority to enforce. The City would just be taking on a role to do what it is authorized to do. He stated that there still could be a potential sting operation conducted by the State inspectors. Mr. Arsenault stated that what Mr. McNeil is explaining is a double jeopardy situation. Mr. McNeil responded negatively and stated that it will either be the State or the local officials conducting a sting and won't be both at the same time. Mr. Hawkins stated that it's no different than the State Police and the Sheriff's Department working hand in hand. Mr. Hawkins stated that there might be more enforcers around but the State and local authorities cannot both charge a business for the same occurrence.

Mr. Doyle stated that if the intention of the ordinance is for City Police to do more enforcement which would result in a higher rate of violations, he believes it would make senses for penalties to be lower in relation. Mr. Hawkins responded that the board is granting the licenses and protecting the public and up to a 4 day suspension or up to $250 fine does not seem unreasonable. Mr. Doyle asked how paperwork is protecting the public. Mr. Hawkins gave the scenario of someone being alleviated from the liability of an alcohol-related death for not being properly listed as a liable party

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on the liquor license. Mr. Doyle noted that the board is still talking about high magnitude, low occurrence issues. Mr. Corrigan noted that the language also give the board the latitude of issuing a $20 fine vs. a $250 fine. Mr. Doyle noted that he sees the potential for higher subjectivity. Mr. Corrigan stated that the subjectivity could work in favor of the licensee. Ms. Laddison asked Mr. Doyle what he recommends. Mr. Doyle responded that he does not recommend increasing penalties above what the State issues.

Mr. Arsenault noted the section of the ordinance that speaks to "floor plans" and asked for further clarification. Mr. Hawkins asked if that language was directly from the State. Mr. McNeil responded that it was from the City of Burlington. Chief Taylor responded that it pertains to fire safety and life safety and for example, would want to know how many floors a building has and where exits are located. Lisa Johnson noted that they have dart leagues and pool leagues and move tables to accommodate and asked if the floor plan language would pertain to her in that scenario. Mr. Hawkins responded negatively. Mr. Hawkins suggested that the public hearing be continued and not closed out to allow for further feedback.

A motion was made by Alderman Hawkins; seconded by Alderman Spooner to recess public hearing. Vote was unanimous, 6-0.

7. First Reading, Water and Wastewater Affiliation Fee Ordinance and Changes to Existing Water and Wastewater Ordinances.

Mr. Cloud stated there are 3 pieces to the proposed Water and Wastewater Affiliation Fee Ordinance. The allocation process has been placed in a new section called, "Title 22." He noted Section 8. Existing Allocations Without Expiration Dates which reads, "Upon passage of this ordinance, all existing allocations that do not have expiration dates and have not been paid for shall have 365 days to make full payment for the allocation or it will revert to the City. Upon passage of this ordinance, City staff shall promptly send notice via certified mail to property owners impacted by the requirements of this section" Mr. Cloud stated that this requires staff to send notice to alert customers to pay for their approved allocation or they will lose it.

Section 9 makes up the Affiliation Fee Program. The placement has been moved in the ordinance but there is no change to the underlying language. The fee is calculated at .28 per $100 of appraised value based on municipal appraisal from the Town where the property is located. The fees are further broken out and prorated for water as well as for wastewater and allows for the conversion of a septic or a well onto the municipal system. Mr. Cloud stated that there is no change that the affiliation fees will remain fixed for the first 5 years. Affiliation fees will apply to the first $10 million of appraised value, will be reduced by half for the second $10 million of appraised value (up to $20 million), and will not apply to the portion of the property value that is over $20 million in appraised value.

Number's 4 and 5 within Section 9 remain the same. Mr. Cloud asked council to give some consideration to number 6 which reads, "Properties that qualify as tax exempt properties are likewise exempt from the affiliation fee and will continue to pay water and wastewater surcharges applied to properties located outside the City that are not part of the affiliation fee program."

Mr. Cloud noted that Section 11 is existing language. It states that the Manager may review applications for projects located wholly within the legal boundaries of the City, located wholly within the Route 7 North Sewer District and single and two family residential units located wholly outside the City. Applicants or other parties may appeal the Board's decision to Superior Court pursuant to the Vermont Rules of Civil Procedure.

Section 12 uses the same language as presented at the last meeting and provides allocation review criteria. Mr. Cloud noted that the driver of this section is answering the question, "do we have the

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capacity?" Subsection 2 of Section 12 has been revised and now reads, "Projects located outside the City limits or the Route 7 North Sewer District shall be reviewed according to the below criteria. Projects need not receive positive responses to all criteria. Rather, the Board shall apply the criteria as a whole to determine whether approving the application will negatively impact the City's designated downtown, tax base, economic development interests, and employment opportunities." Mr. Cloud added that there are no changes to the criteria themselves but the section as a whole has been moved up to appear earlier in the ordinance.

Sections 13 – 16 include the City's existing allocation approval process. Mr. Cloud explained that one of the things confirmed recently with Mr. McNeil and his firm is interaction between this ordinance and State Law. The City's ordinances are adopted under the City Charter and the effective date, unless council specifies otherwise, will take effect "upon passage." He noted that there is an administrative process underway with Mr. Leitz and his team to draft the billing process for the affiliation fee.

Title 9 includes the sewer use ordinance. Language related to allocation approval has been stricken. Article 10 has been updated to reflect the current fees in play. Mr. Cloud stressed that the affiliation fee is not part of the water and wastewater bill but envisioned as a separate bill. Title 19 encompasses water system operations. Similarly, the language related to allocations has been removed. The final page of the ordinance includes a map of the Route 7 North Sewer District.

Mr. Cloud stated that staff remains on track, continuing to refine the ordinance. Procedurally, staff is at the first reading and will take feedback along the way to improve for second reading. Mayor Gamache asked Mr. Cloud what he anticipates in order for the administrative functions to be in place associated with the ordinance. Mr. Cloud responded that he is looking for Mr. Leitz to refine the plan and will have more information in the next several weeks. He doesn't believe the second reading will be ready for the August meeting.

Mr. Hawkins noted the 3 year period in which someone can utilize the allocation and asked what the interplay is with that and any increases in rate. He questioned whether the applicant would receive the rate when they first applied. Mr. Cloud responded that if someone comes in under the affiliation fee program and is approved for an allocation that is good for 3 years, they have the right to pay for the allocation in full or can choose to wait and run the risk of paying the new rate and the interest. Mr. Cloud added that the rates for water/sewer are adopted annually. Mr. Hawkins asked if Mr. Cloud if he foresees any issues with extending allocation expirations for 3 years, taking away from other projects in the City. Mr. Cloud responded that the City doesn't have a capacity problem and has an awful long time before that occurs. Mr. Cloud noted that capacity is low on the City's list of challenges and 3 years is a common time frame for issuance of allocations. Mr. Cloud responded that if the City gets within 20% of its capacity, it will be ordered to create more.

Mr. Hawkins asked if the date of implementation would be the same date the moratorium is ceased. Mr. Cloud responded that it would happen simultaneously. Mr. Cloud responded that under State law, there are 60 days that must pass before an ordinance goes into effect but under the City Charter, it is effective immediately. Mr. Cloud stated that staff researched the question to determine which applies and the answer is the City Charter unless council specifies otherwise. Mr. Hawkins stated that council doesn't have to dismiss the moratorium until they are ready to dismiss it. Mr. Cloud responded that upon implementation of this ordinance, the moratorium on water and wastewater allocations outside the legal limits of the City shall be repealed. Mr. Hawkins stated that he doesn't want to be ready to move forward after the second reading but have staff not be ready and have the moratorium gone.

Mr. Spooner stated that there is no language about separation of storm water and wastewater and asked if that came into play under the State regulations. Mr. Cloud responded that he will talk to the engineers to see if there is an opportunity the City is missing to encourage more separation. Mr.

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Hawkins stated that he would assume that the Act 250 permit would require that. Mr. Spooner noted that the word, "Article" is not formatted correctly. He also noted that the word "board" which is sometimes capitalized and in some sections isn't and asked if there was a difference. Mr. Cloud responded negatively. Mr. Spooner noted Section 11, # 7 which reads, "Applicants or other parties may appeal the Board's decision to Superior Court pursuant to the Vermont rules of Civil Procedure" and asked if that needed to be included. Mr. Cloud responded affirmatively.

A motion was made by Alderman Hawkins; seconded by Alderman Corrigan to accept first reading of the water/wastewater affiliation fee ordinance. Vote was unanimous, 6-0.

8. St. Albans Town Selectboard Presentation.

a. Bruce Cheeseman and Sam Smith.

Mayor Gamache welcomed St. Albans Town Select Board members, Bruce Cheeseman and Sam Smith. Mr. Smith explained that Stan Dukas and Bruce Cheeseman previously met with the City Manager to discuss a potential buy-in y the Town into the City water and wastewater system. Mr. Cheeseman explained that the Town is currently exploring many options and recalled a conversation that took place in 2006 between the City and the Town about a potential buy-in and would like to know if the interest still exists. Mr. Cheeseman stated that he would like to see the City and Town enter into a program that is beneficial for both parties. Mayor Gamache asked Mr. Cheeseman if he could elaborate on what he envisions a buy-in to look like.

Mr. Smith stated that he would like to find alternative ways to resolve issues between the City and the Town without the introduction of the affiliation fee. Their goal is to come to an agreement between the two communities so they both benefit from the economic prosperity of the area. Mr. Smith explained that the Town would like to explore the creation of a district or buy-in so they can begin to participate in the water and sewer system and participate in any necessary upgrades as the system grows. Mr. Smith stated that a committee was formed in 2006 to weigh in on available options such as creating a district or a buy-in and decided that a purchase option to buy-in would be best, although it never came to fruition. Mayor Gamache asked Mr. Smith if he could elaborate on the 2006 proposal for those who are not familiar. Mr. Smith responded that there was discussion of assigning a value to the water/sewer system and creating a district but ultimately the committee proposed a purchase contract. Mayor Gamache asked Mr. Smith if when he refers to a buy-in, whether he is talking about buying into a district or something different. Mr. Smith responded that he is unsure if it would be a buy-in into a district or a level of partnership but agreed the Town has the demand and the City has the capacity and both communities are at stake.

Mr. Smith stated that it is his understanding that if the Town participated in a buy-in of the real estate portion of the water/sewer system; it would be from funds that would go directly into the City's General Fund. The Town has some ways they could possibly fund such a purchase up to a point and are interested in exploring the possibility with the help of a joint committee or a third-party consultant. Mayor Gamache stated that the conversation about value is a core piece of how something could move ahead differently in the future. Mayor Gamache asked Mr. Smith what makes it different now to be having conversations about value. Mr. Smith responded that in 2006, he believes the discrepancy revolved around the value being discussed at that time and the funding mechanism. Mayor Gamache asked Mr. Smith if when he refers to a buy-in discussed in 2006, whether he's speaking of buying in an allotted capacity. Mr. Smith responded that the purchase initially discussed was as a buy-in into the water/sewer infrastructure system and then led to a discussion of instead purchasing 100,000 gallons for $1.2 million. Mr. Smith stated that the Town can't completely fund a bulk purchase or buy-in with tax payer's money but have several different mechanisms for user-based funding. Mr. Smith stated that this proposal may help the City achieve

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its goals without the roll out of an affiliation fee. Mayor Gamache asked Mr. Smith if the Town is also asking council to not move forward with the affiliation fee ordinance. Mr. Smith responded negatively. Mr. Cheeseman noted that after speaking with consultants, the Town has learned that it will be feasible to create their own water/sewer plant and within the next 2-3 years, the Town will be in the water/sewer business.

Mr. Spooner asked if the value being discussed would incorporate the intangibles such as the potential or just the infrastructure and real estate. Mr. Smith responded that it would include the real estate, the plant and the infrastructure. He noted that there are companies that can create an operating water system in 16 months, turn-key with a 500,000 gallon capacity. Mr. Spooner stated that he is in favor of working with the Town but is not in favor of holding up the roll out of the affiliation fee.

Mr. Pelkey asked Mr. Cheeseman if it's correct that the Town would like the City to determine a value for the City's water/sewer infrastructure. Mr. Cheeseman responded that they would like to know what an independent appraiser values the system at. Mr. Smith responded that it's more than that but also a determination of what the mechanism of a buy-in would look like. Mr. Hawkins asked Mr. Cheeseman if the Town is looking for the City to finance their portion of a buy-in. Mr. Smith responded affirmatively. Mr. Hawkins stated that it sounds like the Town wants the City to hold the note for their portion. Mr. Smith stated that he doesn't believe the Town's voters would be in favor of a bond.

Mayor Gamache asked Mr. Smith how much in terms of resources he anticipates needing in order to get to the next step without requesting a full blown appraisal. Mr. Smith responded that he and Mr. Cheeseman have been appointed by the Selectboard to introduce this topic to council and the hope is that the City council could appoint two members to sit with them and start a dialogue. Mr. Pelkey stated that he is willing to start a discussion but also doesn't want to put the ordinance on hold and would like to allow City residents to weigh in as well. Councilors Laddison and Corrigan agreed. Mayor Gamache stated that she doesn't want to hang up the affiliation fee and feels strongly that it addresses the needs of the City. She is glad to hear that the Town is not asking them to cease the roll-out of the affiliation fee ordinance and is very interested in keeping a dialogue going but is too early to say if it's viable or not. Mr. Smith stated that he is asking for a couple of the council members to join them in an open dialogue to come up with something that works for both communities. Mayor Gamache noted that one concern she has about moving forward with conversations is making sure there is an open level of transparency and believes openness and transparency could be a real benefit for both communities. Mr. Cheeseman agreed that transparency is important to him. Mr. Smith stated that he is just asking for a brainstorming session and could be more specific in a smaller group setting.

Mayor Gamache opened the floor to public comment. Mr. Doyle thanked council for continuing on with the affiliation fee proposal and for being committed to public transparency. Mayor Gamache asked Mr. Smith if they would be agreeable to the idea of an open, warned meeting and noted it wouldn't consist of a quorum. Mr. Pelkey commented that council needs a number to use as a starting point and if agreeable, then the two parties can discuss the details. Mr. Smith asked Mr. Pelkey if he is requesting that an appraisal be completed. Mayor Gamache stated that the consensus is that the City feels strongly about the affiliation fee and is moving forward with that proposal but willing to keep the chain of communication open with the Town. Mayor Gamache stated that she is open to allowing two to three council members meet with Selectboard members to discuss the proposal further provided that it's done in an open session. Discussion ensued about the quorum size of the Town and City. Mr. Corrigan stated that the facility is the property of the City's taxpayers

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and are entitled to hear everything that is discussed. Mr. Smith asked why the discussion couldn't take place in closed session and announce what was discussed in an open session.

Mr. Cloud stated that the Town and City will be talking about a number fairly quick and what that number is, where it is derived from, how it gets explained to the voters and the mechanism for financing are all important factors. He gave the example of the City's early TIF discussions and noted that they wouldn't have inspired public confidence in an open setting. He believes when the final proposal ultimately does come out, it needs to be packaged in a particular way and thinks the voters might get the best deal out of the Town if they feel like they can be vulnerable in a way that they can't as elected officials on television. Mayor Gamache agreed with Mr. Cloud if the next step was to formally negotiate but stated at this time, there is still more discussion needed. Mr. Smith asked the council if they would entertain a payment schedule of some sort where the Town would make a payment to the City as a partner that is buying into the water/sewer business. Mayor Gamache reiterated that council is open to exploring options but needs more information. Mr. Spooner stated that council needs to see a proposal with figures proposed and a timeframe.

Mr. Doyle noted the scenario where the City retained operational control and shared ownership with the Town and the City decided to bond through those enterprise funds for a separation project due to old infrastructure beneath the streets. He asked if that would that give the Town the ability to have a separate vote on the same ballot article if they retained some ownership of the City. Mr. Smith stated that he believes those details were outlined in the 2010 contract agreement and can be further worked out. Mayor Gamache explained that she is willing to work together on a future agenda and allow 2-3 interested council members to join selectboard members in a conversation. Mayor Gamache thanked Mr. Smith and Mr. Cheeseman for attending.

9. Consider authorization to advance water fund capital reserves of up to $275,000 for the Fairfax Filter in anticipation of Bond Vote, Dominic Cloud. (D&V).

Mr. Cloud noted as previously discussed, staff intends to go to the voters to ask for support of a bond for the replacement of the Fairfax Filter which is beyond its useful life and must be replaced. There is a very long lead time to order the parts and staff has the reserves to front the funds to start ordering the equipment. If the bond fails, staff must go back to the voters and ask again or look at some other projects.

A motion was made by Alderman Hawkins; seconded by Alderman Corrigan to authorize City Manager to advance water fund capital reserves of up to $275,000 for the Fairfax Filter in anticipation of Bond Vote was unanimous, 6-0.

10. Consider authorization of Police Department to pursue U.S. D.O.J. Justice Assistance Grant, Chip Sawyer. (D&V).

Chief Taylor explained that the grant is for communications between the Police Station and the radar base which costs $9797 and for a municipal system charger which costs $4,828. The grant is already approved but must be vetted publicly. Mayor Gamache asked if there is a match. Chief Taylor responded negatively.

A motion was made by Alderman Pelkey; seconded by Alderman Corrigan to authorize Police Department to pursue U.S. D.O.J. Justice Assistance Grant. Vote was unanimous, 6-0.

11. Consider Approval of Minutes: Reg. Meeting 6/8/15 (D&V).

A motion was made by Alderman Hawkins; seconded by Alderman Pelkey to approve regular meeting minutes from 6/8/15. Vote was unanimous, 6-0.

12. Consider Approval of Warrant: 6/8/15, 6/18/15 & 7/10/15 (D&V).

Approved by Council

A motion was made by Alderman Hawkins; seconded by Alderman Pelkey to approve warrants from 6/8/15, 6/18/15 and 7/10/15. **Vote was unanimous, 6-0.**

13. Other Business.

Mr. Hawkins thanked staff for the excellent paving work on the City Streets. He noted two catch basins that appear to be clogged and believes there should be a regular maintenance schedule; one by 181 High Street and the other between Rublee Street and Brainerd Street on High Street. The speed limit sign on the top of Upper Newton Street is completely covered by a Pine tree. He would like council to look at the ordinance for lawn sales to see about amending to cover the duration "for free" items can stay outside people's homes. Mr. Spooner asked if that was addressed in the PHSO. Mr. Cloud responded that he believes it addressed how long items can be placed outside but didn't address the conditions. Mr. Hawkins noted the flowers outside of the St. Albans Shopping Center and said they are overflowing in such a way that two people cannot walk down the sidewalk at the same time. He noted his disappointment in the way the contractors set up their equipment at the top of Hoyt Street during the streetscape extension and thought it was a very dangerous situation.

Mr. Spooner thanked Chief Taylor for the Parks Patrol staff and commended the great job they're doing. He noted the past speed complaints on Congress Street and imagined they'd increase with the street being newly paved. He recalled that one resident had asked about a 3-way stop at the intersection of Prospect Street and Congress Street and hoped the discussion could ensue. Mr. Spooner mentioned the discussion that took place at the last Public Safety meeting in regards to moving the crosswalk that's currently in front of Handy's down further to the front of Beverage Mart. Mr. Cloud stated that he looked at it and asked if Mr. Robtoy followed up with him. Mr. Spooner responded negatively. Mr. Cloud asked Mr. Spooner to draw the location he'd like it to be moved to on a map and send it to him.

Mr. Pelkey noted that residents have addressed their concerns about the speed limit sign location on Hoyt Street. Mr. Hawkins asked Mr. Pelkey about the truck traffic on Hoyt Street. Mr. Pelkey acknowledged that there has been an increase in truck traffic. Mr. Pelkey noted that people are parking on the South side of Hoyt Street which reduces visibility. Mr. Cloud asked if parking was permitted on both sides of the street. Mr. Pelkey responded that he believes it is permitted. Mr. Hawkins added that Hoyt Street is a school walk and bike route as well. Chief Taylor stated that parking is not allowed on the North side so the issue is due to a lack of signage or markings on the street. Mr. Cloud asked Mr. Pelkey to look at the markings on Stowell Street as a reference. Mr. Pelkey stated that if you are over 5'10" walking down Main Street, it is difficult to not bump your head on the planters and asked if they could be raised higher. Mr. Hawkins stated that he has noticed on a couple occasions that the crosswalk at Twiggs has been blocked off by people sitting at tables. Mr. Pelkey thanked whoever cut down the tall grass at the crosswalks.

14. Adjourn.

A motion was made by Alderman Spooner seconded by Alderman Pelkey to adjourn meeting at 9:19 pm. Vote was unanimous, 6-0.

Respectfully Submitted,

Kristen Smith
Administrative Coordinator

Approved by Council