

**St. Albans City Council
Minutes of Meeting
Monday, March 13, 2017
City Hall, Council Chambers**

A regular meeting of the St. Albans City Council was held on Monday, March 13, 2017, at 6:30 pm in the City Hall Council Chambers.

Council Present: Mayor Elizabeth Gamache; Aldermen: Tim Hawkins, Michael McCarthy, Chad Spooner & Jim Pelkey and Alderwomen Marie Bessette and Kate Laddison.

Council Absent: None absent.

Staff Present: Dominic Cloud, City Manager; Chip Sawyer, Director of Planning & Development; Marty Manahan, Director of Business Development; Allen Robtoy, Director of Public Works; Thomas Leitz, Director of Administration and Sue Krupp, City Clerk & Treasurer.

Visitors: See attached sign-in sheet.

1. Call to Order and Pledge of Allegiance.
Mayor Gamache called the meeting to order at 6:30 pm and led the pledge of allegiance.
2. Swearing in of new Councilors, City Clerk.
Mayor Gamache thanked former councilor's Tammi DiFranco and Scott Corrigan for their service on City Council. Ms. Krupp swore in new councilors, Michael McCarthy to Ward IV and Marie Bessette to Ward III.
3. Mayor's Report.
 - a. Introduction and welcome of new Councilors and committee assignments.
Agenda item # 3 (committee assignments) was discussed during agenda item # 18, Other Business.
Mayor Gamache welcomed new councilors, Michael McCarthy and Marie Bessette. She noted that Marie has expressed an interest in serving on the Public Safety and Quality of Life Committee and Mike McCarthy has expressed an interest in serving on the Finance Committee.
4. Election of Council President (D&V).
A motion was made by Alderman Hawkins; seconded by Alderman Pelkey to nominate Alderman Spooner as Council President. Motion carried, 6-0 with Alderman Spooner abstained.
5. Public Comment.
No public comment was made.
6. Legislator Visit.
Mayor Gamache welcomed State legislators, Corey Parent and Kathleen Keenan. Mr. Parent introduced himself and explained that he and Kathy Keenan represent St. Albans City and 1/3 of St. Albans Town. They are about half way through the legislative session but off to a slow start this year due to changes in leadership roles in the legislature.

The Speaker created a new Energy and Technology Committee of which he is a part. Mr. Parent explained that the Speaker took telecom issues out of commerce and economic development and dismantled the Energy and Natural Resources Committee. For the first time, legislature has been given oversight on information technology projects within State government. Mr. Parent explained that the Governor has issued an Executive Order to create an Agency of Digital Services which will help State

government agencies to be more streamlined and better able to communicate. He added that the scariest realization the committee has had is that nobody in State government can say exactly how much is spent on IT costs within the State government. The new committee will help citizen legislators understand some of the more complex projects and help them to make better decisions on how to move forward. Mr. Parent added that there haven't been a lot of controversial pieces of legislation to hit the floor yet. The Governor doesn't want to raise revenues. The known unknown is the Federal government and not sure what the impact will be on the State budget.

Ms. Keenan introduced herself. She reiterated that they are very interested in what is taking place in that committee because the State has spent hundreds of millions in the last decade for IT projects, many of which are failed projects. She is hoping that a Telecommunications Advisory Committee is formed because the State is lacking in that area and is hopeful that legislature figures out what it needs to do to make Vermont saleable for people that want to do tech projects.

Ms. Keenan explained that they are looking at a \$7.9 billion dollar budget this year. They heard the Governor's budget and 2-3 weeks after the presentation were surprised that all of the education funding was not funded in the budget which created \$53 million in expenditures that were not covered by any revenues. The Governor has been adamant about not wanting to raise taxes but she fears that it will create pressure on next year's budget. Ms. Keenan explained that reserve funds are all full and the state has gotten away from spending one time funds on base budgets for agencies. This year, that is exactly how the education piece is being funded as well as property taxes. The Legislature is now \$18 million away from balancing the budget and going back to work hard over the next two weeks.

Mr. Parent stated that in the past, the State has bonded IT projects which doesn't make a whole lot of sense fiscally so the Governor is looking at one time money to be used to fund those types of projects. He doesn't think anyone is really opposed to that. Mr. Parent added that there is still \$1 million in the budget for a new treatment hub and the interstate is going to be repaved from the Canadian border to Georgia out of the transportation fund. Ms. Keenan stated added that last year, legislature set up a special reserve fund for the 53rd week that they were faced with and in 2022, there will be another year that has 53 weeks. Overall, she believes the State is doing well despite what's happening in Washington.

Mayor Gamache asked what the Statewide and Federal impacts will mean for Lake Champlain. Mr. Parent responded that the Agency of Natural Resources receives approximately 1/3 of its funding from the Federal government through EPA grants so if the President does something with that, it will cut funding. The Legislature is still waiting to hear about water quality and is looking to invest in infrastructure projects next year. The State does have a revenue source for the TDI power line underneath the lake, if it is built, and that would create \$400 million in revenues. He added that that revenue is still only 40% of what is needed for water cleanup.

Ms. Keenan stated that legislature still has a lot of areas that they need to look at in terms of cutting and will need to take some hard looks at areas such as security in the court room, corrections spending and out of state vs. in state beds. She is worried about what's happening with healthcare and fearful that it will turn the whole system upside down and believes the hospitals will be giving a lot more free care. Mr. Parent stated that the estimate he heard last week if the plan were to go through would be a \$200 million hit to Medicaid for the state of Vermont. The State receives approximately a \$1 match for every dollar it State spends on Medicaid. Mr. Parent added that the State would have to face some major cuts if it were to lose \$200 million in Federal funding. Ms. Keenan stated that some of the matches in the Agency of Human Services are a 90/10 match. Mayor Gamache asked Mr. Parent and Ms. Keenan if they had any thoughts on how much longer legislature will deliberate. Ms. Keenan responded that it would depend on the budget.

Mr. Parent pointed out that the Governor did look to increase spending in rural parts of Vermont for innovation hubs and thought it would be a great opportunity for some of the buildings in the downtown. Mayor Gamache asked when the treatment hub is expected to open. Ms. Keenan responded that it is expected to open in April or May. Mr. Pelkey noted the judiciary project and asked if it's for the new docking system. Mr. Parent responded affirmatively and stated that it will be funded at \$2.5 million per year for two years. Mr. Parent added that the legislative breakfast is this weekend at 9 am at the Legion in Enosburg. Discussion ensued about the archaic judicial system.

Mr. McCarthy asked how general fund revenues are stacking up against targets and asked if the State is going to be able to count on Act 46 property tax incentives in the out years. Ms. Keenan responded that she believes there has been a guarantee that it's going to happen. Mr. Parent added that the Governor's proposal has reengaged the Education Committee to talk about education. Education is going to be a hot topic and is an expensive part of the budget. He explained that legislature has little to no control over it and encompasses \$1.8 billion of the budget. Mr. Parent added that for revenues, it depends on which stream you are looking at; personal income is way up while corporate revenues are down. Mr. Spooner thanked Mr. Parent and Ms. Keenan for working for the City in Montpelier and explained that the City of St. Albans has recognized lots of opportunity from the State. He is hopeful that the positive return on investment with TIF is recognized. Mr. Parent responded that they are working on expanding TIF and do see the value in it. Mayor Gamache thanked Mr. Parent and Ms. Keenan for attending.

7. Recess for Liquor Control (see separate agenda).

A motion was made by Alderman Hawkins; seconded by Alderman Spooner to recess for liquor control at 7:00 pm. Vote was unanimous, 7-0.

8. Presentation of FY 16 Audit. Scott McIntire, CPA, Melanson Heath.

Mr. McIntire introduced himself along with Audit Manager, Alina Korsak. He explained that field work was conducted by their firm in September and October and found that the City's key accounts were reconciled on a regular and timely basis.

Mr. McIntire noted the firm's opinion on the City's financial statement which begins on page 13 of the Comprehensive Annual Financial Report. It is the firm's opinion that the City's financial statements are completely in accordance with the Generally Accepted Accounting Principles (GAAP). Following that is the Management Discussion and Analysis which Mr. McIntire explained is a good resource to go back at a later point in time to understand why certain key account balances have changed. The Statement of Net Position, also known as dual perspective financial reporting and includes the framework used to show long term financial perspectives. Mr. McIntire added that the reports following the Statement of Net Position show short term financial perspectives. He recalled that last year, much of the discussion was focused around the net pension liability and accounts for approximately \$3 million. Mr. McIntire added that the net pension liability has increased by approximately \$1 million over the prior year and can be felt on the expense side over the next 5 years.

Mr. McIntire addressed the Governmental Funds Balance Sheet which focuses primarily on the City's General Fund and drew attention to the account balance called "Due to Other Funds" under Liabilities which accounts for approximately \$4.7 million. He explained that it is essentially cash that is accounted for in the General Fund that really belongs to some of the other funds. Mr. McIntire noted the TIF Debt Service Fund with a balance of \$2,194. He noted that there was a significant change in how the community accounted for land sale proceeds and was previously accounted for in the TIF Fund whereas it is now presented in the General Fund. With the land sale proceeds removed, the TIF Fund is acting solely as a Debt Service Fund.

Mr. McIntire noted the fund balances in the General Fund; non-spendable, restricted, committed and unassigned. He explained that the non-spendable fund balance of \$791,045 has a change from the prior year resulting in capital projects that have some deficit balances where final funding sources are either in the process of being identified or are long term receivables. Most conservative financial reporting would indicate that if there is long term money coming in to fully finance some of those project expenditures, perhaps a reservation should be made in the General Fund. Mr. McIntire stated that the Committed Fund Balance which has approximately \$2.3 million is a classification that is used to indicate that there are planned expenditures. \$1 million of that \$2.3 million is the hotel loan and also includes some property acquisitions and some planned renovations of those property acquisitions. Mr. McIntire added that the Unassigned Fund balance has a deficit of \$188,000. He explained that that is different from the prior year due to the fact that by increasing the Non-Spendable Fund balance to compensate for the long term funding sources, it has increased one fund balance component, and as a result, decreased another with the end result being the deficit in the Unassigned Fund balance. Mr. McIntire noted a presentation change to the Statement of Revenues, Expenditures and Changes in Fund Balances There was an outflows of funds in the General Fund that exceeded inflows by a couple hundred thousand dollars.

Mr. McIntire explained that there were three recommendations made as a result of the audit. The first recommendation is to improve budgetary controls and capital project accounting. The suggestion would be to try to implement some improved monitoring controls and budgetary comparative schedules. The second recommendation is to enhance the fund balance policy. Mr. McIntire noted that the City has a very comprehensive fund balance policy that was put into place two years ago and the GFOA recommends that organizations tighten up their policy with respect to the definition of what they have for a committed fund balance. The final recommendation is to prepare for some new single audit requirements. There are a whole set of new guidelines referred to as uniform guidance that increases the level of policies and procedures and internal controls that cities and towns need to have over the expenditures of the Federal grants that they receive. Mr. McIntire added that there are also changes that need to be made that have to do with procurement of purchasing guidelines.

Mayor Gamache commented that she likes the reference tables that are included in the audit and found the format to be very helpful. She also found the narrative very helpful.

9. Request for extra-territorial water and wastewater allocations for NCSS, Ruggiano Engineering (D&V). Luke Willey of Ruggiano Engineering introduced himself. He explained that he is presenting an application for an allocation request for an expansion of the NCSS facility. They are proposing a 9000 sq. foot building that would house 45 administrative employees, 20 of which will be new positions. The request is for 675 gallons per day of water and wastewater. Mr. Willey explained that Ruggiano submitted the responses to the criteria per the City ordinance. NCSS is a fast growing organization that provides a very important service to the community and is not anticipated to have any negative impact on the City or surrounding area. There is a significant amount of investment that NCSS has in this project aside from the infrastructure. Mr. Willey added that in 2006, NCSS contributed to intersection improvements adjacent to its property with future growth and expansion built in.

Mr. Hawkins asked Mr. Willey if there is any evidence or testimony to produce that shows NCSS is a non-profit. Mr. Willey responded that NCSS is tax exempt and are a non-profit. Mr. Cloud stated that to the extent that the council is inclined to grant the affiliation fee, he would recommend that a condition be that as long as the tax exempt status remains, the affiliation fees would not apply but if the tax status changes, the affiliation fees would apply.

A motion was made by Alderman Pelkey; seconded by Alderman Spooner to approve water and wastewater extra-territorial allocation application for NCSS contingent upon their tax exempt status

remaining tax exempt. If the tax status changes, the affiliation fees would be applicable. Vote was unanimous, 7-0.

10. Public hearing and second reading of amendments to City Ordinances regarding, Chip Sawyer.

Mr. Sawyer stated that this is the second reading of some changes proposed for parking, the first of which is the compact car rule. During the first reading, staff proposed a compact car space at the corner of Federal and Kingman Street. Council comments were to make all 3 spaces at that location compact car for now because the road may undergo some changes with paving in the next few years. Mr. Sawyer added that council also wanted a definition of a compact car. Staff looked into the industry definition and got some feedback from local car dealers and decided that a compact car would be any motor vehicle measuring 175" or less in total length, with said measurement including anything attached to the front or rear of the vehicle. Mr. Sawyer explained that the City's compact car parking goals so far have been based on sight lines both in the parking garage and in parking spaces and this new definition will ensure that vehicles parked will be less likely to block sight lines. Mr. Sawyer stated that a compact car fine has been added and in Section 3, added a new section of the ordinance, 5321, which states, "the following spaces are designated for compact cars only" and are designated for the east side of Federal Street between Kingman Street and the access drive to the City parking garage.

Mr. Pelkey asked if future changes would need to be made to the ordinance if a decision is made to add additional compact car spaces in the City. Mr. Sawyer responded affirmatively. Mr. Hawkins asked if the size of a parking space for a regular sized vehicle is the same size as a parking space for a compact car. Mr. Sawyer responded affirmatively. He stated that the real issue is the size of the car in the space and not the space itself. Mr. McCarthy commented that this definition of a compact car seems a lot bigger than what most people would consider to be a compact car. Mr. Sawyer responded that staff found several compact car definitions but went with the larger size. Mr. McCarthy stated that a lot of light SUV's would fall into this definition. Mr. Sawyer responded that it is possible but it is the height of the larger SUV's that really pose a problem.

Mr. Sawyer explained that the other set of changes has to do with parking times Downtown. Based on observations about how the parking program was going, behaviors of "parkers" Downtown and after receiving feedback from merchants, staff realized that most people would be happy with 2 hour parking and that the City needs to start its parking enforcement earlier. Currently, enforcement begins at 9 am which means someone could show up in the morning and park in a space until 11:30 am, taking up nearly the entire morning. Staff expects its spaces to turn over at least once in the morning. Staff is proposing to go to a 2 hour rule throughout most of the Downtown and run the parking program from 8 am – 5 pm. He added that parking near the theater north of Hudson Street would remain 2 ½ hour parking. Mr. Sawyer stated that a couple references to timed parking that no longer exist in our parking lots was removed as a technical correction. Subsection b. of Section 5351 which discussed 30 minutes zones were all changed to reflect 8 am – 5 pm, as well as subsection c. and subsection f. reflects the one hour parking in front of Ruggiano's and Champlain Housing Trust's main office which has more frequent turnover.

Ms. Laddison asked Mr. Sawyer how staff is going to sign all of these zones. Mr. Sawyer responded that the style will stay the same and the City will have to get new signs. Staff normally looks to put signs on existing posts or street lights and will only add posts if absolutely necessary. Staff is also looking into the idea of having different colors to represent the different time zones. Mr. Spooner asked what the cost of these new signs will be. Mr. Sawyer responded that he doesn't know yet. Mr. Robtoy stated that Corrections makes the signs, they are very competitive and do not charge for shipping. Mr. Spooner stated that he would hate to throw the existing signs away and would prefer that they be reused if possible. Mr. Robtoy estimated that the new signs would cost \$1,500.

Mr. Hawkins noted that there are a lot of different times and wondered if a color coded map could be made that would help disseminate where you are parking and how long you're allowed to park. Mr. Sawyer responded affirmatively. Mr. Cloud responded that the challenge is that the number one issue staff hears from merchants is parking but merchants are not unanimous. He added that staff has taken great care with the signage to make sure it's not sending a message that is incongruous but there isn't any real rhythm to it because the businesses change. Mr. Hawkins commented that we can only be so flexible to not foster mass confusion. Mr. Spooner stated that he's seen some places where the time is right in front of the parking space. Mr. Pelkey suggested color coding the striping. Mayor Gamache commented that she believes the flexibility is good and the proposal is worth a try. She believes by and large, people will adapt and adjust. The bigger problem is being consistent with concerns about parking management. Mr. Manahan added that the validation program is also still in place. Mr. Cloud stated that he believes we are moving more toward consensus.

11. Consider adoption of proposed amendments to parking ordinances (D&V).

A motion was made by Alderman McCarthy; seconded by Alderwoman Laddison to adopt proposed amendments to parking ordinances as presented. Vote was unanimous, 7-0.

12. Consider adoption of Local Hazard Mitigation Plan (D&V), Chip Sawyer.

Mr. Sawyer explained that staff discovered that the City didn't have a Local Hazard Mitigation Plan and is not eligible for FEMA grants without a plan. A plan would help the City to identify the things that could go wrong in the community and help identify projects that can be done to help mitigate any hazards or harm if a disaster were to occur and then prioritize those projects. Mr. Sawyer explained that staff drafted a plan which requires the City to follow a public process pieces and go through State and FEMA reviews. FEMA is happy with the plan and is ready for consideration from council. The plan includes a table that has a prioritized list of projects that the City could undertake to help prevent further damage in the case of a disaster. Having a plan like this means we could pursue FEMA funds for some of these projects.

A motion was made by Alderman Spooner; seconded by Alderman Pelkey to adopt Local Hazard Mitigation Plan. Vote was unanimous, 7-0.

13. Consider certification of annual highway financial plan (D&V), Chip Sawyer.

Mr. Sawyer explained that staff is applying for VTrans Class 2 funds to pave Federal Street. As part of the grant program, the City needs to certify its annual financial plan and readopt some of the road and bridge standards.

A motion was made by Alderman Pelkey; seconded by Alderman McCarthy to approve certification of annual highway financial plan. Vote was unanimous, 7-0.

14. Consider re-adoption of road and bridge standards (D&V).

Mr. Sawyer explained that this is also a part of the VTrans Class 2 grant. The City adopted these road and bridge standards last year. This is a chance to readopt them and certify that the City is in compliance with the general VTrans road standards.

A motion was made by Alderman McCarthy; seconded by Alderman Pelkey to readopt road and bridge standards. Vote was unanimous, 7-0.

15. Presentation of plans to assist property owners with junk removal, Marty Manahan.

Mr. Manahan stated that staff is working with Northwest Solid Waste who will be doing some outreach by sending every resident in the City their options for removing waste and garbage. Staff is also going to be working with some of the local salvage yards to remove unregistered, uninspected vehicles in May. Mayor Gamache asked how the outreach is taking place. Mr. Manahan responded that Northwest Solid

Waste will be mailing out a flyer and track the response rate. Mr. Spooner noted that per the Public Health and Safety Ordinance, he believes it allows a residence to have one unregistered vehicle in their driveway.

16. Update on FY 17 Paving Projects, City Manager and Allen Robtoy.

Mr. Cloud stated that he met with Public Safety Committee earlier this evening. The memo enclosed in the council packet outlines eight streets that are tentatively planned for paving in the FY 17 paving budget and some are also getting curb and sidewalk. The streets are as follows:

- Finn Avenue – also includes curb and sidewalk.
- Hoyt Street - also includes curb and sidewalk.
- Murray Drive
- Spruce Street
- Upper Gilman Street
- Upper Newton Street
- Ward Terrace
- Sunset Meadows

These streets were selected based on the customary factors of condition and geographic diversity, as well as coordination with the Neighborhood Sidewalk Project. In addition to those 8 streets, staff is also pursuing Class 2 paving funds for the balance of Federal Street and if successful, would extend to Lower Newton Street. Mayor Gamache asked what the timing of the project would be. Mr. Cloud responded that it would occur this spring. He added that the wild card is acquiring the necessary right-of-way for the project and making it through the Federal transportation permitting process. Staff received notification today that it acquired land from the railroad and now just has to get through the Federal highway process. Mr. Cloud stated that the best time to bid a project is in January and expects that there could be a swing in the cost for the project due to late bidding. Staff is doing absolutely everything it can to push the process forward. \$1.6 million is the rough estimate in place for the project at this time.

17. Nomination of Gary Taylor for Deputy Health Officer (D&V).

A motion was made by Alderman Spooner; seconded by Alderman Pelkey to nominate Gary Taylor as Deputy Health Officer. Vote was unanimous, 7-0.

18. Other Business.

Mayor Gamache acknowledged the positive comments made earlier about the Finance staff and the excellence of the work that they do. She also commended and recognized staff including the Police Department, Public Safety and other members of law enforcement that were involved in responding to the incident on Lake Street.

Mr. Hawkins noted the crosswalk by the school. Mr. Spooner acknowledged that it is on the agenda for the next Public Safety Committee meeting.

Mr. Hawkins asked Mr. Manahan if there will be time to talk about the Maple Festival at the next meeting. Mr. Manahan responded that the Maple Festival Committee met with Captain Ron Hoague and himself and signed the MOU. Everything is staying the same for the most part with the exception of the meeting place for the parade. Mr. Hawkins asked if anything is going on at courthouse parking lot. Mr. Manahan responded that the rides will be going there as well as in Taruski's parking lot.

Mr. Hawkins asked if the green space by the railroad would still be used by them. Mr. Manahan responded negatively.

19. Consider approval of warrants: 2/24/17 & 3/10/17 (D&V).
A motion was made by Alderman Hawkins; seconded by Alderman Pelkey to approve warrant from 2/24/17. Vote was unanimous, 7-0.
A motion was made by Alderman Hawkins; seconded by Alderman Pelkey to approve warrant from 3/10/17. Vote was unanimous, 7-0.
20. Consider approval of minutes: Reg. mtg. 2/13/17.
A motion was made by Alderman Hawkins seconded by alderman Pelkey to approve 2/13/17 regular meeting minutes. Motion carried, 5-0 with Alderwoman Marie Bessette and Alderman Mike McCarthy abstaining.
21. Adjourn.
A motion was made by Alderwoman Bessette; seconded by Alderman McCarthy to adjourn meeting at 8:08 pm. Vote was unanimous, 7-0.

Respectfully Submitted,

Kristen Smith
Community Relations Coordinator