

**St. Albans City Council
Minutes of Meeting
Monday, February 24, 2020
City Hall, Council Chambers**

A regular meeting of the St. Albans City Council was held on Monday, February 24, 2020, at 6:30 pm in the City Hall Council Chambers.

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

Council Absent: Alderman Chad Spooner.

Staff Present: Dominic Cloud, City Manager, Marty Manahan, Director of Public Works, Operations & Business Development and Kelly Viens, Recreation Director.

Visitors: See attached sign-in sheet.

1. Call to Order and Pledge of Allegiance.
Mayor Smith called the meeting to order at 6:30 pm and led the pledge of allegiance.
2. Public Comment on items not on agenda.
Donna Howard introduced herself and explained that she is present on behalf of St. Albans Arts and Festival of Trees. She thanked the City of St. Albans staff and council for their assistance. They were able to raise \$10,000 for Martha's Kitchen and \$10,000 for Northwest Family Foods. Mayor Smith thanked Ms. Howard and all of the volunteers for all of their work leading up to the events.
3. Consider adoption of documents related to Congress and Main (D&V).
 - a. Resolution No. 1: Transfer of Unit 3 of Congress & Main Master Condominium (Affordable Housing) to The Snyder Construction Company, LLC (D&V).
Mr. Cloud explained that the action items are a series of resolutions for the Congress and Main Development. This is a significant milestone for this \$20 million redevelopment and will allow the City to close on the two housing projects in early March.

The Purchase and Sale document sells Unit 4 to Grant Butterfield and the 10 Maiden Lane LLC. The Operating Agreement outlines how the City's \$880,000 investment into 10 Maiden Lane LLC will be handled. A majority of this investment (\$500,000) flows through the City from the Vermont Community Foundation. The balance is paid through the City's Redevelopment Fund. A summary, the Sources and Uses table provides the latest financial overview of the project. He recalled that Council adopted this policy a year ago and presented in the packets is the updated table. (See Sources and Uses Table). The City continues to remain on budget, with several contingencies that may reduce the need to use redevelopment funds.

A motion was made by Alderman Pelkey; seconded by Alderwoman Bessette transfer Unit 3 of Congress & Main Master Condominium (Affordable Housing) to The Snyder Construction Company, LLC. Vote was unanimous, 6-0.
 - b. Resolution No. 2: Authorizes Mayor to sign purchase and sale for Unit 4 of Congress and Main Master Condominium (Market Rate Housing) to 10 Maiden Lane LLC (D&V).
A motion was made by Alderman Pelkey; seconded by Alderwoman Bessette to authorize Mayor to sign purchase and sale for Unit 4 of Congress and Main Master Condominium (Market Rate Housing) to 10 Maiden Lane LLC. Vote was unanimous, 6-0.

- c. Resolution No. 3: Authorizes investment of \$880,000 into 10 Maiden Lane LLC as outlined in Operating Agreement (D&V).

A motion was made by Alderman Pelkey; seconded by Alderwoman Besette to authorize investment of \$880,000 into 10 Maiden Lane LLC as outlined in Operating Agreement. Vote was unanimous, 6-0.

- d. Resolution No. 4: Authorizes borrowing of \$500,000 from the Vermont Community Foundation for Congress and Main project (D&V).

A motion was made by Alderman Pelkey; seconded by Alderwoman Besette to authorize borrowing of \$500,000 from the Vermont Community Foundation for Congress and Main project. Vote was unanimous, 6-0.

4. Authorization for the City Manager to sign loan documents for Erik Stumpf and The Frozen Ogre (D&V).

Mayor Smith stated that he and the City Manager had a conversation with the owner of The Frozen Ogre relative to a loan request. Due to a weaker holiday season, the loan will allow for the business to do some catch up. Mr. Cloud explained that it is a strategic move on their part to increase their inventory and allow them to better compete with the online commerce. This would be a \$10,000 loan for 12 months at 2% interest. The documents reflect that the business would pay the interest during that time and balloon the principle at the end of the 12 months. Mayor Smith stated that with all the work done in the downtown to infrastructure, the City can't afford to have vacant storefronts. Mr. Hawkins expressed support of these type of loans. Mr. Cloud stated that it's a great way to be mutually invested in the downtown business' viability. Mr. Hawkins asked if the Downtown Board could attend a future Council meeting to have a further discussion about this topic.

A motion was made by Alderman Hawkins; seconded by Alderman Pelkey to authorize the City Manager to sign loan documents for The Frozen Ogre. Vote was unanimous, 6-0.

5. Public Hearings for Town Meeting Day articles.

- a. City Budget.

Mr. Cloud explained that this budget requires no property tax increase. The neighborhood sidewalk program, community pool and Fonda Redevelopment would be funded through the Local Option Tax or through the TIF program and are not included in the budget. The City is able to drive down the cost of services through a regional contrast chiefly in Public Safety and Recreation. The Recreation program continues to experience strong growth. This budget for the average homeowner in the City with a mean appraised value of \$200,000, would have City taxes of \$1863.20 which is no change over last year. Mayor Smith cautioned tax payers that their tax bill will be higher because the school tax is proposed to go up 4% but the City's portion is level-funded.

- b. Neighborhood Sidewalk Bond.

Mr. Cloud read aloud Article 3 for the Neighborhood Sidewalk Project. (See Attached City Warning). He explained that this is the last phase of the project and the cost which is just under \$1.5 million will be paid for out of the Local Option Tax. Mayor Smith reinforced that if the Local Option Tax does not pass, the sidewalk and local pool will not come to fruition. Ryan Doyle noted some sight line issues and the narrowness of Ferris Street and asked if that would be addressed. Mr. Cloud responded that the description in the project is to eliminate the north sidewalk and reconstruct the south sidewalk and curbs as well as to widen the street.

- c. Community Pool at Hard'ack.

Mr. Cloud explained that the condition of the current pool is in dire straits and almost didn't open during the last two seasons. The City searched around the community for a general solution and received input from community members and pool users. Rebuilding the current pool would cost

\$2 million and only extend the useful life by 15 years. As the City continued to look at the existing site on Aldis Street, it became increasingly apparent that the site is not a good solution for the future. The City doesn't own the land and there isn't any parking. The need for a multigenerational pool would include a zero-entry pool area, lanes for the Swim Team, an area for the general public of all ages, all of which would require space.

Mr. Cloud explained that this is the coalescence of a site planning exercise with a financial planning exercise and a political exercise with St. Albans Town. The vision that merged at Hard'ack was to extend the sidewalk at the top of Congress Street, build a new access drive, run a recreation path, take advantage of the new Gregg Brown Lodge, create as much additional parking as possible and complete construction of a year-round pool. Ms. Viens, Recreation Director, stated that the current pool can see as many as 600 visitors a day and up to 2,000 visitors during a swim meet. Mr. Cloud proceeded to show visuals of the pool. The cost of the dome to allow for year-round use would be \$400,000 vs. \$4 million for the cost of a building over the pool. The total cost of the pool is \$5.5 million and would be split evenly with the Town of St. Albans. Both communities would need to be supported by the local option tax. Mr. Cloud commented that the City is the envy of communities across the State right now with this proposed pool.

Mr. Pelkey stated that some of his constituents asked of there would be bicycle racks located at the pool. Mr. Cloud responded that the bike and transit is a big part of the plan. This proposal also includes an Aqua Van at no cost that will transport kids up to Hard'ack with bike racks on it. A member of the public asked what it would cost to run the pool and asked how those costs would be split. Mr. Cloud responded that the operational cost will be covered by the users much like the parking garage. He stated that the intent is not to make money but to provide a community amenity without raising costs.

Ms. Viens stated that they are looking at monthly family memberships of \$50, individual monthly memberships of \$30 and \$25 for seniors. They would like to maintain the current gate fee of \$5/day. This pool will allow for multiple activities to coincide at the same time; children will be able to wade and play, older children can use the slide and diving board and the zero-entry will allow for people with mobility issues to have access. Ms. Howard asked if someone staying at the hotel would have access to the pool. Ms. Viens responded affirmatively and stated that there will be a resident and non-resident rate.

Another member of the public voiced his support of the pool but noted that it will be expensive to take care of and there will need to be highly trained people operating it. He suggested having staff speak to an Operational Manager of a similar facility that has been open for several years to get a better sense of the operating costs. Mr. Cloud responded that staff has done some of that and intends to do more in the coming months. The biggest cost that the City anticipates is the natural gas bill for heating. Mr. Cloud noted that there isn't another pool like this in the area and believes the market is broad.

Ms. Viens stated that they have a highly respected aquatics training program. They train lifeguards, swim instructors, instructors to train lifeguards and train instructors to train swim instructors. She and the Pool Manager are certified pool operators and doesn't believe training or staffing will be an issue. A member of the public asked if it's necessary to have a diving board. Mr. Cloud responded negatively but stated that it's highly sought after. Ms. Viens stated that she is an advocate for the diving board so they can teach diving.

Mike Bushey recalled an article in the paper where is stated that there are more people in the Town using the City pool than City residents. He asked if the City and Town could come together to

refurbish the existing pool if this project does not pass. Mr. Cloud responded that they can do whatever the voters allow them to do.

Another member of the public asked Mr. Cloud to show her where the new access will be to the pool and expressed that the current layout is dangerous where the dog park is located.

A member of the public noted that there are two family-run pool businesses in the community and asked they are going to be a part of this project. Mr. Cloud responded that staff will certainly have a conversation with the Branon's to make sure it's a good fit. A public member asked how much it will cost to heat the pool year-round using natural gas. Mr. Cloud responded that it will cost \$160,000 per year. Mr. Pelkey asked what the temperature of the pool will be and what the air temperature will be inside the bubble. Mr. Cloud responded that the pool will be in the high 70's and the air will be in the low 80's.

Ms. Howard asked who would be responsible for emergency repairs to the pool that aren't covered by annual maintenance costs. Mr. Cloud responded that the City and Town would share the cost.

Greg Lamoureux asked if it's correct that the pool is a bond that is being voted on and paid for by local option tax. Mr. Cloud responded affirmatively. He stated that if a year or two down the road the local option tax ceased to exist, the tax payers would still be on the hook for the bond. He asked what that annual payment would be for the pool bond. Mr. Cloud responded that the annual payment for the City would be approximately \$180,000. Mr. Cloud explained that State Legislature must approve the City's Charter and the City Charter effectively become law. He added that there are 20 other communities with local option embedded in their charter and would be a heavy lift for State Legislature to overturn that and the odds are slim. Mr. Lamoureux asked if the City has done any calculations to calculate what the average St. Albans City resident would pay in local option tax. Mr. Cloud responded that that number is almost impossible to calculate because everyone's spending habits are different. Anecdotally, a \$100 meal at a restaurant would become \$101. Mr. Cloud proceeded to provide examples of what is not covered by the local option tax. He stated that it's one of the fastest growing revenue streams and reduces the reliance on the property tax.

Mr. Bushey asked if the local option tax would apply to a light and gas bill. Mr. McCarthy responded that it does not apply to residential utilities. Mayor Smith added that the only exception to that is the cable bill. He explained that every year, the City is setting aside a reserve so that if there is a slight decline, the City will be in a position where it can pay for that bond payment.

Mr. Doyle asked if having the pool covered would prolong the life of the pool vs. having it unprotected. Ms. Viens responded that the current pool gets the most damage over the winters. Mr. Cloud added that all of the costs and expenses will be spread out under this scenario with the pool being open year round. Mr. Doyle asked if there would be a change in staff and job descriptions with the new pool. Mr. Cloud responded that staff believes most of this can fit under other duties assigned to Ms. Viens. Mr. Doyle asked if staff is really convinced the children will use the Aqua Van. Mr. Cloud responded that the City wouldn't preclude the idea of partnering with a transit provider but would like to run the transportation itself so that it can control the experience. Staff sees it as more of an opportunity to connect with disadvantaged youth. Mr. Doyle asked what other locations were considered. Mr. Cloud responded that the Fonda site, the existing site and the Public Works location was considered, none of which were as cost effective. Mr. Doyle asked if the Aqua Van would be running throughout the City and Town. Mr. Cloud responded affirmatively.

A member of the audience asked who will be responsible to take the dome down each year and asked where it would be stored. Mr. Cloud responded that the storage is built into the design and the company that is constructing it will provide the service to take it down and put it up the first

several times. He asked what the cost would be in the future for Farley to take down and put up the dome if the City chose to use their service. Mr. Cloud responded that it would cost \$25,000 but anticipates using volunteer firefighters in the future.

Mr. Bushey asked if the existing Recreation van could be used in place of the Aqua Van. Mr. Cloud responded that it is currently being used for the Day Camp program. Mr. Pelkey asked if the Aqua Van would have a wheel chair lift and be handicap accessible. Mr. Cloud responded that staff hasn't gotten to that level of planning yet and would likely require a CDL licensed driver. Ms. Howard asked if the Aqua Van would be open to adults as well as children. Mr. Cloud responded affirmatively and added that there will be a heated floor.

Mr. Pelkey asked if the dome connects to the pool house. Mr. Cloud responded affirmatively and stated that there will be a permanent canopy. Mr. Doyle asked if there would be shade amenities. Mr. Cloud responded that there will be awnings and evaluating whether the existing shade structure can be moved from the current pool.

Mayor Smith stated that this is a prime example of how the City and Town can work together and share capital investment. He emphasized that this will progress the community and in turn raise property values and boost the economy for this community.

d. Charter Amendment for Local Option Tax.

Mr. Cloud read aloud Article 5 for the Charter Amendment (See Attached City Warning). He stated that the City Council has developed a policy on how the 1% will be used. At least 7.5% of annual local option revenues shall be utilized to reduce the cost and increase access to recreation programming for the disadvantaged and senior citizens. At least 5% of annual local option revenues shall be saved and used to create a Rainy Day Fund or undesignated fund balance. At least 5% of annual local option revenues shall be directed to replenish the Redevelopment Fund. Procedurally, with voter approval in March, it would then go on to State Legislature for them to pass and enact into the St. Albans City Charter. No public comments were made.

e. Fonda Redevelopment TIF Bonds.

Mr. Cloud read aloud Article 6 for the Fonda Redevelopment TIF Bonds (See Attached City Warning). Mr. Cloud proceeded to summarize the Voter Informational Notice in the handout. (See Attached Fonda Redevelopment Project Voter Informational Notice). Mr. Cloud added that the warning itself includes the necessary notification to the voters related to relating cost and total outstanding debt in principle and interest.

Mayor Smith reinforced that without the approval of the TIF Bonds there is a possibility that the 63 jobs from Genesee & Wyoming could end up in another county.

6. Other Business.

Mr. Pelkey thanked Public Works for doing an incredible job keeping the roads and sidewalks clean. Mayor Smith encouraged everyone to get out and vote.

7. Adjourn.

A motion was made by Alderman McCarthy; seconded by Alderman Pelkey to adjourn meeting for City at 8:08 pm. Vote was unanimous, 6-0.

Respectfully Submitted,

Kristen Smith
Community Relations Coordinator