

**St. Albans City Council
Minutes of Meeting
Monday, September 29, 2014
City Hall, Council Chambers**

A public hearing and special meeting of the St. Albans City Council was held on Monday, September 29, 2014, in council chambers at City Hall at 6:00 pm.

Council Present: Mayor Elizabeth Gamache; Aldermen: Scott Corrigan, Ryan Doyle, Tim Hawkins, Tammi DiFranco, Chad Spooner and Jim Pelkey.

Council Absent: None absent.

Staff Present: Dominic Cloud, City Manager; Sue Krupp, City Clerk and Treasurer; Chip Sawyer, Director of Planning & Development.

Visitors: See attached sign-in sheet.

1. Welcome and Overview of Evening: Mayor Gamache, Central Hallway
 - a. Open House/Tour of Project. Highlights to include vault space, accessibility issues, gym acoustics, energy efficiency, asbestos and new community room (Jim Cameron and Laz Scangas).

Mayor Gamache welcomed the public and provided a rundown of agenda items to be discussed. She explained that the primary reasons for considering renovations to City Hall are to improve accessibility, address energy efficiency and other operational efficiency needs, storage issues and to identify how to make all spaces in City Hall more functional and useable in the future.
2. Public Hearing on Proposed Renovation of City Hall.
 - a. Call to Order/Overview: Mayor Gamache.

Mayor Gamache called the public hearing to order and led the pledge of allegiance. She introduced Jim Cameron and Laz Scangas to present the proposal for City Hall renovations. Mr. Cameron thanked the members of the Ad-hoc Committee who helped the renovation plans move forward and volunteered their time; Pauline Cray, Jill Snapp, Sue Langreich, Merrill Ellsworth and Jim Pelkey.
 - b. Summary of Presentation of Proposed Improvements: Cameron, Scangas.

Mr. Scangas presented the proposed plans for City Hall renovations. He noted that major improvements to the first floor include an elevator with access to both floors, a community room that can seat 61 people with a kitchenette for public gatherings, larger vault space with three times the storage space and a more secluded research area in the Clerk's office, increased storage space in the basement and an acoustic system in the gymnasium.

The second floor improvements include a controlled reception area, file/storage area, one net increase in office space and a public accessible conference room. Other improvements include energy efficient lighting and heating systems and refurbishment of the bricks to the exterior.

Mr. Cameron stated that right now, the City pays between \$18,000 and \$20,000 in energy bills and will drop between \$6,000 and \$8,000 per year not including the cost to run AC in the gymnasium.
 - c. Council Discussion of Proposed Improvements.

Mr. Doyle asked how the projector would work in the community room. Mr. Cameron responded that those details have not been discussed as of yet but noted \$10,000 set aside for AV purposes. Mr. Doyle asked what the likelihood would be to increase the community room space in the future if

need be to handle more than 61 people. Mr. Scangas responded that the intent would be to use the gymnasium for events with a larger audience. Mr. Doyle asked what elements would change in the gym that would improve the acoustics. Mr. Scangas responded that there would be sound absorbent panels installed on the ceiling and walls of the gym as well as sound reflected paneling which will change the reverberation of the space. Mr. Doyle asked if the second floor could be extended over the gym if needed. Mr. Scangas responded that the gym is a story and a half that butts into the second floor so they are unsure if that is possible as of yet. Mr. Doyle asked how the movement of wires would change throughout the building under the proposed plan. Mr. Scangas responded that the intent is to use the most modern cable connections with wireless capability as well. He added that they will be located in walls and above ceilings but has not thought that far ahead.

d. Public Discussion of Proposed Improvements.

Mr. Demar noted the bump-out where the elevator would be located and asked if it would be accessible to all floors. He also asked what the cost will be for asbestos removal. Mr. Scangas responded affirmatively. Mayor Gamache added that costs will be discussed in the next segment.

Mr. Dermody asked if parking would be accessed in the rear and/or how increased parking would blend into the proposed design. Mr. Scangas responded that they have thought about parking but ideas are in their preliminary stages at this time. He also asked if surveillance cameras have been considered. Mr. Scangas responded affirmatively.

Mr. Ford asked Mr. Scangas to elaborate on the entryway to City Hall. Mr. Scangas responded that the bump-out would extend past the archway. Mr. Ford commented that he does not believe the proposal for the entry to City Hall fits the Richardsonian Romanesque style of the building. Representative Keenan asked if Efficiency Vermont has been involved in the project. Mr. Scangas responded affirmatively explaining that they have already been participating in the planning stage.

Mr. Barber stated that he believes the stairs remaining underneath the archway entering the building would be beneficial to cover the stairs from the elements of the weather. He also noted that there were no longer steps located on the north side of the plans. Mr. Scangas responded that those stairs are more for access ways. Mr. Barber asked if there would be doors in the rear of the building to allow access to the parking lot. Mr. Scangas responded affirmatively and explained that there would be a rear elevator as well.

Mayor Gamache stated that a letter from Dave Kimel was received and asked that it be read for the record. The letter noted Mr. Kimel's unanimous support of the City Hall renovation and his hope that the City would consider a 30 year bond vs. a 20 year bond. It is Mr. Kimel's belief that the City Council has an obligation to renovate City Hall in order for it to become a welcoming place for all City officials, residents and guests.

Maryellen Vickery, Artistic Director for the Ballet School of Vermont, commented on the lack of plans for the stage in the City Hall gym and urged council to include plans for the stage to make it useable for stage productions. She noted that she would like to share her plans for the stage with Mr. Scangas after the meeting.

e. Updated Financial Information, City Manager.

Mr. Cloud stated that if the voters vote affirmatively, the design will be taken to the next level which includes enough budget and contingencies to fine tune remaining details during the next design phase. Since council last met, the project cost has dropped to \$2.3 million from \$2.5 million. On a 20 year bond, staff estimates the annual debt service to be \$160,000. He noted that there is \$200,000 that could be available to service the debt on this project.

Mr. Cloud recapped that at the last meeting, council seemed interested in analyzing the impact on the tax rate if the City Hall renovation project does or does not occur. If the City completed the City Hall renovation project, it would result in a one percent decrease in the tax rate. If no action is taken and instead continued with just window replacements and no further improvements, a three percent tax decrease would result. For a home with an appraised value of \$200,000, tax savings would be \$54/year without vs. \$18/year with the completion of the project. Mr. Cloud stressed that the obligation to renovate City Hall is not going away. He noted that it has been a priority since the 1980's and sooner or later, it has to be done. Mayor Gamache noted that accessibility for all residents was a focus from the City Council and needs to be addressed.

f. Council Discussion of Financial Proposal.

Mayor Gamache asked Mr. Cloud to speak on timing and interest rates. Mr. Cloud responded that lending was modeled based on conversations with the City's two biggest lenders, the Bond Bank and People's Trust with interest rates ranging from 3.75% and up to 4.25%. Mr. Spooner asked if the items on the annual debt service would be retired before any new debt is incurred. Mr. Cloud responded affirmatively with the exception of the window replacement and energy savings.

Mr. Doyle asked Mr. Scangas to describe the quality of the building's foundation and basement. Mr. Scangas responded that the building is very solid and was well built. Mr. Cameron added that there will be no problems, structurally. Mr. Doyle asked how City Hall would continue operating through construction. Mr. Cameron responded that the plan would be to start construction of the west wing and then move employees located in the east wing into the gym. The Secretary of State's office has allowed permission for a temporary vault to be built in the gym. He stated that he didn't foresee it to be a large cost. Mr. Doyle noted the costs that would be falling off the debt service and asked where the savings of one percent would come from. Mr. Cloud responded that he was speaking on the impact in FY 16 and is proposing to convert the existing CIP item for window replacement to service this project. Mr. Cloud stated that the windows have been in the budget for a few years and will be in the budget for several years to come. Mayor Gamache noted that doing nothing will cost us more in the long run.

Mayor Gamache asked Mr. Cameron to speak on asbestos removal. Mr. Cameron stated that there is one ton of asbestos covering the entire building in the attic and a small amount in the basement. He explained that there is a \$125,000 contingency included for asbestos removal. Mr. Spooner asked Mr. Scangas if they would be recycling as much as possible. Mr. Scangas responded affirmatively and reiterated that the intent is to keep the building as historic as possible.

g. Public Discussion of Financial Proposal.

Mr. Demar asked if there was a local company in the State that could remove asbestos. Mr. Cameron responded that EHM, the company who initially looked at the asbestos issue, is located in Williston. He added that there will be a bid process to select an asbestos removal professional.

Mr. Dermody asked Mr. Cloud to explain the retirement of the library bond. Mr. Cloud responded that the voters passed a bond to complete library renovations and the share is embedded in the City's 85% tax rate.

Denise Smith commended Jim Cameron and the committee who worked on this project and noted her full support for renovating the building. She asked what the appraised value of the building is and asked what would happen to the value if no action is taken. Mr. Cloud responded that there is more security involved with the City retaining ownership. In its current condition without a tenant, the building is not worth much. Mr. Spooner commented that the community value is worth much more than the dollar value.

Mr. Barber asked whether or not the old State office building could be a temporary location for City Hall employees while the building is renovated if it turns out that Mylan doesn't plan to move in immediately. Mr. Cloud responded that Mylan is a very security conscious company but will look into it.

Tayt Brooks asked how the \$2.3 million number was derived. Mr. Scangas responded that his charge by the council was to focus on accessibility, space and efficiency issues. Mr. Brooks asked what the plans would look like with a \$1 million budget and asked if there was a breakdown available by project phases. Mr. Cameron responded that anything could be done in the context of money but the vault and the accessibility issues drive much of the costs relating to the east wing of the building. He stated that if the entire gym renovation was excluded, the renovation cost would be roughly \$1.5 million. Mr. Scangas noted that the team has exhausted every option to make the project as cost effective as possible. Mr. Brooks asked why it was important that the vote occur in November and not on Town Meeting Day. Mr. Cloud responded that council could decide to wait but believes the City is ready to move forward now and can't proceed to the next level of design without public feedback. Mr. Brooks asked how this process would work considering absentee ballots have already been mailed out. Ms. Krupp responded that a second ballot would be mailed out. Mr. Cloud added that the election would need to be warned this week. Mr. Brooks commented that he believes having the information available on the City website would be useful to the public. Mr. Brooks noted the Vermont Community Development program that has funds available for accessibility projects and asked if the City would be applying for these grants. Mr. Cloud stated that until now, staff hasn't had anything to apply for but does apply for every single grant possible. Mr. Sawyer added that a cost benefit analysis would need to take place over the \$30,000 max benefit that could be received vs. encumbering all of the Federal requirements that would come with those funds. He added that Federal funding will not allow the City to be as nimble as staff would need to make it a more cost effective and time efficient project and added that there are other things that come with the money that affect the overall project.

Representative Keenan stressed her concern over interest rates and asked if there were any projections to future interest rates if the project was postponed a year. Mr. Cloud responded that the model used indicates that the best rate is 3.75% and trends upwards to 4.25%. He added that he believes this is a good public project because it resonates with a lot of people. Mr. Pelkey noted the inadequacy of the vault and acoustics in the gym.

Mr. Dermody commented that he supports City Hall renovations to all for public access to information which is necessary in order to make informed decisions. He feels it will only lead to the openness of City government.

Ms. Prent agreed that City Hall needs to be addressed and supports the project but is concerned over the timing. She believes residents are still waiting to see the outcome of the TIF projects and wondered when the City would see some of its returns. Mayor Gamache noted the TIF presentation at the last council meeting which showed a healthy TIF model. She also noted the increase in interest rates over last year alone. Ms. Prent asked if there would be concrete financials available to the public in March once the parking garage comes online. Mr. Cloud responded that the parking garage will be open in November and the State Office building will begin paying rent in December. He added that none of the revenue from the parking garage will service debt and the TIF is a trajectory and at one year in, the City is in a better position than staff thought it would be in at this current time.

Denise Smith noted that she is not in favor of piecemeal the project and stressed the huge efficiency issues in the gym. She believes staff should allow the voters to weigh in and is very much

in favor of this project. Mr. Barber also noted his support of the project and expressed that the current condition of City Hall is embarrassing and is surprised the City hasn't been sued for ADA issues. Considering the value of the project and the fact that it can be spread out over 30 years without affecting the tax rate, he believes now is a better time than ever to move forward on this project. Ms. Vickery reiterated that it is important the stage be done correctly so it can be used to its full potential.

Ms. Krupp noted that she has no room available in the vault and is stacking books in order to comply with State law to ensure public records are available and easily accessible. She stressed that waiting an additional year would make it very difficult to allow access to the public.

Mr. Demar explained that the City has known for at least 15 years that these upgrades are needed and any improvements made to accessibility in the last decade have been minimal. As a disabled person, it is very difficult to attend a City Council meeting or vote.

Mr. Doyle noted the age of our community and believes the mobility issue in the population of the City is a real issue. He is also confident in the City's staff and consultants hired to take this project to the next phase.

Mr. Hawkins asked Mr. Cloud if there is any limitation as to how much money can be borrowed from the bond bank. Mr. Cloud responded negatively. Mr. Hawkins asked Mr. Cloud if there was anything he could foresee in the future that would inhibit lending limits. Mr. Cloud responded negatively. Mr. Hawkins asked if there is the ability to negotiate terms in the future. Mr. Cloud responded that the bond bank actively works to lower rates.

h. Close Public Hearing on Proposed Renovation of City Hall.

Mayor Gamache closed public hearing at 8:09 pm.

3. Consider a motion directing the City Manager to prepare the warning for a November bond vote on the City Hall renovation project (D&V).

A motion was made by Alderman Spooner; seconded by Alderman Doyle to allow the City Manager to prepare the warning for a November bond vote on the City Hall renovation project. Mr. Spooner reiterated that City Hall is the face of our community and does not want to see the building go beyond a state of repair like other historic buildings in the City. Mr. Pelkey seconded Mr. Spooner's notion. Mr. Hawkins agreed but also expressed his concern over the cost of the project. **Vote was unanimous, 7-0.**

4. Resolution to sign Vermont Community Development Program Grant Agreement (D&V), Chip Sawyer.

Mr. Sawyer recalled the VCDPA who approved a \$350,000 grant for CHT to help rehabilitate three apartment buildings in the City. The money would be sub-granted to Rail City Housing as part of a 30 year, deferred interest loan. Mr. Sawyer explained that the City was awarded the money and needs council approval to sign the documents and distribute appropriately.

A motion was made by Alderman Pelkey; seconded by Alderman Spooner to pass the resolution as presented. Mr. Brooks asked if the sub-grant is a 30 year loan agreement at zero percent. Mr. Sawyer responded affirmatively and explained the process of the loan instrument. **Vote was unanimous, 7-0.**

5. Other Business.

Mr. Hawkins stated that he invited Steve Cushing from the Vermont Watershed to speak at a future meeting about the lake quality.

Mayor Gamache stated that she was invited to attend several meetings regarding lake quality issues to provide feedback which would be used as future discussions for legislature. In addition, she explained that the Mayors in Vermont have agreed to meet on a monthly basis to identify key legislative issues

and noted that water quality is an emerging concern shared by other municipalities in the State. Mr. Hawkins added that it would also be a good collaborative issue with the Town.

6. Executive Session RE: Water and Sewer Litigation and SB Collins Litigation.

a. Consider a motion finding that the City would be compromised by premature public disclosure of information related to the ongoing water and wastewater litigation with Ingleside, et al and the SB Collins permit appeal (D&V).

A motion was made by Alderman Spooner; seconded by Alderman Pelkey to adjourn regular meeting and enter executive session at 8:20 pm to discuss water and sewer litigation and SB Collins litigation. Mayor Gamache asked to invite the Planning Commission Chair, Chris Dermody to attend SB Collins litigation discussion. **Vote was unanimous, 7-0.**

b. Consider a motion to enter Executive Session to discuss: (1) pending or probable litigation in the Ingleside matter and the ongoing water and sewer litigation between the City and the Town; and (2) SB Collins land use permit appeal (D&V).

A motion was made by Alderman Spooner; seconded by Alderman Doyle to discuss pending probable litigation in the Ingleside matter and the ongoing water and sewer litigation between the City and the Town and to discuss SB Collins land use permit appeal. Vote was unanimous, 7-0.

7. Appoint City Council designees to resolve SB Collins permit appeal (D&V).

No City Council designees were appointed to resolve SB Collins permit appeal.

8. Adjourn.

A motion was made by Alderman Doyle; seconded by Alderman Spooner to adjourn meeting at 9:08 pm.

Respectfully Submitted,

Kristen Smith
Administrative Coordinator

Approved by Council