

**RICHMOND SELECTBOARD
REGULAR MEETING
December 21, 2015 MINUTES**

Members Present: David Sander; Ellen Kane; Bard Hill; Taylor Yeates; Lincoln Bressor

Absent: None

Others Present: Geoffrey Urbanik, Town Manager; Kendall Chamberlin, Water Resources; Mary Houle; Brian Wright, CSWD; and Ruth Miller was present to videotape the meeting for MMCTV Channel 15.

David Sander called the meeting to order at 7:00 PM.

1. Welcome and Public Comment

Mr. Sander asked if there were any comments from the public.

Mary Houle wished everyone a merry Christmas and a happy New Year.

2. Other Business

FY2017 Budget

The Manager explained the main focus of this session will be wrapping up capital plans. The scheduling of a special session for personnel would be necessary, perhaps on December 30th for a 1.5 hour session to understand our current system, and the changes we'd like to make.

Capital Plans

Each year we implement a capital plan which creates expense lines for the budget. Some of these expenses are ongoing, or multi-year payments. While these affect the budget by their inclusion, they don't increase the expenses from year to year. However, new or modified purchases will increase the budget and add to the difficulty of managing our spending. The proposed capital plan calls for the following **additional purchases**, which **increase the budget** over the prior year:

Administration	None
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Listers/Planning & Zoning	None
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Police	\$TBD Cruiser Purchase(s) \$6,851 note payment on cameras
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Library	\$4,800 more for building maintenance \$8,000 more for Library Reserve \$15,000 basement sealing (not sure where this is included in the Library's proposed budget but could be covered under \$16,000 reserve)
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3	Fire	\$600 + interest Payment on replacement fire truck; Replaces existing payment on 2011 truck
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6		
7	Recreation	None
8		
9	Highway	\$4,000 Gravel Plan increase
10		\$6,000 Retreatment Plan increase
11		\$45,000 Foreman Pickup & Plow – paid
12		with \$15,000 taxation and \$30,000 Highway
13		Reserve funds
14		\$25,000 Replacement park mower/sidewalk
15		snow tractor – this is a \$50,000 piece of
16		equipment paid over two years - \$25k down
17		and \$25k one-year note
18		
19	Highway Special Question	Est. \$400,000 Sidewalks & Curbs
20		(Streetscapes) for East
21		Main Street. This question is developing
22		and could be deferred for one year, although
23		at some cost to the Water Department for
24		temporary sidewalks restoration. While this
25		has no immediate cash impact for FY2017 it
26		will factor into future years' budgets.
27		
28	Highway Outstanding Item	\$20,000 One significant item not yet
29		included is funding for a card-reading diesel
30		station
31		
32	Fire Outstanding Item	\$TBD Fire Station Improvements
33		

Manager's Opinion

Including the proposed spending for items that have been expected for some time presents no special difficulty in this year's budget. The items that will add to the current tax increase are the Police Cruiser cycle, the card-reading diesel station and Fire Station Improvements, which are near impossible to predict at this time. Together, these improvements could add One Cent to the tax rate, or about \$44,000 in spending above what's been included in Draft 4 of our budget.

While we're not getting into personnel at this time, the next effect we're looking at is an additional \$7,000 from the Police Department (I believe I have Highway resolved within the existing salary figure in Draft 4, which is less than the original proposal in Draft 1). Together, the capital plan and Police Department salary issue constitute the main hurdles for a satisfactory budget, which may be modified further with more precise changes should the board wish to do so.

Draft 4 Budget Summary

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1 The budget has been submitted, tweaked, and significant discussion remains on two points:

- 2 • Capital Plans
- 3 • Police Salaries focusing on higher hiring wage and corresponding mods for existing officers

4

5 Stats:

6

7 General Fund Spending Up by \$104,829 (5.92%)

8 Highway Fund Spending Up by \$24,493 (1.56%)

9 Overall 3.87%

10

11 General Fund Non-tax revenues \$37,680 (primarily grants & surplus)

12

13 Tax Increase \$91,642 total dollars

14 \$0.02 (two cents) on the tax rate (3.12%)

15

16 Outstanding Items Could add \$50,000 in spending

17 \$0.012 to the above increased tax rate

18

19 A final budget should be approved by the board, in time for printing in the Annual Town Report, by
20 January 18th. The Manager would also warn the public hearing for the Capital Plan approval for that
21 date.

22

23 The Selectboard also reviewed the formal capital plan, and Mr. Hill said we should include a footnote
24 on how to handle the Greystone Drive expenses if they aren't covered by FEMA. There was
25 discussion on Fire Station improvements, including a diesel exhaust system but the acknowledgment
26 that a new building may be coming and the old station should be managed appropriately.

27

28 Ms. Kane said she would like more information on how the library reserve should be handled and
29 what they expect to spend out of it this year. It was agreed to move this line to level-funded unless
30 some sort of asset management plan was provided.

31

32 The Selectboard also discussed police cruisers, and agreed that leasing on a three-year schedule but
33 keeping vehicles for a fourth year was prudent. They would like to see a chart illustrating these costs
34 on a 10-year projection.

35

36 Mary Houle said that it was an extreme luxury for the police officers to be able to take the cruisers
37 home. Mr. Yeates disagreed, saying this is more convenient for the department and officers because
38 of the on-call rotations.

39

40 Kendall Chamberlin asked if the town would be contributing more towards the fire protection line to
41 assist in paying the debt on the reservoir. Mr. Yeates said this should be taken out of the Fire
42 Department line and put somewhere else, it skewed their budget and might hurt grant prospects. Mr.
43 Hill said it wasn't a good idea to abandon this idea entirely – and there was discussion on that point.
44 Ultimately, no changes were made.

45

46 For the Highway Department, there was discussion on a new diesel card-system for the tank. Fitting
47 that in was difficult and the Manager suggested that the tractor replacement could wait for one year.
48 He would check with the Highway Foreman on this point.

49

1 It was agreed that a special meeting on the budget would be held on December 29th at 7:00 pm. Mr.
2 Bressor made such a motion and was seconded by Mr. Hill, and the motion carried 5-0.

3
4 Chittenden Solid Waste District Contract for Drop-Off Center

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6 The Manager reported that the sticking point continued to be the indemnity clauses. By agreeing to
7 CSWD's indemnity clause, we're agreeing to accept an unknown liability. But, we've done it before,
8 in the existing lease, and we should consider what the likelihood of CSWD being sued for our
9 contamination may be, and if we believe the unknown liability is significant enough to break the deal.

10
11 The bottom line is, CSWD is refusing to budge on their indemnity clauses. Mark Sperry has a valid
12 point – our insurance does not cover the pre-existing environmental contamination and we're agreeing
13 to pay all CSWD-related costs regarding a claim against the landfill. This creates an unknown liability
14 as far as CSWD may be concerned, although we are already liable for the landfill, anyway. But our
15 actual exposure may not be more than it has been for more than 20 years.

16
17 CSWD's response to this is just as Brian Wright says – everyone else does it, and the town is still
18 responsible for the contamination no matter who is there. While he is factually correct, he omits the
19 fact that the indemnification clause adds a layer to that – we'll pay CSWD expenses incurred in their
20 defense against a claim from damages related to the town's landfill. CSWD may not be held liable for
21 damages caused by Richmond's landfill, but they would have attorneys and other costs to prove that
22 fact to the court.

23
24 Likewise, they indemnify us for the same, as it pertains to their operation of the drop-off center.

25
26 CSWD feels this is a fair arrangement. Liability is often difficult to quantify, and I find it difficult to
27 say whether or not the indemnifications are equitable. In our case the 800 lb. gorilla is the
28 contamination itself, where we would naturally rely on applicable State law regarding our exposure,
29 and federal assistance in the event of any broad spread of that contamination. Covering CSWD's
30 defense on any future claim can range from a few thousand to the sky's the limit. This seems to be a
31 "faith" issue more than anything.

32
33 Brian Wright of CSWD was present to discuss the issue. He read the indemnification clause, slightly
34 modified to clarify that Richmond's indemnity extended only to the Richmond dump site, not the
35 leased premises. Mary Houle noted that the drop-off center was not over the actual dump. After more
36 discussion, the consensus was to approve the contract provided that the indemnification clause was
37 shown as discussed and this would also be on the December 29th agenda.

38
39 East Main Street

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41 Kendall Chamberlin wanted the Selectboard to push for this project being done in conjunction with the
42 water line replacement next Summer. He said there were certain surface restoration items that would
43 be redundant if not coordinated, and an unnecessary cost to the water system.

44
45 Mr. Yeates said he wanted to know what storm water management was being included, and was
46 concerned about the need for storm water treatment or other control measures. The Mnaager would
47 ask Green Mountain Engineering if someone could come by on the January 4th meeting to discuss this.

48
49 Architect for Emergency Services Building

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1 The Manager provided an overview on the architect services bid for a feasibility study for a new
2 public safety building to house police, fire and rescue or any combination. Eight firms responded, and
3 he and Mr. Yeates interviewed three firms. Mr. Yeates provided a closer review of the proposals, and
4 recommended Black River Design.

5
6 Mr. Hill offered a motion to award the contract for architectural services to Black River Design Group
7 in an amount not to exceed \$20,735 and approve Purchase Order 2612 for same. Ms. Kane seconded
8 the motion.

9
10 Mr. Bressor regretted how this study was funded, and said it should have gone through the regular
11 budget process, rather than appropriating it from the Rainy Day Fund. Mr. Yeates disagreed, saying
12 that it was necessary and much of the funding was from unused Fire Department budget funds and
13 additional police revenues. There was some additional discussion, and the motion carried 5-0.

14 15 Regional Planning Commission Work Program

16
17 The Manager noted that this was an overview of the program, and the requests were due in January.
18 Town staff supported application for funds to help amend the zoning regulations following the
19 adoption of the new Town Plan next year. The Selectboard suggested adding in professional services to
20 study riverbank stabilization feasibility for Volunteers Green also. The application would be prepared
21 and presented.

22 23 Regional Planning Commission Hazard Mitigation Plan update

24
25 The Manager said that five years ago, the Regional Planning Commission created and implemented
26 the hazard mitigation plan for the county, including a specific annex for Richmond. They were in the
27 process of updating this, and the information provided was a schedule of tasks remaining. This plan
28 was essential for FEMA funding eligibility in natural disasters. Additional updates would follow at
29 later dates but the plan would be ready for review and adoption later this Spring.

30 31 Reports from Selectboard and Town Manager

32
33 The Manager noted the Financial and Police Reports. The Manager also noted there was an Employee
34 Assistance Program overview coming in January and the Selectboard was invited to find out more
35 about this. The Town's EAP was sponsored by VLCT's Health Trust – which we continue to be a part
36 of even though we purchase health insurance under the new law.

37
38 The Manager also reported on the progress at Greystone Drive and the water storage tank. The tank
39 was behind schedule but Greystone Drive was proceeding quickly.

40 41 Approval of Warrants

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43 The warrants were approved.

44 45 Approval of Minutes

46
47 Mr. Bressor offered a motion to approve the minutes of December 7, 2015 and was seconded by Mr.
48 Hill, and the motion carried 5-0.

49
50 Approval of Amended Loan RF3-302 for Water Storage Tank

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2 The Manager explained that this was the second amendment to the loan from the State for the Water
3 Storage Tank, making eligibility for the loan \$1,437,320.16. The remaining amount eligible for
4 borrowing would be direct from the Municipal Bond Bank.

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6 Mr. Yeates offered a motion to approve the second amendment to RF3-302 and was seconded by Mr.
7 Bressor, and the motion carried 5-0.

8
9 Executive Session

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11 Mr. Sander explained that the Selectboard would enter an executive session with the Manager to
12 discuss an insurance claim by Mary Houle.

13
14 Mr. Yeates offered a motion to enter an executive session at 9:30 pm to discuss insurance claims and
15 was seconded by Mr. Bressor, and the motion carried 5-0.

16
17 At 9:55 pm, Mr. Yeates offered a motion to adjourn the executive session, and was seconded by Mr.
18 Hill. No further action was taken.

19
20 **3. Adjourn**

21 Motion by Mr. Yeates to adjourn the meeting at 9:55 p.m. Seconded by Mr. Hill. So voted.