

RICHMOND SELECTBOARD
PUBLIC HEARING
SPECIAL SESSION
NOVEMBER 30, 2015 MINUTES

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

Absent: None

Others Present: Geoffrey Urbanik, Town Manager; Josi Kyle; Brendan O'Reilly; Paul Hauf; Anne O'Brien, State Representative; Diane Prevo; Jim Prevo; Erin Wagg; Erik Sandblom, KAS; Stephen Diglio, KAS; Wright Preston; and Ruth Miller was present to record the meeting for MMCTV.

David Sander called the meeting to order at 6:30 PM.

1. Welcome and Public Comment

Mr. Sander asked if the Selectboard would agree to add a Right of Way Permit for Vermont Electric Co-op to the agenda as item C under special business, and the Selectboard agreed.

There being no public in the room, Mr. Sander explained the board would require an executive session to discuss the contract for the Town Manager.

Ms. Kane offered a motion to enter an executive session at 6:33 PM to discuss the Town Manager's contract, and was seconded by Mr. Hill and the motion carried 4-0.

Mr. Bressor arrived at 6:35 PM.

At 6:55 PM, Mr. Yeates offered a motion to adjourn the executive session and reconvene the special session and was seconded by Mr. Hill, and the motion carried 5-0.

Mr. Sander asked if there was any comment from the public on items not on the agenda, but there was none.

Mr. Yeates offered a motion to approve a 2% cost of living increase for the Town Manager, effective July 1, 2015, and was seconded by Mr. Hill. Mr. Hill clarified that this follows what was discussed in the executive session, to allow a cost of living increase that matched the same percentage as other employees. The motion carried 5-0.

Mr. Yeates said that consideration of a contract renewal with Mr. Urbanik would be on the next Selectboard agenda.

Mr. Yeates asked for a recess until 7:00 PM, when the public hearing was scheduled to begin, and the Selectboard agreed.

Community Development Block Grant Public Hearing

Mr. Yeates offered a motion to open the public hearing for the Community Development Block Grant application with Buttermilk, LLC, the prospective redevelopers of the former creamery to clean up certain environmental contamination. Mr. Hill seconded the motion, and the motion carried 5-0.

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2 Brendan O'Reilly of Buttermilk, LLC, explained his project and the need for grant funding. He said
3 that in taking the time and expense to research remediation of the contamination, which was mostly
4 lead and asbestos in the main building, they found out that the costs were over \$600,000, more than
5 double the original estimates obtained by others several years ago. So far, Buttermilk LLC has
6 obtained a loan commitment of \$100,000, along with some analysis assistance from others towards
7 this cost. The property is now worth less than what the current owner owes on it, creating a problem
8 with transferring the property.

9
10 Mr. O'Reilly said that they need to partner with the town to apply for a Slums and Blight section grant
11 for the cleanup. They were not proceeding with an economic development grant at this time, just
12 cleanup. There was additional discussion on the development plans for the property, which had been
13 presented as concepts earlier in the year during the Interim Zoning amendments.

14
15 Ms. Kane asked if the town was awarded the grant, was it possible for someone other than Buttermilk
16 LLC to complete the work?

17
18 Ms. Kytte said it was a conditional "yes," meaning that within six months the town could transfer the
19 project to another entity provided that it did its own due diligence.

20
21 Mr. O'Reilly said that what they had done so far was somewhat proprietary, but also in the public
22 domain. It wasn't easy to get this far, there is a lot going on, but it may be possible for someone else
23 to put the required information together to get certified under the grant.

24
25 Ms. Kytte continued, and explained the purpose of Slums and Blight, what the grant could be used for-
26 which was only cleaning and demolition plus some administration costs. The applicant and
27 redeveloper could not be under an active Purchase and Sales agreement, and the one they had earlier
28 had expired. The now have an option to purchase, which is different, and allowable under this grant.

29
30 Paul Hauf asked what were the risks to the town?

31
32 Mr. O'Reilly said there really was no risk, and the match for the grant was provided by Buttermilk.
33 He said that the town's only real involvement was in managing the grant, and he would take care of
34 the remediation.

35
36 The Manager said that there might be trouble for the town if in the middle of the project, Buttermilk
37 either became insolvent or was somehow unable to complete the project. The town would then be in a
38 tight position to try and get the job completed. Otherwise, certain costs were included, such as staff
39 time, legal review and audit costs.

40
41 There was some additional discussion on this topic.

42
43 Rep. Anne O'Brien spoke about the need for Community Development Block Grant funds in a
44 public/private partnership. This was the perfect project for it, but without settled ownership, what's
45 the town's risk if the deal didn't go through? Would we still keep the grant? She suggested the town
46 do additional due diligence in answering this.

47
48 Ms. Kane said this was earlier discussed. Ms. Kytte said that a new developer could take over within
49 six months, provided they did their diligence and qualified.

50

1 Mr. O'Reilly said the town should call the State on this, and yes, it could be done but the due diligence
2 on the developer's part to put together the qualifications would be necessary.

3
4 Rep. O'Brien said that this should be tied to a specific plan, not an idea or concept. They need to
5 know the plan would work. There was additional discussion on this. Mr. O'Reilly said this was
6 remediation and cleanup and didn't need a full development plan to move forward.

7
8 Mr. O'Reilly said there was no town match, and Buttermilk LLC would provide the 25% match. He
9 said that the total costs, in the application, were \$694,000. The grant was \$531,000 and private match
10 would be \$163,000 in a mixture of equity and loans.

11
12 Mr. Sander asked if there were any additional comments. There being none, Mr. Bressor offered a
13 motion to close the public hearing at 8:00 PM, and was seconded by Ms. Kane. The motion carried 5-
14 0.

15
16 The Manager then read the resolution as provided through the application process. There was some
17 discussion on the single audit requirements. The Manager said that not only this funding ,but the
18 hazard mitigation funding coming in soon for elevation projects, and the FEMA disaster from last
19 Summer would probably trigger a single audit for the town, at a cost of about \$3,000. There was
20 \$1,200 in this grant for its share.

21
22 Mr. Hill offered a motion to approve the resolution authorizing the application for a VCDP Grant
23 Application as read, for the Buttermilk LLC project as described. Ms. Kane seconded the motion.

24
25 Mr. Bressor said that this project has too much density, and not the small town feel. It was too large,
26 out of place, and would bring in more traffic creating negative impacts in the village. He would not
27 support it.

28
29 Mr. Sander called for the vote, which carried 4-1 with Mr. Bressor voting against.

30
31 Ms. Kane stepped out of the meeting.

32
33 Greystone Drive Slope Restoration

34
35 Stephen Diglio of KAS presented the bid results for the Greystone Drive Slope Restoration. SD
36 Ireland Brothers was the low bid, at \$115,600. The engineer's estimate on the project was \$130,995.
37 Six bidders total bid on the project, and the three lowest bidders were within four thousand dollars of
38 each other. Mr. Diglio had called all three low bidders, SD Ireland, Dirt Tech and Craig Cowles, and
39 each was ready to begin within the next week.

40
41 SD Ireland's bids were more heavily focused on the inside-right of way and downslope, which favored
42 the town because that's where FEMA would reimburse. The up-slope work was not reimbursable.
43 There was some other discussion and a review of the bids as provided by Mr. Diglio.

44
45 Mr. Hill offered a motion to award the contract for Greystone Drive Slope Restoration to SD Ireland
46 Brothers, and approve purchase order #2606 for same, in the amount not to exceed \$115,600. Mr.
47 Bressor seconded the motion, and the motion carried 4-0.

48
49 Chittenden Solid Waste District Lease

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1 The Manager said that the only sticking point was the indemnification clauses. The town had
2 requested limiting the indemnity clause to existing limits of coverage. Both parties were covered by
3 VLCT's PACIF insurance, however, PACIF would not cover existing environmental contamination.
4 The Town's attorney, Mark Sperry, said in that case, the town could not indemnify the district,
5 because we had no ability to do so. The Selectboard agreed this should be worked out between
6 attorneys for the district and the town.

7
8 Vermont Electric Co-Op Right of Way Permit

9
10 The Manager explained that VEC was burying a new line on Snipe Island Road, and requested
11 permission to work within the town's Right of Way. Wright Preston was aware of the project, and
12 said it would service the final four homes on the road, and bury the lines, improving both aesthetics
13 and reliability of the line.

14
15 Mr. Yeates offered a motion to approve the application for work within the right of way for VEC, such
16 application to be labeled sequentially, and was seconded by Mr. Bressor and the motion carried 4-0.

17
18 **2. Adjourn**

19 Motion by Mr. Yeates to adjourn the meeting at 8:25 p.m. Seconded by Mr. Hill. So voted.