

Town of Brandon
Minutes of Special Town Meeting
June 29, 2015

Moderator Skip Davis brought the meeting to order at 7 pm. Attending the meeting were select board members Chairman Douglas Bailey, Devon Fuller, Seth Hopkins, Ethan Swift, and Tracy Wyman, Town Manager Dave Atherton, Town Clerk, Sue Gage, and 69 registered voters. Moderator Davis explained that this was an Informational meeting and that no voting would occur. Moderator Davis requested a motion to dispense of the reading of the articles. Motion was made by Charlie Jakiela and a second by Bernie Carr.

Moderator Davis then turned the podium over to the Select Board for presentation of Article 1.

- 1 To hear a presentation by the Select Board regarding appropriated but unspent funds from three previously-approved public works articles.

Chairman Bailey addressed the first article by explaining that the appropriations approved by voters at previous town meetings have come in under budget and require a vote before they may be utilized in another infrastructure project. Approximate funds remaining: Union St - \$83,000, Marble St - \$6,000, Champlain St - \$22.

Some of the potential uses of these funds are the following: 5% match for FEMA projects, approximately \$35,000; Purchase of the parking lot under Article 4; Additional Infrastructure projects such as Wheeler Rd repair, Route 53 intersection near Dave's Store, Pearl Street on West End near creek, and sidewalks. We will also have \$16K left from the Kennedy Park wall which can go into this pool.

Discussion ensued with questions about what would happen to the funds if the item did not pass, who decides which projects take priority with the remaining funds. The funds are appropriated by the voters for the specific uses and cannot be used for anything else, regardless of the balances remaining. The use of remaining funds would be decided by town management and the Select Board. Discussion about areas of town needing repairs. Taxpayers attending spoke of issues on Church Street and Park Street. Select Board members addressed the Park Street repair which is substantial and requires more than a quick fix.

Taxpayer expressed concern about the parking lot acquisition. Concerned about environmental factors, such as contaminated soil and the swamp land. Town Manager responded stating that soil tests are being done before the parcels purchased.

There was also mention of building a roof over the walkway into the Town Hall basement meeting room. Another taxpayer said there were issues with any solution as any structure would affect the neighbor to the west.

Moderator read Article 2 and turned the podium over to the Select Board for its presentation.

- 2 To hear a presentation by the Select Board proposing the Town of Brandon adopt a governance charter pursuant to its action at the May 11, 2015 Select Board meeting, and hold a public hearing on the same.

Seth Hopkins presented that there was an initial hearing on the charter on May 26th and this special town meeting on June 29th constitutes the second hearing considering the charter. The Charter is on the Town website for individuals to view. The charter is for implementation of the 1% Local Options Tax only, and does not change the Town's current governance under General Law. Tax revenues from the collection of 1% Local Options Tax would be used for capital infrastructure only.

Discussion ensued. Taxpayers asked whether the Select Board could alter the local options tax rate or what the funds are used for. The State of Vermont sets the local options tax rates and the Select Board can only change the Charter with voter approval and State legislative action. Voters also asked whether expenditures from the local options tax revenues would be approved by voters. The Select Board clarified that expenditures will be approved by management and the board, but not voters, although the funds will be used for capital projects and infrastructure. Taxpayers also asked whether passage of the local options tax would require additional staff to administer. The Select Board clarified that administration of the local options tax is through the State of Vermont, and they retain 30% of the proceeds.

Moderator read Article 3 and turned the podium over to the Select Board for its presentation.

- 3 To hear a presentation by the Select Board proposing the Town of Brandon adopt a 1% local option tax on sales, meals and rooms, and alcohol, per 17 VSA §2645, subject to the proposed charter being approved by the voters and by the Legislature.

The Select Board indicated that the local options tax would be added to sales tax, meals and rooms tax and alcohol tax. They are able to get estimates on all except the alcohol tax, as those numbers are not tracked and published. It is estimated that the local options tax will bring in approximately \$70K in annual revenue for the town to be used for infrastructure and large capital projects.

Taxpayers asked when the local options tax would take effect. The Select Board responded that if the charter and tax pass at the election tomorrow, the charter would then need approval from the legislature in next year's session, so the earliest the tax would go into effect would be July of 2016. The payments would be received by the town on a quarterly basis, in October, January, April and July. Taxpayers also asked whether the local options tax would reduce property taxes. The Select Board answered that it may offset infrastructure costs, but the amount of revenue is not substantial enough to offset very much tax on an annual basis. Taxpayers also asked how the Treasurer would account for these funds. Treasurer answered that they would likely be run through their own fund, both revenues and expenditures.

Moderator read Article 4 and turned the podium over to the Select Board for its presentation.

- 4 To hear a presentation by the Select Board proposing the Town of Brandon to negotiate and purchase a portion of property located at 9 Conant Square, being .464 acres +/-.

Select Board Chairman Doug Bailey described the property being considered for purchase. It is approximately half an acre of land located behind the current Mobil station at Conant Square. The owners of the Mobil station will be tearing down the building and erecting a Dunkin Donuts and gas station. He also confirmed the purchase for a price of \$40,000 and tax stabilization going forward. He stressed that there are many important uses for this land: parking for town employees, parking for downtown merchants, parking for Town Hall events, staging area for Segment 6 project, staging area for Bridge 114, and a staging area for the Town Office project. The Select Board is committed to keeping the town open for business during the construction projects. Space for parking is an integral part of the downtown.

Taxpayers asked whether the existing owners are no longer allowing use for free. The Select Board clarified that the owners will be parting with this piece of land and have offered it to the town first. Select Board also stated that there are funds available for Park and Ride lots which can pay for improvements. They also stated that this property was offered to the town in 2003, but the Select Board at the time passed on it. Taxpayers also wanted to ensure that a right of way would be ensured through future owners. The Select Board confirmed this.

Taxpayers asked how the \$40,000 price tag and subsequent tax stabilization was arrived at. The Select Board explained that the appraisal on the property came in at \$75,000, and the tax stabilization is reasonable as the property owners will pay municipal property taxes on the assessed value of the old building, so the town will put off new taxes for five years, and after five years the new building will be taxed at full appraisal.

The Select Board also confirmed that soil testing and testing around the underground storage tank will be completed before the purchase, and any contract would have contingencies for contaminants. Some taxpayers were concerned that the taxpayers shoulder a lot of burden related to the downtown area, and a parking lot and its maintenance would be an additional burden. Other taxpayers stated that downtown businesses take care of public property regularly in the downtown area.

Moderator read Article 5.

- 5 To transact any other business proper to be done when met.

Taxpayers asked for clarification on the tax stabilization and whether the town would be giving up large amounts of tax revenue. The Select Board clarified that the tax stabilization is for municipal taxes only, and that is about 1/3 of the total tax bill. The amounts stabilized would not be excessive.

Bernie Carr moved to adjourn, and Charlie Jakiela seconded the motion. Meeting was adjourned at 8:40 PM.

Respectfully Submitted,

Hanford "Skip" Davis, Moderator

Louis Faivre, BCA Chair

Susan Gage, Town Clerk