

TOWN OF BRANDON MINUTES OF THE ANNUAL TOWN MEETING
FEBRUARY 29, 2016

Moderator Skip Davis called the Annual Brandon Town Meeting to order at 7:00 P.M. Attending the meeting were Select Board members Tracy Wyman, Devon Fuller, Ethan Swift, Seth Hopkins, and Doug Bailey, Town Manager, Dave Atherton, Clerk Susan Gage and 89 registered voters of the Town of Brandon. Moderator Davis introduced Cub Scout Pack 123, Boy Scout Troop 10 and Girl Scout Troops 30033 and 30067 who presented the colors and lead the assembly in the Pledge of Allegiance.

Moderator Davis directed those present to the Town Report. Select Board Chair, Doug Bailey addressed the Dedication of the Annual Town Report to Terry and Dottie Kline, who were present and accompanied by family members. Mr. Bailey introduced the Kline's and thanked them for their many years of civic and professional contributions to the Town of Brandon. Mr. Bailey also acknowledged the Memoriam to Wilda Harris, Brandon's Town Clerk and Treasurer for 25 years who passed away in January of 2016.

Moderator Davis directed the assembly to the warning in the Annual Town Report.

1. Take appropriate action on the reports of officers as they appear in the Town Report.

Moderator Davis asked for a motion to accept the reports as printed in the Town Report. Motion by Seth Hopkins, seconded by Seth Clifford. Motion passed.

2. To hear a presentation by the Select Board of its recommended budget for fiscal year 2016-2017. This budget and appropriations will be voted by Australian ballot on March 1, 2016 at the Neshobe School located at 17 Neshobe Circle.

A motion to take up Article 2 was made by Larry Rogers and seconded by Charlie Jakiela. The motion was approved. Chair, Doug Bailey recapped events over the past year, and thanked the assembly for their votes of confidence at last year's annual meeting. Following town meeting last year, the select board hired a new town manager and new public works director. A union contract was signed, with a 1.7% COLA increase and a 10% health insurance contribution from employees. There were many road repairs made over the summer, and tropical storm Irene was finally put behind us.

Mr. Bailey then provided a synopsis of the current year budget, which shows a 1.4% increase in budgeted expenditures and includes the first year payment on the proposed bonds in Article 3. The amount to be raised by taxes shows a 2.1% increase due to a decrease in budgeted revenues. This translates to an annual increase of \$10.80 on a \$100,000 home, and an annual increase of \$18.36 on an average home value of \$170,000. These estimated municipal tax numbers assume the passage of the budget and all appropriations.

Mr. Bailey acknowledged some changes in the budget presentation due to reclassifying accounts. Mr. Bailey also stated that the lease payments in the budget have decreased and it includes the purchase of a new grader and highway truck. The grader has been purchased already, and we will be purchasing a tandem truck which will allow the road crew to save travel time. We have fully staffed the highway department and are now managing the route 7, segment six project in-house.

Bob Gearwar asked what happened to the old grader. Mr. Bailey stated that we traded the old grader in for the new one. William Claessons asked for clarification about Police Department car replacement since we cut funding from a car and half to just half a car. Mr. Bailey stated we were able to purchase three new vehicles this year with FEMA funds, so we can push off future purchases, but the half a car will fund a sinking fund for upcoming police cars.

Phyllis Reed offered a number of comments. She is happy with the select board, town employees and Dave Atherton. All are doing a great job. She would like to see some budget figures with more detail, especially around salaries and benefits. She would also like to see items recorded in accounts which are clearer, and asterisks identifying delinquencies that are in payment plans, and asterisks identifying individuals in the union. She asked whether there was any plan for an economic development director. She feels Bill Moore has a lot on his plate with both the Recreation Department and Economic Development.

Doug Bailey addressed delinquent taxes stating that the town has a policy to take delinquent tax and sewer accounts to tax sale. He also stated that there is no plan for a separate individual to take over Economic Development.

Larry Rogers asked where delinquent tax revenues show up in the budget. Treasurer, Sue Gage explained that these show up as current tax revenue. Mr. Claessons asked if we budget any delinquent tax revenue. Sue Gage stated that we do not, and that it is not common practice.

3. To hear a presentation by the Select Board regarding the issuance of general obligation bonds for certain improvements, namely, (1) construction of culvert, highway and bridge infrastructure repairs and replacements at an estimated aggregate cost of \$835,200, and (2) reconstruction of the Champlain Street wastewater pump station, sewer forcemain replacement and sewer collection system rehabilitation, at an estimated cost of \$680,000. Meeting was separately warned per VSA 24 §1756. These general obligation bonds will be voted by Australian ballot on March 1, 2016 at the Neshobe School located at 17 Neshobe Circle.

Motion to take up Article 3 by Dolores Furnari, seconded by Seth Clifford. The motion was approved.

Select board member Devon Fuller explained why we are requesting both an infrastructure bond and a waste water bond, Bond Article I and Bond Article II. Mr. Fuller explained the projects that these funds will support. He also noted that a USDA grant of 45% of project cost is possible for the Waste Water project but we can only apply after a positive bond vote. Mr. Fuller went on to explain that the Waste Water project will be funded by sewer users only, not taxpayers.

Martha Thurston asked why the sewer budget is not included in the town report. It is difficult to approve a financial item in a budget that the public isn't seeing. Seth Hopkins explained that the sewer budget is adopted annually by the Board of Sewer Commissioners at a public meeting and is a public document. Seth Hopkins also addressed the need to put money away for future infrastructure in the waste water system.

Doug Bailey stated that we need to look at the total going into infrastructure. We are getting over \$5 million in activity and paying \$816,430.

William Claessons asked for clarification on the bond amount. Doug Bailey explained that it is an estimate only. We will only bond for what we need and only up to \$835,200. William Claessons asked for more clarification about the waste water bond. Mr. Bailey suggested that we allow Jason Booth from the engineering firm of Aldrich & Elliot to address Mr. Claessons' questions. Dolores Furnari moved to allow Mr. Booth to speak, seconded by Dawn Bailey. Motion was approved. Mr. Booth explained the new pump station and necessary infrastructure that needs replacing in our aged waste water system.

Cindy Bell asked if these projects will begin this year. Devon Fuller stated that they would indeed happen this year. The Overflow Culvert and Bridge 114 construction will happen this year. Ms. Bell asked if all property owners have signed off on the right-of-ways for the Route 7, Segment 6 project. Mr. Fuller explained that we are nearly complete.

William Claessons expressed concern about the bond payment in ensuing years. We have budgeted for the \$20K in fiscal year 2017, but there will be another \$40K in the following year. He urged the select board to make other cuts to offset this. Doug Bailey stated that we may use some money from new revenue sources such as local options tax to offset this increase. We will also have a new solar field which will be a source of revenue as well. The board is looking at new revenue to cover the bond payments.

4. Shall the voters designate the Town of Brandon as a Property Assessed Clean Energy (PACE) District to enable participating property owners to access funding for eligible energy efficiency and renewable energy projects and then pay back the cost as a regular municipal assessment on that property owner's property tax or other municipal bill as provided for by 24 V.S.A. Chapter 87 (Section 3261 et seq.) and authorize the Select Board to enter into an agreement with Vermont Energy Investment Corporation d/b/a Efficiency Vermont to operate the PACE program, including the processing of all applications and regular billing?

Motion to take up Article 4 by Dolores Furnari, seconded by Dawn Bailey. The select board asked for a Motion to allow Mark Kelley of Efficiency Vermont to speak about Article 4. Motion was made by Steve Carr and seconded by Larry Rogers. Motion passed.

Mr. Kelley explained that becoming a designated PACE (Property Assessed Clean Energy) district creates a vehicle for homeowners to obtain financing for energy efficiency improvements. This program stems from an act passed by the legislature in 2009. Improvements are funded and the funding is attached to the property through a municipal assessment. There is no impact to the Town budget. The Town could bond and run the program ourselves, but no Town has done this so far. The funding comes from the National Bank of Middlebury and Efficiency Vermont manages the program, through an affiliate credit union. The town does not incur additional work. The structure of the lending is such that the debt may stay with the property in a sale, and the new owner would pick up the monthly payment, hence it is attached to the property as a lien. If someone were to default, it would be turned over to the town to be collected through a tax sale process.

Bill Moore wanted clarification about how this program differs from a regular loan from a bank. It allows a homeowner to make an investment in energy efficiency and then pass the loan along to a new homeowner should they sell the property.

Jeff Wallin asked if the payments go through the town assessment. Mr. Kelly answered that the payments and management are handled by their affiliate credit union. Mr. Wallin then asked how it would get added to an individual tax bill and whether that would be advantageous as someone could deduct the entire payment as a tax deduction. Mr. Kelley acknowledged that this has been done by others.

Marty Feldman asked how this would be transferred in a home sale. Mr. Kelley answered that it is up to the individuals negotiating the sale. The loan could either stay with the property and be picked up by the new homeowner, or the selling owner could pay it off at closing.

Marylou Webster asked about the interest rates on these loans. Mr. Kelley answered that the current market rate is 6% but is adjusted for poverty levels. This program can be a lending vehicle for low and moderate income individuals to make efficiency upgrades.

Art Doty wondered who to call if something goes wrong with the efficiency upgrades. Mr. Kelley stated that they have a list of recommended contractors but homeowners may contract with anyone they like.

Anna Scheck asked whether the town would have to take homeowners to tax sale if someone defaults on their loan. Mr. Kelley stated that there hasn't been a default yet. Theoretically it could be sold at tax sale. Town would not bear any liability or cost. Any costs the town incurs would be reimbursed to town. Probably not talking about a lot of money.

Seth Hopkins clarified that this program is established to make funding available only. The Town is involved only to get access to the PACE program and funding for efficiency improvements.

Martha Thurston asked who determines eligibility for the different loans. Mr. Kelley stated that eligibility was laid out by the legislature. It is very specific qualified energy work. It also allows homeowners with bad credit to obtain a loan.

Erin Gallivan moved to call the question, seconded by Bob Ripley. Vote was called.

Article 4 was passed.

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

Select Board member Ethan Swift provided some additional information on Article 17, 18 and 19. Article 17 is an appropriation request for \$100,250 to pave 12 streets in conjunction with Fire District #1. The Town has been working closely with the Fire District and their bonded improvements. As the water department makes its infrastructure improvements, we will fund the paving of the other half of the street to more efficiently get 12 streets paved during the Fire District's bonded improvements.

Mr. Swift explained that Article 18 is not additional funding but rather a re-appropriation of funds approved last year. The Select Board determined that funds originally voted for redesign of the Wheeler Road bridge. They have changed the priorities and would like to put the \$24,000 into a new culvert on Wood Lane, which needs replacing this summer. The Department of Public Works has secured emergency structure grant funding of \$93,000 and the \$24,000 would serve as matching funds.

Mona Rogers complimented the Town on all the paving done last year, but is still discouraged by the condition of Park Street. She questioned whether Park Street will be repaved. Mr. Swift answered that Park Street would be a whole road reclamation, and that we will not be able to do this in the upcoming year. Some of this work will be completed with the Route 7 project. It would be a very costly project. It is still a priority, but not on the calendar at this time.

Mr. Swift explained that Article 19, an allocation of \$18,000 from the Town Farm Fund, would provide matching funds for the Maple and Union Street sidewalk project begun several years ago. The \$18,000 allocation would allow us to begin the project and would prevent us from having to pay back the grant funds we obtained in the amount of \$78,000. The Town Farm funds would also not affect the tax rate.

Erin Gallivan asked what the Town Farm Fund is and asked how much is in this fund. Mr. Swift explained that the Town Farm fund are funds the Town obtained after selling the Town Farm. We currently have \$113,000 in an account. These are funds restricted for infrastructure and can be used only after voter approval. Ms. Gallivan asked when we last accessed these funds. Richard Baker answered that in 1998 voters approved the use of \$80,000 for sidewalks in conjunction with the Route 7 project.

Dick White asked what the status of the original \$78,000 grant. Mr. Swift answered that these funds have already been spent on engineering the project.

MaryLou Webster asked if the \$18,000 is for actual construction. Mr. Swift answered that these funds would be used for construction. Voters approved public works director Daryl Burlett to speak about the project. Mr. Burlett stated that total cost of the project would be around \$190,000 total. There is about \$78,000 left on the construction budget for Maple and Union Street sidewalks. Mr. Bailey explained that we are trying to do some construction on this project so that we do not have to pay back the \$78,000 engineering grant.

Pam Douglass asked whether we are committed to the whole project, and will this project be completed with these funds. Mr. Swift stated that once we begin construction we would be eligible for other grants to finish the project. Martha Thurston would love to see a sidewalk on Union and Maple St.

Bill Claessons asked whether there was an accounting of other funds in the Town report. Mr. Swift stated that there is no detail on the other funds in our Town report, but that it is a point well taken.

Judy Bunde explained that her understanding is that the Fire District bond is paying for infrastructure improvements that would affect one half of the street and that the \$100,000 in Article 17 would be used to pave the other half of the street. She feels this is a good bargain for the Town.

Steve Carr commented that the Town lost many things through inertia, and that has changed dramatically this past year.

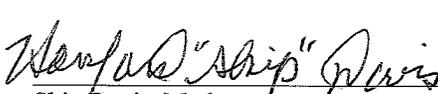
Devon Fuller thanked the budget committee for their time and hard work. Mr. Fuller also recognized local organization Brandon Cares, a coalition dedicated to the education, treatment and prevention of opioid addition, and shared their contact information.

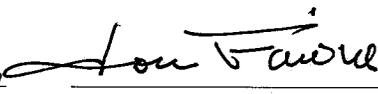
Doug Bailey also thanked the budget committee for their time and efforts.

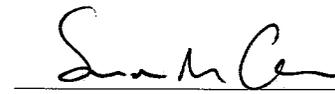
Art Doty asked about the status of the Town office building. Mr. Fuller stated that we are anticipating a March 15th completion date, after which the public will be invited for an open house.

Seth Clifford moved to recess the meeting, seconded by Dawn Bailey. The meeting was recessed at 8:45 pm.

Respectfully Submitted,


Skip Davis, Moderator


Lou Faivre, BCA Chair


Susan Gage, Clerk