

**CITY COUNCIL MEETING STATED MEETING & PUBLIC HEARING APRIL 13, 2011**

On Wednesday evening, April 13, 2011, the City Council Members met in the Council Chamber.

Present: Mayor Hooper; Council Members Hooper, Golonka, Jarvis, Sherman, Weiss and Timpone; also City Manager Fraser.

Call to Order by the Mayor:

Mayor Hooper called the meeting to order at 7:00 P.M.

Mayor Hooper noted that City Council Members had made a decision to start using iPads to receive documents for council meeting in an effort to go paperless. Council Members and Members are using I-Pads to receive documents and read information. Council Members decided to purchase the iPads themselves.

11-094. General Business and Appearances:

None.

11-095. Consent Agenda:

- a) Consideration of the Minutes from the March 9<sup>th</sup> and March 23<sup>rd</sup> Regular City Council Meetings and the April 4, 2011 Special City Council Meeting.
- b) Summary Budget Report by Department for General Fund and Detailed Budget Status Reports for General Fund, Water Fund, Sewer Fund, Cemetery Fund, Parks Fund, Parking Fund and Senior Center Fund for the eight-month period beginning July 1, 2010 and ending February 28, 2011.
- c) Authorization for the City Manager to sign an Agreement for Services with Time Banks USA (TBUSA) for the Community Innovations for Aging in Place (CIAIP) REACH Project. TBUSA agrees to provide training, evaluation, computer support services, and replication as set forth in the City's CIAIP Grant Application.
- d) Authorization for City Manager to sign a contract in the amount of \$9,641 with Lamoreux and Dickinson for surveying services related to the Transit Center Project.

- e) Adoption of Revised Road & Bridge Standards for projects within Montpelier City Limits. Current road and bridge standards were adopted by the City Council during their regular meeting February 14, 2007. New stormwater requirements were adopted through Act 110 of the 2010 Legislative session which now necessitates revisions of the current Montpelier standard. VTrans worked with the VLCT and regional planning commissions to enhance the minimum road maintenance standards and guidelines with the inclusion of storm water Best Management Practices (BMP) for flood hazard avoidance and water quality purposes. The standards apply to projects involving new or reconstructed municipal roads beginning in 2011 and, by extension of the zoning & subdivision regulations, will also apply to private development roads. Municipalities are encouraged to revise their existing standards to include the BMP provisions in order to be eligible for the maximum available town highway grant funds. FEMA also requires adoption of the minimum standards as a prerequisite to full disaster relief funding participation. The new standards contain a minimum training component which is a new addition to the standards.

Recommendation: Approval of the standards. Execution of the standards through the signatures of a majority of the Council.

- f) Consideration of authorizing and approving a grant agreement between the State of Vermont Division for Historic Preservation and the City of Montpelier (a Certified Local Government) and to authorize the City Manager to execute the grant agreement on behalf of the governing body. In conjunction with this grant, to authorize DPW to purchase a wide format scanner in the amount of \$9,865.10 from Reprographics of New England located in Winooski, Vermont.
- g) Consideration of accepting the proposal from Right-Trak Design, in the amount of \$35,270.00, to perform the Building Capital Needs Assessment and associated energy audit and ADA compliance review work. Proposals and specs were sent out in March; copies of those submitted can be viewed in the City Manager's Office. The proposed funding sources for the \$35,270 are as follows:

ADA Capital Funds (in budget)	\$ 7,500
Project Management Capital Funds (in budget)	10,000
Wastewater Fund (in budget for Chief Operator)	6,000
General Fund Balance	11,770

- h) Acting as a Liquor Control Commission for renewal of the annual liquor licenses, renewing the tobacco licenses.

Bashara & Company LLC  
100 State Street

First Class Hotel License

Julio's Cantina, LLC  
dba Julio's Cantina  
54 State Street

First Class Liquor License

Kismet, LLC  
52 State Street

First Class Liquor License

Langdon Street Café Collective, Inc  
4 Langdon Street

First Class Liquor License

Langdon Street Pub Company  
dba McGilliduccy's Irish Pub  
14 Langdon Street

First Class Cabaret License

Pinky's On State, LLC  
14 State Street

Second Class Liquor License

Additional Items.

Consideration of a catering permit request for New England Culinary Institute to cater VCFA Open House reading at the College Street Chapel on Saturday, April 16, 2011 from 7:00 P.M. to 10:00 P.M.

Consideration of a new First Class Liquor License application for 2010 from Blue Heaven, LLC dba Black Door/Tapeo at 44 Main Street.

The following was omitted from the agenda in error.

Hyzer Industring, Inc. dba Three Penny Taproom to cater their 2<sup>nd</sup> Annual Anniversary Party to be held in the Onion River Sports Parking Lot on Saturday, April 30, 2011 from 3:00 P.M. to 11:00 P.M. (copy of permit and diagram attached)

This will also require a variance of the noise ordinance. A representative from Three Penny Taproom will be present.

i) Payroll and Bills

General Fund Warrant dated March 23, 2011, in the amount of \$17,068.45 and \$297,887.80.

Payroll Warrant dated March 31, 2011, in the amount of \$115,157.45 and \$27,349.84.  
General Fund Warrant dated April 7, 2011, in the amount of \$261,225.76.  
Payroll Warrant dated April 14, 2011, in the amount of \$116,256.87 and \$28,519.93.

Motion was made by Council Member Hooper, seconded by Council Member Jarvis to approve the consent agenda with the additional items.

Council Member Golonka asked to pull the agenda item regarding the agreement with Time Bank USA. He also asked to be recused from acting on the Liquor License Renewal on Bashara & Company LLC

Council Member Jarvis asked to be recused from acting on the Blue Heaven Liquor License application.

Council Member Hooper asked to pull the authorization for the contract with Lamoreux and Dickinson.

Council Member Weiss asked to pull the Summary Budget Report, Time Bank USA Agreement, and the Right-Trak Design proposal.

Mayor Hooper called for a vote on the remaining consent agenda. The vote was 5 in favor with Council Member Golonka abstaining on the Bashara & Company LLC liquor license and Council Member Jarvis abstaining on the Blue Heaven LLC liquor license.

- 11-95 (b) Summary Budget Report by Department for General Fund and Detailed Budget Status Reports for General Fund, Water Fund, Sewer Fund, Cemetery Fund, Parks Fund, Parking Fund and Senior Center Fund for the eight-month period beginning July 1, 2010 and ending February 28, 2011.

Council Member Weiss had questions on the re-entry program and the deficit in the water fund.

City Manager Fraser indicated that it was a grant funded program and monies would be coming in to cover that. Regarding the water fund there were still billing cycle collections that weren't reflected in those numbers.

- 11-095. c) Authorization for the City Manager to sign an Agreement for Services with Time Banks USA (TBUSA) for the Community Innovations for Aging in Place (CIAIP) REACH Project. TBUSA agrees to provide training, evaluation, computer support services, and replication as set forth in the City's CIAIP Grant Application.

Council Member Golonka said he would like an update because he understood they were going to release this from city control. The payment stream chart is confusing and he would like some clarification about that.

Planning Director Hallsmith said Time Banks USA is the City's partner on the project and are paid out of the federal grant and raised their own match for the Federal Time Bank Grant. She thought the consulting rates seemed fair.

Council Member Golonka inquired how much grant money is left.

Planning Director Hallsmith said it was a three-year grant for over \$300,000 a year. Because they had a slow start-up in the first year they did not spend over \$90,000 of the money allocated to them and received that as a carry over into year two. It's a federal grant so they draw it down as they use it rather than get it all in one big lump sum and it also requires a 15 percent match. She did not have the exact numbers.

- 11-095 d) Authorization for City Manager to sign a contract in the amount of \$9,641 with Lamoreux and Dickinson for surveying services related to the Transit Center Project.

Council Member Hooper said he was curious as to how it would proceed and if they had an arrangement with the landowner for it to go forward.

City Manager Fraser replied it is surveying all of the parcels we might need to acquire in whole or in part. Before they can lay out the right-of-ways this is part of the federally prescribed acquisition process. You have to have a clear sense of the pieces you are getting and what their metes and bounds are, appraise them and then make an offer to purchase them, and negotiate the purchase based on the appraisal. This is the first step of that process.

Council Member Golonka asked if this money was to be used for surveying the Capitol Plaza lot.

City Manager Fraser replied yes.

Council Member Golonka recused himself from acting on this agenda item.

- 11-095 g) Consideration of accepting the proposal from Right-Trak Design, in the amount of \$35,270.00, to perform the Building Capital Needs Assessment and

associated energy audit and ADA compliance review work. Proposals and specs were sent out in March; copies of those submitted can be viewed in the City Manager's Office. The proposed funding sources for the \$35,270 are as follows:

ADA Capital Funds (in budget)	\$ 7,500
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Wastewater Fund (in budget for Chief Operator)	6,000
General Fund Balance	11,000

Council Member Weiss was concerned about using general fund balance money.

Discussion followed on the general fund balance and the Project Management Capital Funds.

Motion was made by Council Member Sherman, seconded by Council Member Hooper to approve the remaining items on the consent agenda. The vote was 6-0, except for the Lamoreux and Dickinson contract where the vote was 5-0, with Council Member Golonka abstaining.

11-094. General Business and Appearances.

George Dinculescu, a resident at 162 Main Street expressed concern for the noise made at 2:30 A.M. by city equipment during the snow removal process. He didn't believe that OSHA stipulates that people need to be woken up at that time of day. He was specifically speaking about the signal requirement when heavy equipment is put in reverse and wondered if it could be toned down.

11-096. Town Service Officer Appointment

- a) The City has been notified by the Vermont Department of Children and Families that the term of the City's present Town Service Officer, Rick DeAngelis, expires on April 14<sup>th</sup>.
- b) Staff notified Mr. DeAngelis, and he is willing to continue serving.

Recommendation: Appoint Rick DeAngelis as the Town Service Officer for another one-year term.

Motion was made by Council Member Hooper, seconded by Council Member Weiss to reappoint Rick DeAngelis as Montpelier's Town Service Officer. The vote was 6-0, motion carried unanimously.

## 11-097. Planning Commission Appointment

- a) John Bloch's term expired the end of March; staff advertised and as of the deadline (Thursday, April 7<sup>th</sup>), John's e-mail requesting reappointment is the only response received.

Recommendation: Reappoint John Bloch for another 2-year term.

After motion was duly made and seconded by Council Member Hooper and Weiss, the council reappointed John Bloch for another two year term on the Planning Commission. The vote was 6-0, motion carried unanimously.

## 11-098. District Energy Project Update.

- a) The City Manager, Planning Director and Project Manager will update the Council on progress to date.

Recommendation: Receive report, make decision whether to include this item with the petitioned special election.

City Manager Fraser sent Council Members a memo outlining an update of what is happening with the District Energy Project.

Council reviewed information in the memorandum.

Planning Director Hallsmith explained she and the consultants are going around to different downtown buildings and trying to assess what the costs and benefits would be for them hooking up.

Stephen Everett who owns a number of the buildings downtown said he was one of the people surveyed as it related to the District Energy Heating proposal. He indicated that he was interested in continuing discussions.

Council Member Jarvis said the PACE Grant will help private property owners with some financial issues with conversion. She had questions on the amount of money in this portion of the grant and how it would continue to be funded.

Planning Director Hallsmith responded by explaining that it would work like a revolving loan fund. They envision it as part of the bond.

Council Member Jarvis still had questions about the funding gap. Her understanding about how they came up with the \$2 million figure to bond for was looking at the money they would be use to heat for short term over the next 20 years.

City Manager Fraser replied at zero interest they could borrow more money than they could with a conventional bond issuance.

Council Member Golonka said with the financial models they talked about the last time they would like to see what it would look like with the additions to the benefits the city would accrue. If the city adds private partners does the breaking point go down?

Planning Director Hallsmith replied yes.

Council Member Golonka said the Council has been asking what the city commitments are and he is glad they went to the School Board.

City Manager Fraser replied they would be buying heat from the city. They aren't just transferring their heating cost into the city budget.

Mayor Hooper said one of the things Council Member Golonka has asked for is the financial model.

Discussion followed on what the consultants were working on

City Manager Fraser said the capacity has been the major topic of discussion. The Clean Energy Development Fund's goal is to promote clean energy products around the state. Their goal also in this project is to set an example of how this can be done. They have encountered some mitigating factors including an old plant that has to be retooled rather than starting from scratch so the economics are different. Some of the money the Clean Energy Development Fund is considering for this project is the same ERA money the city is using and they are on the same timelines to commit it. Some of it is potentially from other projects that aren't going to make it so they will be redirecting it to Montpelier. The city has asked for the most optimal mix.

Mayor Hooper said one of the things they need to decide is if they are going to have a bond vote should it be on the same evening as the next special meeting. The Manager has suggested a course of action which would be to have the bond vote on June 14<sup>th</sup>. If they vote on June 14<sup>th</sup> there is a 30-day recall possibility and if it is approved and they decide to go ahead what does that do with the project's deadline.

Planning Director Hallsmith said the main deadline they are under right now is a six month extension they received from the January 20<sup>th</sup> deadline to show the match. We need to vote before June 20<sup>th</sup>.

Mayor Hooper said the question is whether or not to set a bond vote for the same time that the special meeting will be held for the Civic Center or would they prefer to hold it at a later date, which would be June 14<sup>th</sup>.

City Manager Fraser said they are going to have a special vote on May 17<sup>th</sup> or May 24<sup>th</sup> anyway.

Discussion followed and Mayor Hooper said it seems the consensus of the Council is it isn't ready to set it for the same date as the Special City meeting to consider the issue of tax exemption of the civic center.

11-099. Setting the date, time and place for a Special Election and approve the Warning.

- a) On Monday, March 28<sup>th</sup>, the City Clerk's Office was presented with a petition to reconsider the issue of the tax exemption of the Civic Center. On Tuesday, the Clerk's Office verified that there were sufficient (5%) signatures of registered Montpelier voters to require a special election and the petition was filed properly within 30 days of the Town Meeting election. According to Vermont Statute Title 17, §2661, a "special town meeting" or election must be called within 60 days of the receipt of the petition. This means that the election must be held on or before Friday, May 27<sup>th</sup>. The City is required to warn the meeting with a 30-day notice. Assuming that the official warning is approved this evening and the Council chooses to hold the election on a Tuesday as is traditional, the election could be held on either May 17<sup>th</sup> or May 27<sup>th</sup>.
- b) The Council held a Special Meeting on Monday, April 4<sup>th</sup>, to discuss whether the Council would prefer having one special election with multiple items including a possible District Energy Project bond vote. Council chose to continue that discussion until the April 13<sup>th</sup> meeting.

Recommendation: Set the date, time and location for the Special Election and approve the Warning for May 17, 2011 if only including the Civic Center tax exemption. If also including a district heat bond vote, set election for May 24, 2011.

Council Member Weiss said he selected the date of May 24<sup>th</sup> arbitrarily and moved that for the date of the Special City Election for the Civic Center. Council Member Jarvis seconded the motion.

City Manager Fraser said June 14<sup>th</sup> is a possible date to vote on the District Energy Project. There are going to be two votes. They have the choice of May 17<sup>th</sup> or May 24<sup>th</sup>. His suggestion is May 17<sup>th</sup>.

Chris Rohan, a Montpelier resident, said his interest here is to support the tax exempt status for the Civic Center. He has lived here for about eight years and just recognized the Civic Center as a community resource and there are many people like him out there. He understands it is a difficult issue.

Dr. Butsch said he appreciates the chance to have another vote which they felt was justified so they could do a better job of educating the local citizens of the issues involved. They have been tax exempt. He finds it somewhat ironic he is here because he remembers about 15 years ago when he was on the Futures Committee in Montpelier and the focus was to build a facility in Montpelier. The committee met for over a year and found that the city was unable to support one. As of today there are only two facilities in the state that are not municipally owned or owned by a school district. They remain in somewhat the same situation they were way back when they had the Futures Committee. One of the biggest issues is the feeling in Montpelier of bringing people who support the outside communities and that the outside communities aren't doing their share of supporting Montpelier. When it failed in the Futures Committee and wasn't built by the city a group of private individuals from the city and outside got together and built a public 501(C)(3) facility that was tax exempt. They were looking for a site and picked Montpelier and went by what the city attorney and City Assessor said they would be tax exempt. He knows the situation has changed since then. At that time the largest owner came from outside Montpelier and donated \$100,000. The next largest owner came from outside Montpelier with \$50,000 and since they have been in existence about 90 percent of the business support keeping the organization going is from outside Montpelier. About 80 percent of the private donations keeping the Civic Center going are from outside Montpelier and other communities outside Montpelier make contributions on a regular basis. They feel they have a lot of community support and civic pride from outside Montpelier who are appreciative of being in Montpelier, but they need to keep the situation as it has been since their existence, which is tax exempt. They want to make an effort now to educate the public.

City Manager Fraser said he wanted to review the technical requirements so there is no confusion. The city received a petition that was properly filed. The city is required to hold a vote within sixty days of the date the petition is filed.

There is a new legal requirement in state statutes that came out a couple of years ago. They have to get two-thirds of the people who voted on the prevailing side, and there were 857 people voted no, so they need to get 572 yes votes and have that be the majority to pass.

The makers of the motion accepted the friendly suggestion to change the date of the Special City Meeting to May 17, 2011.

Mayor Hooper called for a vote on the motion. The vote was 6-0 motion carried unanimously.

11-100. Consideration of a charge for a committee to review possible Taser use by the Montpelier Police Department.

- a) The City Council deliberated Taser use during the annual budget approval process in January.
- b) Council delayed a decision on Tasers and indicated that a committee would be formed to review the issue.
- c) The City Manager has prepared a draft charge for such a committee for the Council's consideration.

Recommendation: Review draft, make changes as desired, approve a charge and provide direction to staff with regard to committee appointments.

City Manager Fraser had prepared a draft charge for the council's consideration.

Police Chief Facos was also present for this discussion.

Mayor Hooper said the Council needs to decide if they are going to have a committee, what the charge of the committee is and the composition of the committee, and how they are going to handle the recommendations from the committee.

The Council held a lengthy discussion on the charge and the number of citizens and if they should be looking for people with certain expertise. Council would like to see the report back from the committee before the beginning of the budget session this fall. Council wanted to make sure it was understood that the final decision would be made by the City Council. Also discussed was whether the committee would be made up of residents and non residents. The consensus was that the committee

should be made up of residents. Non residents were welcome to attend the meetings and participate.

City Manager Fraser said he would say the City Council is seeking a committee of interested open-minded Montpelier residents to serve on a committee studying tasers. They would especially appreciate members of the mental health, medical, law enforcement and school expertise as well as members of the general public.

Council Member Jarvis moved that the Council advertise for a committee with a charge to study the taser issue for Montpelier made up of Montpelier residents. Council Member Timpone seconded the motion. The vote was 6-0, motion carried unanimously.

11-101. Consideration of Council Committee Assignments

- a) At their first regular meeting following Town Meeting, Council chose to postpone making any committee assignments until after they'd held their Goal-Setting Workshop.

Recommendation: Discussion, assign Council reps to the various committees.

Council Member Weiss had provided the council members with suggestions on committees no longer needed and committees that should be added.

Attached to the minutes is a revised list of Council Committee Assignments.

11-103. Council Reports

Council Member Hooper said this is his fourth meeting this week.

Council Member Sherman reported that Council Members Hooper, Timpone and she attended the Circulator public hearing and about 16 people attended. They saw a preliminary route and schedule and there was good progress. It is always good to hear updates on the flood and the situation with the river. On April 14<sup>th</sup> there is a zoning meeting at Vermont College at 7:00 P.M.

Council Member Weiss had a newspaper clipping and reported that Bev Hill who has been a member of the Central Vermont Medical Center Board of Trustees for 15 years and was honored for her service.

Council Member Jarvis said they received a memo from Public Works about Mill Road. Was there the same kind of process with Murray Road after that was done? She congratulated folks on a fabulous Film Festival which was really well attended. It was great to see Poetry Alive happen again where poetry is posted in storefronts. She had a request from a resident to see if they could rework our existing sign ordinance in terms of making sure that businesses that go out of business take down their signs within a reasonable period of time. The existing ordinance we have now requires businesses within the Design Control District to remove their signs but not other businesses in Montpelier. Unfortunately, businesses like Finkerman's go out of business and the signs remain. She wondered if there was interest with the Council to follow up on that.

Mayor Hooper said they could ask staff to give them a recommendation.

City Manager Fraser said sometime ago when they looked at permit issues and zoning issues Steve Stitzel advised the city they might want to consider taking all signs out of zoning and regulate signs separately.

Council Member Timpone said today is Autism Awareness Day in Vermont and we have 110 people being diagnosed every 20 minutes with autism.

Council Member Hooper said in the interest of focusing more on policy he would love to see some advice on administrative approval for routine event permits for liquor licenses.

#### 11-104. Mayor's Report

Mayor Hooper reported that tomorrow the Vermont Center for Independent Living is having an event and she has been asked to attend. She would love to have some information on what the ADA Committee is doing because she has been asked to comment on that.

City Manager Fraser said his advice would be to talk to Tom McArdle about that. They are working on the transition plan. They are doing all the ADA assessment for all buildings.

Mayor Hooper reported they had a conversation at the last meeting about the Farmer's Market. She thanked Bill Fraser for reaching out to the Farmer's Market and others for communicating our support and interest in them.

The City Manager, Paul Giuliani and she met for the third week in a row with the House Government Operations Committee about the three provisions in the charter

changes and two were passed. The Committee is holding out the portion that deals with the merger of the Berlin Fire District. We really do believe it should go forward. It was a confusing issue to the committee. The Town of Berlin had proposed their sewer committee could take over the management of this process which is confusing because they aren't parties to it at all. There were other conversations about the legality of votes and the appropriateness of votes and whether or not the merger had happened. Unfortunately, our Representatives clearly feel the merger had happened but the Assistant Attorney General asked for an opinion that said it hadn't happened notwithstanding Bill's legal work pointing out the same thing between Barre Town and Barre City three or four years ago. She has been in a lot of meetings lately with Bill and she is impressed how well the City Manager represents our community. She also needs to mention that all of our staff represents our community well. A Transportation Committee Member stopped her and said our Assistant City Manager had been in their committee and how impressed she was with Bev's presentation.

11-105. Report by the City Clerk-Treasurer

None.

11-106. Status Reports by the City Manager

City Manager Fraser reported that the Matrix Steering Committee met yesterday and received an update on the process and received more results of the employee surveys. There has been some good data and feedback. There was an 80 percent response rate and it looks like most people looked at the city's organization favorably. He is pleased with most of the results. The Steering Committee has another meeting the end of April and that is when they start to share the beginnings of what they found and what their recommendations might be. The Matrix Group will be here on June 8<sup>th</sup> to present their report to the Council.

There is the charter change going through the Legislature and it has been mostly about the merger. In the charter change about the district energy they took out the provision selling electricity. He and the Public Works Director Law had a conversation about a plan for potholes.

Forbes Magazine named Montpelier as one of top 11 prettiest places in America.

He updated the Council on the Fire Chief selection they did reach a final candidate and the Police Department is doing a background check and there will be an announcement next week..

Assistant City Manager Hill said today was Police Chief Facos birthday.

Adjournment:

After motion duly made and seconded by Council Members Hooper and Timpone the council meeting adjourned at 10:20 P.M.

Transcribed by: Joan Clack

Attest: \_\_\_\_\_  
Charlotte L. Hoyt, City Clerk

**CITY OF MONTPELIER, VERMONT**

*- THE SMALLEST CAPITAL CITY IN THE UNITED STATES -*

Mayor Mary S. Hooper

City Council:

Tom Golonka

Andy Hooper  
Sarah Jarvis  
Nancy Sherman  
Angela Timpone  
Alan Weiss

William Fraser,  
City Manager  
wfraser@montpelier-vt.org

Beverlee Pembroke Hill  
Assistant City Manager  
bhill@montpelier-vt.org

**MEMORANDUM**

**To:** Mayor Hooper & City Council Members  
**From:** William Fraser, City Manager  
**Re:** District Heat Project  
**Date:** April 12, 2011

Since we will be warning a special election for either May 17<sup>th</sup> or 24<sup>th</sup>, the logical question arises as to whether we will combine the petitioned tax exemption item with a potential district heat bond vote. I've already provided you with an outline of potential dates and deadlines for those special elections.

As you choose whether to include District Energy on the earlier meeting, I wanted to update you on what we know and what we don't know about this project.

**What we know:**

- The Federal Government awarded the city an \$8 million grant for a district energy project done in partnership with the State. The grant also included start up money for a Property Assessed Clean Energy (PACE) district.
- The Governor proposed \$7 million in State Capital funds for this project.
- \$7 million was included in the Capital Bill and Budget which has passed the House of Representatives.
- The Montpelier School Board voted to support the project and understands that participation is a 20 year commitment.
- The total project will cost between \$18.2 million and \$20 million depending on final costs of the plant and distribution route. Assuming approval of the State capital funds and a city bond of \$2 million, \$18.2 million in funding is accounted for.

- The city has retained a firm to identify the optimal distribution route, update cost estimates for the route, work with the state on the final overall costs and meet with private property owners. That work is happening now.
- The city has applied for up to \$1.75 million in grants and/or 0% interest loans from the Clean Energy Development Fund.
- The three city buildings (City Hall, Fire Station and Police Station) and two school buildings (Union Elementary School and Montpelier High School) use 100,000 gallons of oil each year. Every dollar that oil increases in price, costs the community \$100,000. As illustration, our original financial models for this project were developed using \$2.45 per gallon for #2 heating oil in 2010 and \$2.69 in 2011. The city is currently paying \$3.70 – a difference of \$100,000 per year.
- The State of Vermont will own and operate the upgraded and expanded central heating plant. They will provide bulk heat (hot water) to the city's distribution system which will provide heat to city & school buildings as well as private customers. The city will purchase the bulk heat, supply it to city buildings and resell it to non-city buildings.

**What we don't know:**

- Whether the Senate will approve the capital funding. We will know this by the end of the session, currently projected for the first week in May.
- Whether CEDF will approve the city's request and what the mix of grant and loan might be. We will know this on April 27<sup>th</sup>.
- Whether the city council will put forward a bond vote and whether the voters will approve it. The final number for a bond vote will depend somewhat on the package from CEDF, any amount of 0% interest loan needs to be included in any financing authorization. If not included in the tax exemption election, the decision to go to bond vote should be made by the May 11<sup>th</sup> council meeting for a vote on June 14<sup>th</sup>.
- The precise final route of the distribution system and final cost projections. These are being generated and should be clearer by early May.
- All details of the agreement for heat purchase with the state. This is being negotiated now, we have a general outline of agreed upon concepts.
- The actual price of heat for public and private customers. We are projecting that the district heat price will come in around \$29 per MMBTU which is equivalent to \$2.80 per gallon of fuel oil. This will become firmer as we complete negotiations with the state.
- Without a firm price and route details, we do not have firm commitments from private customers. Although the project has been set up to work financially without them, they are not only important to success but, in fact, one of the main reasons to do the project in the first place. We have expressions of interest which will firm up when we can present a price, a route, a cost of conversion and the PACE program to finance the conversion.

**Why are we pursuing this project?**

- It reduces toxic emissions in downtown Montpelier by as much as 11 tons per year. It is consistent with state and local policy to move to cleaner, renewable energy sources.
- It replaces oil as a prime fuel source with a locally/regionally produced fuel source keeping that economic activity in the northeast.
- It provides stabilization for fuel costs to the state government, city government and school department allowing tax dollars to be redirected toward services or infrastructure rather than oil. As mentioned earlier, \$1 in fuel prices = \$100,000 per year for these buildings.
- It presents an economic development opportunity in downtown Montpelier by providing a cleaner and potentially cheaper source of heat for building owners.
- It mirrors the decision many local homeowners have already made on their own, we are essentially converting downtown to a wood stove.
- The local costs (bond payments, bulk heat costs, operating costs) are being paid out of monies already being used to heat and maintain heat systems in local public buildings. This is Vermont – we will always heat the schools, city hall, fire station and police station. This is not money that can be used for other public purposes. We are spending current fuel system money on fuel system.
- The State of Vermont converted their district heat system to wood (primarily) in the early 80's following the first "energy crisis". After 30+ years of operating this system, the State is seeking to upgrade and expand it, not abandon it. They have no interest in returning to an oil based heating system and do not second guess their conversion decision at all.
- This is proven technology. As noted above, a district heat system has existed in Montpelier since the 40's and has been wood fired since the 80's. These systems exist and run successfully in both the US and in Europe. This is bolstered by the fact that our partner, the State of Vermont, is a long term presence in our city and will not be closing, off shoring or relocating.
- The city received the largest (\$8 million) energy grant in the nation to support this project. The State and City combined will be able to develop an \$18-\$20 million capital improvement - which cuts annual costs, is environmentally friendly and supports the local economy - for \$9 +/- million in State and City capital funds.

### **What are the concerns?**

- The biggest fear is the fear of change and the unknown. Like the current health care system, oil based heat for our major buildings is all we know. While we complain about costs or problems, we are reluctant to abandon a system for fear that a new system will leave us lacking.
- Although the costs are paid with existing fuel dollars, the city will have to issue a bond to finance the project. The city has a high debt load now and concern exists that if users leave the system, the city will be left holding the indebtedness. This is mitigated somewhat because financial projections don't include private interests.
- The city is speculating on a new heat system. What if something better comes along? This is a fair concern. However staying with our present heating system is also speculating on oil prices and that

future alternatives will be as financially feasible as this proposal now which comes with an \$8 million federal subsidy.

- Construction of this project will cause disruption to the downtown area. Yes, there is no question. Like any major project it will be managed but there is no getting around the fact that this requires laying pipes underground throughout downtown. Obviously the idea is that the end heat product is worth it. Another benefit is that when closing streets and sidewalks back up, they can be repaved and rebuilt which is needed in many cases. We could potentially target city capital budget funds for downtown improvements to be done in conjunction with this work.
- The City is assuming a new operational responsibility. Yes we are. But in other locations, maintenance work is minimal. The state will be running the heat plant, we will be a customer. There will be administrative work for billing, meter reading etc. but there will also be revenue produced from those activities.
- We don't have all the information. This is a very complex project involving the federal, state and city governments. We are gaining more knowledge, developing more information and accomplishing more project related tasks each week. While some important details are still emerging, the basic structure, costs and contributions are pretty well established. And we have another month to fine tune our information even more.

**Conclusion:** I have maintained a critical distance and withheld my endorsement throughout the project development in order to objectively analyze the pros and cons and to provide you my best professional advice about how to proceed. I have asked the same questions that all of you have.

I see this as a once in a generation chance to make a bold move which has positive environmental and economic impact. It's easy to support or oppose this project for emotional, philosophical or ideological reasons. I have tried to remove all of those from my work on this and weigh the costs and benefits. On balance this is a solid project which has been in the works for at least 16 years if not more. Given the federal dollars available, the time is now. I made a commitment to you that the project would stay within our current payment stream and it does so. I also made a commitment to you that project finances would not rely on unidentified private customers and it does not. I think that 10 years from now, no one will be wishing that the community had remained on an oil based heat system.

I recommend that the city support this project and plan for a bond vote on June 14<sup>th</sup>. The final decision and details can be addressed at the May 11<sup>th</sup> meeting when we know the results of the CEDF process and the state budget.

**CITY OF MONTPELIER, VERMONT***- THE SMALLEST CAPITAL CITY IN THE UNITED STATES -*

Mayor Mary S. Hooper

City Council:

Tom Golonka

Andy Hooper  
Sarah Jarvis  
Nancy Sherman  
Angela Timpone  
Alan WeissWilliam Fraser,  
City Manager  
wfraser@montpelier-vt.orgBeverlee Pembroke Hill  
Assistant City Manager  
bhill@montpelier-vt.org**MEMORANDUM**

**To:** Mayor Hooper & City Council Members  
**From:** William Fraser, City Manager  
**Re:** Draft Charge for Taser Committee  
**Date:** April 8, 2011

During the earlier discussions on possible Taser use by the Police Department, the City Council chose to create a committee to review the issue. The specific charge and purpose of that committee was somewhat undefined. I am offering a draft charge which presents an approach to handling this issue. You may choose to approach this differently.

**“Yes or No”** – The major underlying question for the Council, Community and Police Department is whether to allow Montpelier officers to carry and use tasers. At the end of the day, the City Council must make this decision. No other group is responsible for the safety of both Montpelier’s citizens and its employees. Regardless of any committee recommendation, the final decision will fall on the council’s agenda, will be deliberated publicly and will generate citizen participation.

Given that reality, it’s my opinion that charging a committee to make a recommendation whether or not to approve tasers is perilous from a process perspective. Such charge will then call into question the make up of the committee members, what their predisposition is to this issue and whether the committee was “stacked” one way or the other. It could potentially put council members in the position of disagreeing with the recommendation of a citizen’s group on such a controversial topic.

I recommend that the Council understand its responsibility and obligation to make this decision and retain that judgment for itself. The council should ask a committee to provide another very important role in this discussion.

**Framing the Issue** – During the earlier debate, many – if not most – comments included concerns about the unknown. When would tasers be used? What was the policy? What did it mean? What sort of training would be included? How will the department be held accountable? In essence there were multiple decisions being considered at once – not only the prime “Yes or No” question but, if “Yes” than defining the specifics of what “Yes” means.

A committee, then, will provide a very important service by working through the areas of concern and providing comments and recommendations in each area. By doing so, the Council and community will then be free to engage in a robust discussion of taser use while having a clear understanding of the terms of use.

I recommend that the Committee be charged with developing recommendations for the following:

- 1) *Policy and standards for taser use.* The Police Chief has proposed a use of force policy. The committee should review the proposal, clarify meaning and intent where confusing and make recommendations for changes if needed.
- 2) *Training* – The committee should review and make recommendations about the training regimen surrounding tasers. In addition to specific training about taser operation, the committee should review and comment on the department’s training in areas such as mental health, crisis intervention, de-escalation, medical issues relating to tasers and response to resistance, among others.
- 3) *Accountability* – The committee should review and make recommendations for standards of public reporting and incident review when tasers are used and/or displayed.
- 4) *Public process and engagement* – Once standards of use, training and accountability have been established, the community needs to have a meaningful dialogue about whether or not to approve tasers. The committee should make recommendations for how the Council and community can best conduct that discussion. The recommendation should include description of meetings, hearings etc as well as the nature and extent of information that should be presented.

**Committee and committee work.** The composition of the committee (number of people, any specific constituencies represented, appointment process, etc.) will be determined by the City Council. I recommend that, at minimum, representatives of both the mental health community and the law enforcement community be included. Other citizens may be appointed based on expertise and interest. Preference should be granted to Montpelier residents except for those individuals with specific professional expertise which might assist this process. All meetings of this committee will be in open session with the public welcomed. It is expected that both the Police Chief and City Manager will assist the committee and participate in the committee process although will not be committee members. The committee should be asked to provide the above recommendations to the city council by October 1, 2011 (or earlier) to allow the Council time to conduct the public discussion process in advance of their budget work in December and January.

MATRIX Ad hoc Committee (Management Analysis)	Sarah Jarvis Andy Hooper Alan H. Weiss	Bill Fraser, City Manager
Americans with Disabilities (ADA)	Angela Timpone	Bill Fraser, City Manager Tom McArdle, Adm. Ass't. to PW Director
Building Code Appeals Committee	Alan Weiss Tom Golonka (advertising for 3 <sup>rd</sup> )	Bob Gowans, Fire Chief Bill Fraser, City Manager
Capitol Complex Committee	No Council Rep	Paul Carnahan
Capital Projects Committee	Sarah Jarvis Andy Hooper Angela Timpone	Todd Law, DPW Director Tom McArdle, DPW Assistant Director Sandy Gallup, Finance Director Bill Fraser, City Manager Planning Commission Rep
Central Vermont Core Communities Regional Public Services Committee	Tom Golonka Alan Weiss	3 Representatives from each Community Bill Fraser, City Manager
CVRPC	Nancy Sherman, Alt. (moving?)	Dave Borgendale, Vice Chair, PC
CVRPC/TAC	Nancy Sherman	Bev Hill, Assistant City Manager, Alt.
Central Vermont Solid Waste	Andy Hooper, Alt.	Mia Moore
Citizen Advisory Board for Community Justice Center	Sarah Jarvis	Yvonne Byrd, CJC Director
District Heating Committee	Alan Weiss	Gwen Hallsmith, Planning Director
GMTA/CCTA Advisory Board	No Council Rep	Harold Garabedian
Housing Task Force	Angela Timpone	Garth Genge, CD Specialist Gwen Hallsmith, Planning Director
Kellogg-Hubbard Library Board Rep	Tom Golonka	Suzanne Hechmer
<i>Montpelier Alive</i>	(... will meet with Board re: Council representation)	
Montpelier Senior Center Advisory Board	No Council Rep	Beverlee Pembroke Hill, Ass't. City Mgr.
Montpelier Senior Services Coordinating Committee	Sarah Jarvis	Garth Genge, CD Specialist Beverlee Pembroke Hill, Ass't. City Mgr.
Regional Bike Path Committee	Alan H. Weiss	Bev Hill, Assistant City Manager
Water Rate Study Committee	Tom Golonka Andy Hooper Sarah Jarvis	Sandy Gallup, Finance Director Todd Law, DPW Director Bill Fraser, City Manager
T.W. Wood Art Gallery Board	Mary S. Hooper	-----
E.C. Fiber Committee		

