

On Wednesday evening, December 8, 2010, the City Council Members met in the Council Chamber.

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

Call to Order by the Mayor

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

10-301. General Business and Appearances

None.

10-302. Consideration of the Consent Agenda:

- a) Consideration of Minutes from the October 27<sup>th</sup> and November 10<sup>th</sup>, 2010 Regular City Council Meetings.
- b) Consideration of becoming the Liquor Control Commission for the purpose of acting on the following:
  1. Ratification of the issuance of a Catering Permit to Yebba, Inc., d/b/a The Abbey Pub & Restaurant, for Cocktail Receptions held on November 17<sup>th</sup> and November 18<sup>th</sup>, from 3:00 to 6:00 P.M. in the Cedar Creek Room of the State House.
  2. Ratification of the issuance of a Catering Permit to Vermont Hospitality Management, Inc., d/b/a New England Culinary Institute, for a Dinner held on Tuesday, November 30<sup>th</sup>, from 5:00 to 8:00 P.M. at National Life's Hopkins House.
  3. Ratification of the issuance of a First Class Liquor License and Restaurant License to "Salt, Ltd.", the business vacated by Kismet at 207 Barre Street; they hoped to open on December 1<sup>st</sup>.
  4. Ratification of the issuance of a Catering Permit to Langdon Street Café Collective, Inc., d/b/a Langdon Street Café, for Kellogg-Hubbard Library's "Evening at the Library" which was scheduled to be held on Saturday, December 4<sup>th</sup>, from 5:00 to 10:00 P.M.

5. Ratification of the issuance of a Catering Permit to Hyzer Industries, Inc., d/b/a Three Penny Taproom, for a Holiday Party scheduled to be held on Thursday, December 9<sup>th</sup>, from 5:00 to 8:30 P.M. at the Vermont College of Fine Arts.
  6. Consideration of a request for a catering permit received from Vermont Hospitality Management, d/b/a as New England Culinary Institute, to cater the Vermont Fiddle Show at the College Hall Chapel at 36 College Street on Saturday, December 18, 2010, from 5:00 to 10:00 P.M.
- c) Payroll and Bills
- General Fund Warrant dated November 17, 2010 in the amount of \$594,119.35 and \$1,030.01.
- Payroll Warrant dated November 24, 2010 in the amount of \$29,123.76 and \$119,742.87.
- General Fund Warrant dated December 1, 2010 in the amount of \$1,607,477.00 and \$229,429.43.

Motion was made by Council Member Jarvis, seconded by Council Member Sherman to approve the consent agenda.

Council Member Weiss said he would like to discuss the first class liquor license for Salt, Ltd.

Mayor Hooper called for a vote on the motion after removing the Liquor License for Salt, Ltd. The vote was 6-0, motion carried unanimously.

10-302 (a)

Ratification of the issuance of a First Class Liquor License and Restaurant License to "Salt, Ltd.", the business vacated by Kismet at 207 Barre Street; they hoped to open on December 1<sup>st</sup>.

Council Member Weiss said a concern he has is there is a lot of paperwork regarding this application. One section reads to please give the name, title and date of a manager or partner who attended a liquor control license education seminary. It is completely blank. He would like to know whether or not they did that or made some other arrangement to cover that attendance at the seminar. If not he isn't ready to approve it.

Council Member Jarvis said you can't get a state liquor license without attending the seminar and you can't get a city liquor license without having a state liquor license.

City Clerk-Treasurer Charlotte Hoyt said they are still in the process and haven't been issued anything yet. If they haven't attended the seminar they will have to before the state will approve the liquor license.

Motion was made by Council Member Hooper, seconded by Council Member Sheridan to approve the First Class Liquor License for Salt, Ltd. The vote was 5-1, with Council Member Weiss voting against the motion.

10-303. Appointment to the Montpelier Planning Commission.

a) Bethany Pombar has stepped down; staff advertised and has received letters of interest from the following:

- |                      |                              |
|----------------------|------------------------------|
| 1) Jon Anderson      | Dan Jones                    |
| 74 East State Street | 116 Northfield Street        |
| <br>Peter Gill       | <br>William Fred Ritke Jones |
| 153 Elm Street - #31 | 154 Barre Street - #2        |

b) Recommendation: Opportunity to meet the candidates; possibly enter into Executive Session in accordance with Title I, Section 313, Subsection (a) for the purpose of discussing; appointment to fill the unexpired 2-year term which will expire in August, 2011.

Mayor Hooper invited the candidates to introduce themselves and to express their interest in participating on the Planning Commission.

Planning Director Gwen Hallsmith said they are right in the middle of a zoning revision. When the candidates address their credentials to City Council she would appreciate hearing their opinions about zoning regulations.

Jon Anderson said he believes in zoning. One of the goals of zoning is that you have clear ordinances or otherwise they aren't enforceable. One of the ways he can help the city is to assist in making

sure they are drafting clear ordinances to help in the transition of the adoption of the City Master Plan. Essentially, his whole life has been working on the interpretation of the enforcement of zoning ordinances.

Dan Jones said he is new to Montpelier. He was privileged to look at the new Master Plan that the city has done and this is perhaps one of the interesting public documents for a small city he has seen. He thought this would be fun and an exciting opportunity. He knows the zoning is part of it but it is also how one actualizes such a document into the physical and social structures that are going to be carried forward. He has a background in some municipal development work, especially in Boston around the cable television communication systems, and he sees any movement forward with new energy systems dependent upon communication systems to allow for that to happen.

Peter Gill said he is a graduate of Vermont Law School and attended a couple of classes in land use and watershed management. He thinks he would have a relatively new voice on the Commission. He would be a very dedicated member and be interested in serving the city in that capacity. He agrees that zoning is very important and he also agrees that it depends on making sure that it is enforceable so it is a fair process.

After motion duly made and seconded by Council Member Sherman and Golonka the Council went into executive session at 7:15 P.M., in accordance with VSA Title I, Section 313 Subsection (a) to discuss an appointment. The vote was 6-0, motion carried unanimously.

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

After motion duly made and seconded by Council Members Weiss and Sherman, the council came out of executive session at 7:25 P.M., in accordance with VSA Title I, Section 313, Subsection (a) whereby they had discussed an appointment.

Motion was made by Council Member Golonka, seconded by Council Member Hooper to appoint Jon Anderson to fill the unexpired two year term on the Montpelier Planning Commission. The vote was 6-0, motion carried unanimously.

10-304. Update on Central Vermont Solid Waste Management District's activity.

- a) The City's representative to this board is Mia Moore; she had provided a FY 2010 Report for Montpelier.
- b) Mayor Hooper also suggested that she attend an upcoming Council Meeting to provide an update on the CVSWMD's activity and answer any questions that Councilor's may have.
- c) Recommendation: Receive update from Mia Moore; opportunity for discussion.

Mia Moore is Montpelier's representative to the Central Vermont Solid Waste Management District.

Mia Moore said the Central Vermont Solid Waste Management District's mission is to provide leadership, education and services for residents and businesses in reducing and managing their solid waste in order to protect public health and the environment to the greatest extent feasible. To meet this goal, several years ago the Board of Supervisors created a Solid Waste Implementation Plan with a goal of zero waste. The goal of zero waste approach is to cease producing what we all refer to as trash that is disposed of and to utilize materials as resources. The District's zero waste policy is the reason she wanted to serve on the district in the first place and one of the reasons she continues to want to serve.

When they spoke in March or April of this year the District was in rough shape. They had just transitioned the 6 depots that were at Bradford, Barre Town, Cabot, Calais, Northfield and Hardwick to either the towns or private haulers operating them. Ultimately, five of those six depots are continuing operation with private haulers taking them over and accepting the same materials that the District had accepted and at the same hours so there is the same availability to residents. The one depot that did close a bag drop private hauler is taking trash and recyclables from residents just outside the boundaries so all of those residents are continuing to be served. Montpelier residents didn't really see much of a change because they continued to have this at the Casella Depot and the Central Vermont Landfill in Montpelier and East Montpelier respectively.

One very positive result of their depot transition was that the District's financial position is much stronger and they were able to provide a reduction of the per capita assessment by \$1.00 for FY'11, and they just voted last month for another reduction of 10 cents per person for all of their member towns. Thereby making themselves more fiscally sound and able to reoffer our Green Up Day grants which they had to cancel a year ago because of their financial situation. Montpelier did request and did receive \$500 for Green Up Day this year. The District was very happy to reinstate that program.

She went through some of their key programs and gave a quick report on how they did in FY'10. The biggest thing they do by far is their organics diversion program. Because food scraps are about 20 percent of the waste stream that Vermonters create this is a pretty critical component of our waste stream and they started to tackle several years ago. They have an organics program to pick up food scraps at commercial businesses around the district as well as schools. Their commercial organics program during FY'10 diverted an estimated 858 tons of food scraps from landfills. Twenty-five different Montpelier businesses participated in the commercial organics program. There is also the school organics program which is a huge success. It is close to 100 percent participation by the schools within the 18 towns that are part of the District, and it is 100 percent participation by our Montpelier schools. The Main Street Middle School, Union Elementary School and the High School all participate. In FY'10 our schools diverted approximately 15 tons of food scraps from just the three schools in Montpelier.

In addition to the organics program the District also provides residents with ways that they can help us at home with free instructions on their web site for how to set up your own composting and they also sell green cones for those who would like to manage their food scraps.

In addition to the organics program they have special collections. The most popular one is our hazardous waste collection. Montpelier did host one of the five hazardous waste collections in FY'10. In addition to that they have their electronics collections and Montpelier did actually host an electronic collection in FY'10. Our electronics collections collected more than 50 tons of electronics to divert them from landfills and put those more towards recycling.

Another great resource of the District is our web site. We offer a lot of different resources. The most popular one is The A to Z Guide to Waste Reduction and Recycling so she wants to encourage people to visit the web site. It is a great resource if you are curious about what can be recycled or if you want to find a depot to take something you need to get rid of.

She said she wanted to wrap up by talking about the start of FY'11, which they are in right now. They held a resident survey to learn what residents wanted to see from the District and overwhelmingly residents opted to see more programming instead of reduced fees. They wanted to see more special collections, more things like Green Up Day grants, and grant funds for small businesses. When they voted to reduce the per capita assessment for FY'12 by 10 cents they did so mainly because they knew that their planning had indicated that it won't have a serious impact on programming because we want to follow the needs of residents who are asking for more programming.

In addition to that, their commercial organics program pricing has been revised as they work to get it to sustain itself, and they have added more businesses since the beginning of FY'11. In fact, they are at full capacity for what their one truck and one driver and a half can handle. There literally is no more room. They would have to expand the program if they wanted to take on more businesses.

Last week at their most recent meeting they expanded the recycling ordinance so there are now more things they are requiring to be recycled. Not much will change because people are already recycling those things. Those are all of the things that are accepted at the main recycling center for the state up in Chittenden County but they wanted to make sure they were communicating to everyone exactly what can be recycled and what will be required of their haulers as far as recycling is concerned.

Finally, their financial picture of FY'11 and FY'12 are much stronger than FY'10. They project net revenue this year and will be ending a municipal lease requirement in the middle of FY'12 which will free up more income to extend to even greater programming. They are currently working towards the zero waste schools to transition their organics program in the schools and help schools figure out other ways they can reduce their waste.

Council Member Sherman asked Mia if she had a copy of the expanded list of recyclable items.

Ms. Moore said she would get her a copy.

Council Member Sherman asked if most of the recycling stations are doing single stream.

Ms. Moore replied yes, most are. They will accept cardboard outside of that stream but pretty much everything else.

Council Member Sherman asked if she could tell the Council what the per capita is now that it is newly reduced.

Ms. Moore said for FY'11, which they are in right now, it is \$2.10 per capita, and for FY'12 it will be \$2.00.

Council Member Sheridan said she has probably noticed in Montpelier in the summertime we have two trash barrels side by side; one is for recycling. They are obviously very successful and they are used and it looks like people are using them correctly. Is there money in the District's organization to help the city get more of those?

Ms. Moore said she will bring up that idea to their program oversight committee.

Mayor Hooper said it would be terrific if that happened. She believes that Montpelier Alive approached the Solid Waste District about that. The nice trash cans and recycling bins are actually out there because of fund raising on the part of Montpelier Alive and they were the ones doing the testing to make sure people were doing it correctly.

Council Member Weiss said he understands that some of the communities in Central Vermont have dropped out. Is there any chance in terms of programming in getting any of them back?

Ms. Moore replied she doesn't know. They are focused on maintaining the programming and expanding the programming for towns that have stayed with the District. Her hope is that they will see through the expansion of programming that they do offer more than the associations or districts they went to which were nearby.

10-305. Update on the Kellogg-Hubbard Library's activity.

- a) Executive Director Dan Pudvah requested an opportunity to also update the Council on the Library's activities and budgetary needs.
- b) Recommendation: Receive update from Dan Pudvah; opportunity for discussion.

Dan Pudvah, Executive Director, said Tonya Moorehouse, Trustee and Robin Sayles, Librarian were present for this agenda item. Council Member Golonka represents the City Council on the Board. They are here to give a brief update and request that the Library be placed on the ballot on Town Meeting Day for the same amount of funding which was requested and approved last year and the year before. In developing their budget for 2011 they wanted to maintain the hours they now have and staff and essentially the same expense levels they had last year. They are aware that other libraries in Vermont had to cut back hours they are open to the public and have had to cut back some staffing and some expenses. The only areas they expect will be increased over last year will be wages, benefits related to wages and health insurance. A modest wage change is to comply with their collective bargaining agreement. They depend on town and city funding for 43 percent of their operating revenue and they raise the remainder from grants and fundraising, distribution for the endowment and the fines.

They essentially have finished work on a five-year long range plan that will guide them and can share more about this after the new year. The cost containment program they shared with the Council last year is still in effect now and they continue to do that.

Robin Sayles, Librarian said she is happy to update the Council on some new and exciting activities planned for 2011 to complement the essential resources and activities they have provided for years. You can come and enjoy the collection of books, movies, CDs, audio books, magazines and newspapers or use the new and improved public internet stations, attend a great program, use data bases and audio downloads from the web site, or borrow one of the library classes to discover great Vermont museums, parks and historical sites. The Library programs continue to be a highlight. For children they offer story time on Tuesday, Wednesday and Friday at 10:30 A.M. Treasure Tales is a twice monthly story time for older children and there are weekly after school activities

on Monday, Tuesday, Thursday and Friday. The activities change every seven weeks to encourage a wider range of learning and discovery. Special events are also scheduled throughout the year. They look forward to the 2011 summer reading program – One World, Many Stories. Grant funded outreach story times were held for nine weeks in Middlesex and Worcester this fall and will be held in other communities in the service area in the spring and winter. Adult programs planned for 2011 include First Wednesdays, the Monthly Transition Town programs, Poetry Alive in April, an International Film Series and the Workplace Series just to name a few. Here is a sampling of the resources and activities that the Kellogg Hubbard Library has provided so far in 2010.

The total collection is currently 78,485 copies and there have been 235,310 checkouts this year. An estimated 60 percent of those materials circulated to Montpelier residents. 8,232 patrons are Montpelier residents, including nearly 1,500 children. This is an increase of 7 percent over last year. So far this year the staff answered 33,137 records questions. That's an average of 118 daily. On average 131 people have used the computers daily with 36,589 sessions taking place so far in 2010. The public access computers were replaced with new equipment this summer.

The Library has offered 347 programs attended by 20,236 people so far in 2010. In the summer alone 483 children joined the Make A Splash Reads summer reading program and read over 9,000 books in June, July and August, and 2,201 children attended these programs. The summer program for school age children in collaboration with the Montpelier Recreation Department continued the outreach program's focus on literacy. Their volunteers read 1,091 stories to children and delivered 5,637 books to people's homes, day cares, child care providers and to other sites.

In 2010 at the Adamant Coop and the Maple Corner Store made circulating collections available to those communities and book exchanges were established in East Calais, Middlesex and Worcester to provide a local source of books. Summer outreach story times in outlying communities with staff from the Children's Department and Outreach were also well received. More programs for all ages are being offered to the outlying communities in the coming year. These include outreach story times that were successfully piloted in the fall for Middlesex and Worcester and are planned for other communities in the winter and spring. They also had a very successful outreach program for

seniors that was held in Berlin in the fall.

The Library web site received 74,482 visits so far in 2010, and it provides access to the catalog on line in addition to data bases, web links, community information and audio downloads throughout Vermont.

To summarize, it has been another busy productive year thanks to the dedication and imagination and hard work of the staff, volunteers and board. Thanks also to the support we received from many sources. The Kellogg Hubbard Library will be preserving yesterday, forming today and inspiring tomorrow for many years to come with the continued support and enthusiastic participation of the communities they serve. Thank you all.

Tonya said she is always amazed when she listens to Robin reel off the statistics about the Library. It is such an important resource to our community and the surrounding communities. She frankly couldn't imagine Montpelier without it. She wants to thank the Council for their support and in their continued support and the support of the Montpelier community in general. She loves the Library, grew up in Montpelier. She lives in Plainfield but it helped her develop a love of reading. Her kids love the Library. They visit at least once a week. A couple of the programs that Robin mentioned her kids attend and love them. They are developing a love for reading.

Council Member Golonka said in this past year they were successful in recovering their endowment and it is back under the Library's control. They have complete control over the endowment and have reformatted an investment policy which is much more conservative and focused so they won't experience that huge million dollar loss. Hopefully, they have addressed that concern and moving forward on more solid footing.

Council Member Jarvis thanked members of the Library for their work and what they do for our community and what they mean to our residents. She has a question about the total appropriation they are asking for from the residents of Montpelier. She has been one of the members of the Capital Improvements Project Committee which is a committee that works with the budget numbers in terms of funds that are available for infrastructure, equipment purchases, etc. The amount of money we are looking to spend on streets and sidewalks for this

coming year is about a third of the amount of money that the Library is asking for us to spend. She is hoping they could help her justify to the voters why she should be in support of this large amount of money when she is asking the voters to approve our spending a third of that amount of money on infrastructure.

Mr. Pudvah said hopefully in the synopsis they just offered would be a lot of evidence why the Montpelier voters have supported the Library so strongly. He believes it was 80 percent of the vote last year who were in favor of the request. Of course, it did help to keep it level funded. They have rich programming. They have programs that establish and create a desire for literacy and lifelong learning. They interact with many constituencies. They offer a location or center for the exchange of ideas and free and open access to information. As our former Library Director was often heard saying the service area that we are involved with in Central Vermont, with Montpelier being the largest part of that service area, really has an appreciation for books and learning and helped develop the collection they have.

Robin Sayles said at their Evening at the Library they gathered to listen to Howard Frank Mosher, a great Vermont author, and it was just a wonderful moment where the community came together to rest in that old library, share ideas and stories and information, and to feel something very abstract. It is hard to quantify community but she really thinks through all of the activities and resources we support this community and draw them together in a variety of ways. She felt a very strong appreciation at that event for that support and she sees that participation and appreciation all year long. The Library is really the fruit of a lot of peoples' effort, consideration and participation.

They shape our choices, collection development and help contribute programs, ideas and activities. They volunteer hours to make the day to day functioning of the Library work. They are very much this community's library and she hopes they will recognize that when she goes to them and ask the voters to support the Library.

Council Member Jarvis said she doesn't mean to downplay the value of the Library but the Council is making some really hard budgeting decisions. Looking at the funding request to Montpelier and to the other communities, if you include the total that we are paying on the bond for the building it looks like Montpelier is paying about 75 percent

of the total taxpayer support for this coming year and yet circulation numbers show that Montpelier use is only about 60 percent of total circulation. She would like to hear what they are doing to try to close that gap between 60 percent circulation and 75 percent contribution.

Mr. Pudvah said the formula that is behind this discussion is of the aggregate amount that they ask of the municipalities they take a certain percentage and assign it, but there has been assigned the value added of having the Library right here in downtown Montpelier and a historic site that is walking distance from the schools. Then, the remainder of that aggregate is prorated based on use and circulation. Because Montpelier does have the largest circulation that is why Montpelier would have a request for more money. Part of their long range plan includes working on their financial stability so they can offer more predictable requests. They made a commitment two years ago to not exceed cost of living and they have been able to keep that, but that is because they are vigilant and watching expenses and trying to be more aggressive in their fundraising. They would like to build the endowment over time so the percentage they rely on for revenues would increase and therefore wouldn't have to ask for larger increases in the other revenue streams.

Council Member Jarvis said it sounds like there really isn't an effort to close that gap.

Mr. Pudvah said long term there will be. They are certainly open to having conversations to talk about with the council.

Council Member Golonka said he could shed some light on that. That disconnect in terms of circulation and charge versus Montpelier and other towns occurred when they ran into the financial issues about five or six years ago so before that there wasn't that disconnect. It was an easy way to ask one town for a larger amount. Now with the promise we have made to different communities only increase by x percent it has captured that disconnect more. The formula is a carve out of 25 percent for Montpelier and they split up the rest of it with circulation numbers. He would like to see some dialogue on that brought forward and he brought this up to the Board as well. It is important that we have that discussion. It is important that the outside communities see the value and we have a plan. He would like to see a plan. If they could come to an agreement on the funding part it could be an easier discussion. He agrees with Sarah that it is an issue they need to address over the next

year.

Council Member Jarvis said she can't help but have a visceral reaction against the notion that the Library is growing its endowment and is not in turn lowering its appropriation that it asks for from Montpelier. It feels like the Library is growing its endowment on the backs of the Montpelier residents and she doesn't doubt the support. She knows it passes ever year by a great amount. She would ask they rely more on people who give willingly than those who are forced to pay our property taxes.

Mr. Pudvah said they have some very generous supporters and they are very grateful to them and that is one of the reasons why they are able to keep their requests at level funding as they have had other people step up because they wanted to and see the value.

Council Member Sheridan said he would express his appreciation and gratitude for everything that the Library is. He thinks it is just one of the most wonderful things we have in this town. He has lived downtown for 17 years, 5 of those years kiddy-corner across from the Library building. He saw firsthand people going in constantly. It hasn't changed in the 17 years he has lived downtown. When he goes in there the computers are always jammed and always full. There is always a lot of people sitting in the room reading the newspapers. There rarely is a time when one of their books isn't in his house. For the last 12 years he has been considered probably one of the more fiscally conservative members of the Council and no one has ever heard him say a bad word about the Library because he does actually recognize the value it brings to this community. The kids that are in there after school for safety you can't put a price on that. Whoever is picking their books it is awesome because he saw Keith Richards, the Rolling Stone, book come out he thought that would be an interesting read. He inquired about it and was told he was 8<sup>th</sup> on the list. They are staying on top of the books that are coming out and people will have an interest in.

Council Member Sherman asked how many more years are there on the bond payments.

Mr. Pudvah replied 20 more. Fiscal Year 1021 it will be paid for.

Council Member Sherman said there used to be a van called "Van Go".

What has become of the van?

Mr. Pudvah replied it is gone. They replaced the program with a volunteer program so they have a cadre of volunteers who drive their own vehicles, visit the homebound and read to them.

Council Member Weiss asked Mr. Pudvah what the total annual budget for the operation of the Library was.

Mr. Pudvah replied it is approximately \$978,000.

Mayor Hooper thanked the Library staff for their presentation and their work on behalf of the city. Any tough question that comes from a member of the Council has nothing to do with our respect or regard for the Library. In fact she knows they all hold it in extremely high regard and deep in their hearts. She shares the same sort of questioning that is there. They are going to hear the City Manager's budget presentation. There are a room full of folks because they are concerned about the questions she has raised about where our revenues are coming from and we have an obligation to be as conscientious stewards of those revenues as possible. She recalls when the Library came to the Council in deep trouble and said to the people of Montpelier can you in this urgent situation help us out with an additional \$100,000? It was fabulous because the people really did step up. As a result we are not making investments in other parts of our community that we need to be doing. This is just part of the juggling they are doing. Having said that she wants to recognize the Library is making investments in our community, too. She particularly is thinking about the use of the computers and knowing who is using them and why they are being used. It is incredibly important the Library is there providing that service to the community.

10-306.

Further discussion on local options taxes and consideration of two amendments to the City's Charter.

- a) Mayor Hooper has requested this item; she is suggesting the following:
  - 1) A rooms/meals/alcohol tax which would be dedicated to infrastructure improvements.

- 2) A sales tax, some portion of which would go to property tax
  - 3) reduction and some portion to supporting the commercial districts, based on some collaborative approach with representatives of the districts.
- b) Recommendation: Review and discuss information that the Mayor has requested staff provide; vote as to whether or not Council wishes to pursue.

Mayor Hooper said she would like to give everybody here an opportunity to address the City Council. She knows that folks feel very strongly and deeply about what she has asked the City Council to consider and she looks forward in engaging in a community conversation about that. One of the things she feels pretty strongly about in the conduct of business in this chamber is that people not applaud or comment on what other people are saying.

The City Council has heard her annual question of what are we going to do about taxes. She wants to run through some of the conversations they have had over the years about this issue because she thinks it is important to put why we are talking about this into context.

Going back almost 20 years, in 1993 following the work of a citizen appointed group the City Council proposed a meals and alcohol tax which the voters of the city approved. In their infinite wisdom the Legislature did not approve. Way back there was a 1 percent meals and alcohol tax that folks in the community thought was a good idea.

Back in 2003 a City Councilor suggested that given the concerns about revenues in this community and the continuing shift of the property tax burden to residential taxpayers that nonresidential property, commercial, be assessed at a different and higher rate. We had a pretty vigorous and disturbing conversation about that because of concerns about equity.

In 2004, in concert with Barre and Berlin, Montpelier had an agreement that the three towns would hold hands and if all three adopted local options taxes we would pursue it together with the notion being to make sure there is not another movement of the purchase of goods to another community because of a local options tax. That was voted down.

At the same time we have been having lots of conversations for as long as that about how do we hold down the costs of providing city services.

We had really our best conversation back in the mid 1990's about creating a regional fire force and emergency response team which kind of resulted in some of the sharing of services we have now. We have had lots of meetings with our neighboring communities about how to share other sorts of services. When she was first elected Mayor they met with all of the towns and talked about not just police, fire, water, etc., but how do we do purchasing together and whatever we do can we benefit by working together.

More recently they have had formal meetings with representatives of Barre City, Barre Town and Berlin about a way to throw our services together. Then, even more recently, the Chamber of Commerce has been attempting to help facilitate a conversation along those lines. We have worked hard at how do you hold down the costs of providing services within this community. At the same time we have essentially the same problem in city government that every family in this city has and every business in the city has. It's called rising costs. Our health insurance costs have risen something like 93 percent over the past 7 years, and that's despite the fact that we have asked our employees to pay more of those costs and adopted vigorous wellness and health programs that have been very effective in holding down our costs, shopped our insurance providers, and done everything that everybody else does to hold down their costs. About 60 percent of the city's costs are personnel costs, and of those 60 percent about 20 percent is in health insurance. When you see a 93 percent increase over a 7 year period it has an effect.

Fuel costs – we have the same problem that everybody else has. The city has actually done a pretty remarkable job. They had a service come in and knocked down the costs of our fuel. It is a tremendous expense we have and we haven't been collecting the data regularly over the past ten years, but know that fuel costs have hit us hard.

We have looked at our work processes and reorganized what we have done. We have done everything that everybody else does to try to control costs. We have also said we wanted to grow the grand list.

Unfortunately, the grand list is from where the property tax comes. Notwithstanding efforts to grow the grand list it has more or less been

flat for the past 10 years. We specifically built Stone Cutters Way so we would see commercial development all over there and in fact a couple million dollars worth of properties have been built there which adds to our grand list not to mention the fabulous economic development and community things happening over there.

We have specifically said we wanted to create housing in this community. The City Council has set a goal and is hearing this strongly from residents in the community that we want to see 500 new housing units in the city. That's a huge number but they are trying to see that happen. They have invested on Barre Street and have seen about 70 housing units being built there because of the efforts on the part of the city.

She could go on and on about what the city has tried to do here. She wants to talk about what her concerns are. Ten years ago they had a capital budget of \$1 million, and that was for roads, sidewalks, all of the structures we have in the city. Ten years later we have a capital budget of about \$1.1 million and the debt service in that is larger than it was then. That means we are spending less money today than we were 10 years ago maintaining the infrastructure of this community. We are spending less money and the money doesn't go as far. That's a serious concern.

She loves our downtown and she thinks everybody knows how she feels about this community. When folks have said the downtown looks sad she has said it doesn't and it is a fabulous downtown.

In fact, look at it! That's just her concern for the infrastructure. There is nothing wrong with the downtown, but it is a problem when things look as sad as it does out there. It is a proxy for her concern for the infrastructure. Our Public Works Director tells us that we need to be spending at least \$250,000 a year on roads just to maintain the existing and stop falling behind on our road infrastructure. We all know that our roads aren't in great shape, but if we don't spend at least \$250,000 a year we are going to fall even farther behind. We need to be spending on the order of \$500,000 a year on our roads to begin catching up with what we ought to be doing. We are so far away from doing that it is worrisome. She thinks it is part of our fiduciary responsibility to the community of Montpelier to be saying we have these needs and we need to figure out how to address them.

She wanted to lay out the context of why she keeps coming back to local options taxes. They have looked at all of the other sources of revenue. She was really pleased to see that we are really closing in on the gap of how much we think the state ought to be paying for PILOT. There was a big increase in it this year so the state is in fact coming a lot closer to what it ought to for the fair support of the community. We have looked for those other opportunities.

What she is seeing is we are not providing services that she thinks they ought to be providing and that 65 percent of the costs supporting this community are paid by residential property taxpayers, and that's becoming a burden. We have talked about the way the community is changing and some folks can't afford to live here. Everybody knows that you think about property tax prices when you think about living in Montpelier. We need to pay attention to that.

We have been talking about local options taxes; we have been talking about revenue; we have been talking about what we can do. We were circling around, dancing and not getting anywhere so she was provocative and told the Council she wanted them to think about these two things. She wanted them to think about 1 percent on rooms, meals and alcohol and apply that to infrastructure support. Whatever is raised with that apply it to infrastructure support? Let's talk to the community. Let's engage folks about what that means. Is that a good idea or a bad idea? The other idea she had was a penny on the sales tax and some portion of that would go to the business community and supporting their activities and some portion of that would go to reducing property taxes.

She has questions about the sales tax. A couple of years ago when there was going to be a Home Depot opening in the neighboring community she was deeply concerned about what meant to our retail community. She saw business going over there. She gets it that people shop with their feet that they are going to go where they think they are going to get the best deals. She understands that issue. There is that problem, but also how do we support our residential property taxpayers? That's the dilemma.

Zachary Hughes from Prospect Street in Montpelier said as a community he would urge that ongoing community conversation. She talks about the property owners and us as residents, and there are

upwards of about 20,000 during the day and she is afraid they would be targeted twice. The property owners would have the burden and his rent goes to the municipal tax and he is already paying some state taxes right now. He is just wondering how much more he can pay. It isn't horrible but adds up over time. He values a lot of the services in the city and the Library, and he got to thinking there has to be other ways to keep these services going. One of the questions that popped into his mind for the first time in almost 10 years is, how are we going to pay for it all? He made an announcement that he was considering running for District 3 seat. Thank you.

Rob Casso said he and his wife Claire Benedict own Bear Pond Books, Rivendell Book and are also residence in Montpelier. He said he would like to apologize up front because if he sounds a little pesky it is because he is. He is here to voice his opposition to the local option taxes for Montpelier merchants. To begin his comments he would like to read some of the e-mail responses to Mary's piece in the newspaper. There were five responses and all negative. He isn't going to read them all but only read the highlights. The first one: *When I consider going to a restaurant or book a room the total cost is part of my decision. If taxes and fees are too high consumers would do their business elsewhere.* The second one: *I have always made sure to reserve rooms for all out of state guests in Montpelier to support my community. I have had it with tax increases and will have all of his visitors stay in Berlin.* Third, *I will refuse to eat at any establishment in Montpelier if this tax goes through.* Now, this is the general public responding to Mary's article.

He said he would like to begin his comments by saying that perhaps more than any other demographic in the city of Montpelier merchants can sympathize with the financial struggles of the city. We have much in common. Businesses deal with the same rise in fixed costs as the city does. For example, his health insurance rates for his business have averaged a 13 percent annual increase over the last five years. His rent has gone up 10 percent and is due to rise again in October on one of his businesses. His worker's compensation insurance and business insurance have risen likewise yet their sales volume, like the city's revenues, have not kept up with these increases. In fact, their overall sales have dropped over this time. As a business owner he has to sit down at the beginning of each year and decide what his business can do without so he doesn't have to have layoffs, or worse. What can they as business owners sacrifice to make our finances work? What they end up sacrificing every year is personal income. They annually downgrade

their health insurance policy to the point where he is about to hire witch doctors to sprinkle chicken blood on him. As business owners they realize they can't have everything they want because the economics don't support it. Like any well run business they make the necessary sacrifices to keep their people employed and their businesses viable. It is in this difficult environment that the idea of a local options tax is very threatening to him. If a local options tax was adopted he would find it hard to believe that any nonpartisan person could argue that it would have a positive or even a neutral impact on their sales. Their physical locations are fixed in Montpelier. Their customers on the other hand are not and have a myriad of choices from where to shop. They can go anywhere to buy what most of us sell and the less competitive they are made by the local options tax the less they will buy from us. It is simple, passionate economics. Montpelier is a special place and they are grateful for the patronage of its citizenry, but it is surely magical thinking to assume that we are so exceptional that they would be immune to market forces. Many of our businesses are under assault from Wal-Mart, other Big Box stores and on-line retailers. Even in a place like Montpelier these competitors command a significant market share because of their rock bottom pricing and the fact that they often don't charge sales tax. He often peers into the UPS truck and marvel at the number of boxes from Amazon waiting to be delivered all over our fair city. Thank goodness many in our town choose to buy locally when they can, but he worries about how far they can push this paradigm. In a town with a shrinking population, parking problems and potentially a local options tax he fears for their future as merchants in Montpelier.

Claire and he have recently opened a store in the Berlin Mall and it has been educational to speak with these shoppers. What he has heard loud and clear from these folks is that they are very reluctant to shop in Montpelier because they feel the parking situation is intractable and hostile and we in Montpelier are elitist and over priced.

The reason they don't shop in Montpelier is not because as Mary suggested in the newspaper piece that we have weeds growing in the cracks of our sidewalks. A shiny and expensive pocket park is not going to attract them either. We need to make Montpelier more accessible to shoppers not only from Montpelier but also those from outside Montpelier that many businesses like his depend on. If we go ahead and add a local options tax to their list of grievances, how likely is it that we can draw them into town? What has become clear to him is that among

Montpelier's many challenges is one of perception. The Mayor and others may not be aware of it, but those of us who work and interact with the larger population hear these complaints every day. Local options taxes will just make the perceived exclusionary wall that much higher to their potential customers.

While shoppers from outside Montpelier are discouraged from shopping in town the population in Montpelier is shrinking and the generation of parking problems remain unresolved. Because of these factors one can hardly argue that Montpelier is an easy place to do business. If some of the long standing issues like parking and grand list expansion were ever definitively dealt with perhaps merchants would not feel like they were being punished by local options taxes for doing business in Montpelier.

The financial situation is worthy of an honest debate. However, when he reads in the newspaper the Mayor being quoted saying "Everyone I know is for local options tax," it frankly makes his blood boil. She knows all of the merchants in town and none of them are for local options tax. This kind of cheap political hyperbole does nothing but harden his opposition because a statement like that is very political and disingenuous. He realizes that businesses are the lowest hanging fruit in the quest for new revenue streams. If you have ever been apple picking you know that the low fruit lying on the ground is not the ones you necessarily want to eat. Sometimes you get a mouth full of dirt and insects.

He can't help but wonder if the supporters of local options taxes are willing to put their money where their mouths are. He would like to see local options tax supporters lead the way in their concern for the financial situation of the city by making the symbolic gesture of returning and refusing their nominal salaries they receive from the city as a gesture of solidarity. He knows it isn't a lot of money, but it seems to him as a leader they should not ask something of someone they are not willing to do themselves.

Given the inefficiencies of collecting the tax, the damage it will do not only to our businesses and our ability to retain employees but also to our already tarnished image in the larger Central Vermont community. The fact that the fundamentals of a lousy economy are unchanged since this issue was rejected years ago he urges the Council to reject the local options tax. The local options tax was a bad idea then, and it is a bad

idea today. Thank you.

Andrew Brewer, owner of Onion River Sports, the Shoe Horn and Onion River Kids on Langdon Street, and also a property owner. Rob mentioned parking a few times. He has never fails to find a parking spot in Montpelier ever. Have you ever failed to find a parking spot? No, but the perception is. The point is that the perception is that the parking is terrible in Montpelier. The psychology of shopping that people do is the sales tax holiday where over 6 percent people go and do nutty things. At Onion River the last one they had was in March and it was one of the biggest days they ever had in the history of the store. They aren't foolish. They know the difference between 6%, 10% or 20%. They are making a conscience decision to make a statement that day. He can't tell exactly what a 1 percent increase in sales tax would do. What if 1 person in 100 of their customers decided to make a statement and not come to downtown Montpelier and go some place else. In his business 1 percent means somebody's job. It would have a real effect.

When you think about the people that live in Montpelier it tends to be lower income folks that rent apartments and they won't see any savings. The people who need it the most aren't going to see any savings in property taxes. Unlike a lot of the other towns in the state that have it, Williston, Manchester, Killington, and some of the other towns where most of the people are from away, roughly half of his customers are from Montpelier. They would in effect be voting an increase in sales tax upon themselves in order to get at the 35 percent people coming to town.

Mayor Hooper said residential property owners pay 65 percent of their costs.

Mr. Brewer said those are his points. He has been lured by this big carrot on a stick. He froths at the mouth at the idea of some real money coming back into this town for economic development promotion, but this is not the way to go about collecting it.

David Spooner, owner of Spooner Specialties, said unlike Andy Brewer his business is not located in downtown so that carrot that is hanging out there doesn't effect them. How much money will this generate?

Mayor Hooper said it would be about \$700,000 for everything. Sales tax is about \$450,000.

Mr. Spooner asked what if that were to cost the city 4 ½ businesses because they all impact each other. He has sales representatives come that he takes out to dinner, they take us out to dinner, and they frequent Sarducci's. If you start thinking about the ramifications if his business were to go away, it adds up very quickly in terms of meals that would not happen at Sarducci's or any of the other restaurants we have in town. He is lucky that his business is a destination business so the customers that travel to me travel up to three hours. Fortunately, with 1 percent they probably wouldn't even think about it unless the internet became more intensive. He knows the Council is in the same place the businesses are. They have lost four employees. Their taxes went up 30 percent this year because of the change. Those are all factors that are very hard to absorb. To see what some of the other businesses are saying, please listen.

Mayor Hooper said the way local options taxes work is that the community that raises them gets to keep 70 percent and 30 percent goes to the state. The towns that get pilot payments get a portion back so it is 70 percent plus something that comes back to the city if we have this. For sales between those two sources it would \$524,000; meals would be \$150,000; Rooms would be \$23,000; alcohol would be \$28,000. If you did rooms, meals and alcohol together it would be about \$200,000, and if you put them all together it would be \$725,000. That information is up on the city's web site.

David Bellini, a resident said he grew up in Montpelier, and has been here forever and this issue actually made him get off the couch. He wants to dispel what he thinks may be a myth. He hears all of these tales of woe about the 1 percent. He hates taxes and he does own property. Take a drive up to Williston on a Saturday, it's packed. He has been to Best Buy on a Black Friday there is no concern. Go to the Hunger Mountain Coop and you'll pay \$1 for an ear of corn. He won't, but a lot of people do. Do you think that 1 percent is going to affect the people who are buying corn for a buck, or \$3.50 or \$4 for a beer at NECI? Come on! He doesn't think people make purchasing decisions based on that. He doesn't drive to New Hampshire to make a purchase unless it is a large purchase to save the sales tax. He is a consumer and he doesn't think about the tax while he is buying. He looks at the price and he thinks a lot of things are expensive in Montpelier. If this could attenuate the burden of the property taxes I'm listening. He thinks sales tax does impact lower income people more. He doesn't think people

make purchasing decisions based on the tax on the product.

Jody Brown, owner of the Drawing Board in Montpelier, with no sales tax in New Hampshire studies have shown that every time the sales tax in Vermont has gone up the disparity between the sales in Vermont and New Hampshire has dramatically changed so 1 percent does affect people's buying habits. A lot of her customers are Montpelier customers. Maybe they will be saving on their property taxes but she doesn't know how much of this is going to be going to those who pay property taxes. She doesn't think there is enough money to do that and also affect economic development downtown. She is afraid it will have a negative effect on economic development. She is all for improving economic development downtown. If there is a way to do that every merchant downtown has been beating their brains for the last three years trying to figure out how to do it. There is a perception that downtown is doing great, but it has been a rough time and we all know that. The last time this came up she spoke out. This time she wants to keep her employees. She has already cut 100 percent health and now it is partial. She has cut her salary dramatically. She has cut all of her expenses as much as she can. If 1 percent affects sales in town, it could be the Drawing Board. After 10 years of what they have it is a thin line. She had three customers today say they don't go to Williston just on principle and she has read the same responses in the newspaper, and two other people say they couldn't believe Montpelier is going to be doing that in this economic climate.

Gary Miller, a resident on North Street, said if the taxes do pass we replace the microphones. He grew up in northern Pennsylvania in a little town of about 800 people. When he was a kid they had 2 grocery stores, a bowling alley, a theater, hardware store, an appliance store and a furniture store. Then came the malls and the Big Box stores and now it is a total ghost town. The reason above all that he moved to Montpelier in 2000 was because of the downtown. He went to Vermont College as a low residency student in the 1990's and would sit downtown and think this is a real town and like the town he grew up in. It's a town he would love to bring his family to. It's not a town full of chain stores. It's not a ghost town. It's vibrant. It's a town where real people can buy the things they need. He can walk into downtown Montpelier and get just about anything he needs or wants. That said, every time he needs something he is forced to make a decision that is an economic one. He can support someone in the local business

community, but he knows he could buy a book downtown or buy it on Amazon. He could buy any number of things in the downtown that he could get cheaper elsewhere. He is one of those people for whom it is a real decision and there is nothing more that he loves than this downtown and town and he wants it to stay vibrant. He knows the merchants are struggling. At least at this juncture he doesn't see why they would want to do something that would make the businesses in town less competitive compared to the Big Box stores and compared to on-line merchants. He worries about what would happen. It is an issue of perception. His analysis of human behavior is that people will say they will shop in Montpelier and will pay 1 percent more. He thinks what people will think to themselves is they could shop in Montpelier but they have that extra tax. They are going to remember Montpelier has an extra tax. He thinks it could really motivate people to take their business elsewhere. Not just people like him who have to do it for economic reasons but people are basically pretty motivated at a certain level and want to know they are getting the best value for their money. He just wants to see his town of Montpelier stay competitive. It is a tough judgment call for all of the Council. He knows they have been struggling to provide city services, but he would ask them not to support this measure at this time.

Lee Youngman said she isn't a resident of Montpelier but a co-owner of a very small business, the Knitting Studio. It is hard for her to sit here and articulate the fear she wakes up to almost every single day because she sells something that nobody needs. The only reason people come to her store in buying it instead of going on-line to buy it is because her store offers something they aren't going to get on-line. They get community, advice, support, help and nonjudgmental encouragement every step of the way, and that's great as long as people can afford to make the decision to buy it from her. One percent doesn't sound like a lot when a skein of yarn only costs \$7, but if it is \$7 on top of another tax they already pay and they can get it from a retailer on line for \$6 and receive free shipping because they are also in trouble and make it up in economies of scale, it just makes it a decision that is a little bit easier to make. When she quit her really good career banking job three years ago to buy a business that was barely viable she just had this really huge vision that the city of Montpelier would support her store. She just really lives in fear that the city might end up not having a yarn store and that would really break her heart, and it would break the hearts of a lot of her customers too. She is clearly against the local options tax.

Phil Dodd from McKinley Street in Montpelier said he is sort of in the middle on this because he favors the local option rooms and meals tax but not the sales tax. He doesn't think that position has been stated yet. He would be in favor of putting both on the ballot, though, and letting the people decide. The last time it was on the ballot it was lumped together. He thinks separating it out gives people a choice. They do need to come back in this debate to the property tax situation in Montpelier which is still problematic. If you look at the top our total combined school and municipal tax rate is number 8 in Vermont out of 262 towns. Our school homestead tax is number 90 and the municipal tax is number 10. When you compare where we are both with the school and municipal it is the municipal tax that is putting us right at the top of the state. He included a list of the 21 towns with the highest municipal tax rates, and Montpelier is number 10 on that list. Fortunately, we aren't Barre City because they are number 1 and well above us. It is still a difficult tax situation in Montpelier and it hasn't changed substantially over the years. He is glad to see the Council paying attention to that issue and trying to think about what we can do to make improvements there. He was involved in a commission back in 1992 that was appointed by the City Council to study property taxes and they did by a vote support a rooms and meals tax, not a sales tax. That was voted, as noted earlier, and approved on a 61 to 39 percent vote. At that time there was interest in that. Unfortunately, the Legislature wouldn't let the city do that at the time and now they are open to it so we may want to think about taking advantage of that now. The vote against local options in 2004 was 55 to 45. Perhaps it was because it was all lumped together, but he thinks they can find out what people think by putting it on the ballot. He feels a meals tax is acceptable because it is a relatively small percent on a comparably small purchase. The tax on an \$8.00 sandwich would be 8 cents. It is paid a little at a time. We are going to a place of eating and dining and a lot of nonresidents come to town for that. That was a lot of the reasoning for the commission in that we have users from out of town enjoying our downtown but not participating in paying for the expenses we have for police, fire, plowing, streetlights, etc. There are many expenses that Montpelier bares because we have the downtown. We need to support it and all enjoy the downtown, but the others who come and enjoy it regularly are not helping to pay. It is a symbolic way for other towns' residents to help us out a little bit. He doubts that when people are in Burlington or Williston they think twice about eating there because it has an extra 1 percent tax. In fact, Burlington has a 2 percent tax. Apparently, it

hasn't hurt them too badly because they haven't gotten rid of it. He does shy away from the sales tax. It could be a bigger purchase people are facing sometimes and they might make a choice depending on the extra 1 percent. There are people in town that maybe can't travel and shop elsewhere as easily so that is a concern. Another concern is the streamline sales tax. If you live in Montpelier and we had a 1 percent sales tax and you bought furniture in another town and it was shipped here we would have to pay the 1 percent on that tax. There certainly is a trend in Vermont towards more local options taxes. There are 10 or 12 cities, some that look like Montpelier – Middlebury, Rutland, Brattleboro – at least two have the meals and rooms tax and not the sales tax. The Council might want to find out what is going on in some of these other towns. How is it working for them? There are a lot of places that have experience with this tax, and there is a trend of more communities going this way. He is sympathetic to the concerns he has heard tonight. He works downtown, shops downtown and eats downtown. What we need instead of more taxes is some kind of economic development that would put more money into the pockets of the people who live here who could then spend more money in the downtown they want to support. He is a very big supporter of the idea of business incubators and trying to get small businesses going because they are the real job creators. That might be another focus for the Council to consider. He has a personal belief they could live with a meals and rooms tax. It doesn't bring in a lot of money but it would be interesting to see what the voters and residents of Montpelier thought about this by putting it on the ballot.

Fred Bashara, owner of the Capital Plaza Hotel, Capital Theater, the Barre Street Laundromat and a car washes plus businesses in Barre, said he is against the local options taxes. He doesn't know where they think they are going to get the additional \$300,000. He is the biggest hotel in town, and the only hotel in town, so if they are getting \$500,000 from sales tax he can't believe they are going to get \$200,000 from him and \$100,000 from The Inn and Jon Anderson's business. It is 9 percent on meals now and liquor tax is 11 percent. An average room is \$100, so that is an additional \$10 the customer will be paying. They get tour operators; they get 30 or 40 buses a year. They are competing with Waterbury and Berlin and they lose many times because \$400 more to a tour operator is coming out of his pocket. If they come to Montpelier they have to pay more for food and more for taxes. You look at White River Junction and it doesn't look like much. A couple of hundred feet

across the river you can't even drive the roads it is so busy because there are no taxes. Their businesses pay the same things the city does. They have health care costs. Infrastructure and property has to be maintained. He has four children who live here in town. They are all married and work for him and their husbands and wives all work for him. He has 12 grandchildren and 6 are now working for him. They all work very hard and love it. They don't work 40 hours a week. He can't remember since he was 10 years old ever working 40 hours a week. There is not a business owner here in town that works 40 hours. They all worry about their business. They have to cut corners. Put it on the ballot and ask the people if they want to spend it but don't tell them it is going to cost 4 cents. Tell them it is going to cost \$300 on a \$300,000 house. Montpelier is very fortunate. The Council does a pretty good job of running the city, but 99 percent of what goes on the ballot gets passed. They are all Mom and Pop businesses here in town and working hard to make a living. Even Aubuchon which is a chain of 80 stores is run by a local family. They want to stay here and not be driven out by people nickeling and diming them out for taxes.

Candace Moot said she had an e-mail from one of her tenants, Kelly Sullivan. Candace Moot said she lives in Montpelier and has for a long time. Some people invest in the stock market and obviously a lot of people in this room invest in Montpelier and invest in downtown Montpelier. She thinks they have heard some really good heartfelt testimony tonight so she is going to be brief. We aren't talking about a 1 percent increase but a 1 point increase in these taxes, so that is really anywhere from an 11 percent increase to a 17 percent increase in the tax. It is not a 1 percent increase. Maybe it is her marketing background but we aren't Burlington. Someone said earlier that people go to Williston and don't think about it. That may very well be true because she doesn't live in Williston. But we are not Williston or Burlington or Big Box stores; our product isn't the same and our market isn't the same. She thinks when Andrew Brewer talked about perception we would all agree that the perception is that Montpelier has high taxes. This whole discussion scares her and the thought that the Council might vote to put this on the ballot scares her because the publicity around it will add to the perception that we are a high taxed town. That in itself is very damning. A gentleman said he was a consumer tonight and had a different view than her tenants. She had a tenant come pay his rent tonight and he was \$5.00 short. He wasn't \$5.00 short because he was trying to stiff her. He was \$5.00 short! Anybody who thinks that

everybody in this town has tons of money is wrong. These are tenants of hers who for the most part because her building is downtown and parking is such a bloody nightmare they don't have cars so her tenants do shop in downtown. If you raise the taxes on a lot of these goods from 11 to 17 percent that will matter to a lot of people. We want to have our downtown be livable. That can make it tough for a lot of people. Finally, at the onset Mayor Hooper made the analogy about the city's situation being analogous to families and businesses, and somebody said families and businesses are facing every single increase the city faces – higher fuel costs, mortgage payments, rapidly increasing health insurance costs, so maybe the city should consider what families have to do and businesses have to do which is to make the painful decisions about what to cut, and she hasn't heard that yet tonight. That is what the rest of us do. As a landlord she has leases with all of her tenants and they have automatic rent escalators, and in the last three years to every single tenant she has gone to them and said she has either forgiven the rent increase which is money out of her pockets. Times are tough. She has people who have lost jobs; she has commercial tenants who are struggling. You don't know that because their shops have to look nice. Who wants to come in and spend money in a place that doesn't look nice? For the last three years every single tenant she has either forgiven the increase or they have talked about it. They are all making sacrifices and making cuts. There were tough questions asked of the Kellogg Hubbard Library but those are the types of difficult questions we all have to ask, and the city has to ask.

George Malek, Executive Vice President of the Central Vermont Chamber of Commerce, said he thanks the Council for the opportunity to speak briefly. He wants to reiterate what people have said. He thinks the case has been covered pretty thoroughly. He would like to note that while it was addressed that the collection of local options taxes results in 25 to 30 percent of the funds collected going to the state that the flip side is obviously true for property taxes. The property taxes are the root that is chosen to increase revenues and pays the tax for those already maxed out on income sensitivity. It is a very efficient and protective approach. He would like to ask everybody to just very briefly recognize the amount of fixed feelings there have been here. There are arguments to be made up on sides obviously. There is passion on both sides of this discussion. There are strange feelings of I'll never shop in a community that does that again. The outcome is very unknown. They are asking the Council to consider the fact that if one shopper in 100 chooses not

to make purchases that they would have otherwise made that is \$1 million in sales lost. It doesn't take much indecision or much negative deciding to have a significant impact. Just like our community is different from Williston, Manchester and Barton, and every other town in Vermont, every business is different. If there is some drag on sales it won't be an even drag on everybody. Some folks will be hit harder than others for any variety of reasons, such as their location, clientele, etc. There won't be a balanced response and it is dangerous territory. The further it goes the more passionate people tend to get and there are still hard feelings from other efforts of years past, which is unfortunate. He would ask the Council to give every consideration to staying with the conventional tax mechanisms and would certainly encourage the Council to decide as early as they can how they would like to proceed. While airing and conversation is good he would take some exception to let's put it on the ballot and see how it goes because the further it goes and the more it is tied to the ballot the more passions come out and the more divisive it tends to be in the ramification of the publicity and the divisiveness being negative. He appreciates the great work the city has done to make itself a great place to be and looking at how it can be as efficient as it can be. He certainly recognizes the challenges that all of us in all walks of life, especially in government, face as money is tough to find.

Bev Hill, Assistant City Manager, said it is hard for her to put in her personal feelings away from her city position. She would encourage the Council to give it to the voters. The Council spent money on a citizens' survey and have results that indicated there was support for this. It is important they do get the voters at large to make this decision. In her position as Tax Collector she does see people who because of what they have to pay for real estate taxes do have to cut back on going out to dinner or buying a book. We need to see what the balance here is. She agrees with Phil Dodd that they should be put on the ballot as separate items and let the people make the decision of which ones they will or will not support, if any.

Mayor Hooper said she is going to bring the conversation back to the City Council. There is also a budget presentation later.

Council Member Hooper said due to the nature of the procedure of common practice he is going to move the adoption of the proposed ballot Article I and II for inclusion in next year's ballot.

Council Member Sherman seconded the motion.

Council Member Hooper said he has heard the chorus from 18 other individuals, none of whom are in favor of this. He thinks that the property tax is generally better on the merits. Our budget is approved by 75 percent every year, which is some indication that the Montpelier people are willing to pay through the property tax for the services they get at this point. He does not believe this is a good idea at this time, or perhaps at any time.

Council Member Weiss said there are a lot of discrepancies in the two ballot articles. Between discussion and that which was on the agenda for tonight; there are discrepancies regarding how ballots are expended and their exclusions on a number of things in terms of the use of any dollars. The reason he is not going to write this all out and formally present it is he cannot support these two items which are being considered for the March ballot.

Council Member Golonka said as he has said at the last two meetings he is not in support of this tax. He thinks it is a little disingenuous to say that it is this found pocket of money. It is an extra way of getting money out of the different pockets as a way for saying we aren't raising taxes. If we feel as a Council that there are important issues we need to spend money on we should raise property taxes, period. That is the tool we should use. One, it is tax deductible; this is not. Secondly, as was brought up tonight, the state property tax is income sensitive. We have 50 percent of our community getting income sensitivity payments back from the state. They are not going to get paid back the sales tax we charge. For those reasons alone he doesn't think it is worthy of consideration and he won't support the ballot item.

Council Member Sheridan said he thinks he is the only person on the Council who has owned a business downtown and it was fragile. Obviously, he isn't in business any more. He worked there for lots of years in his life and ran it for six years. He took one week vacation a year. He couldn't get sick. He knows how hard it is to be a business in this town. He has lived here longer than any other Council Member and he knows many people in this area, not just in Montpelier but the surrounding towns. It is true that we are considered an elitist snotty community that is always looking to make it tougher on people who want to come here for anything. This is going to be just another thing

to put on that layer to make people think they don't want to come to Montpelier. He does agree you can find a parking place most of the time, but most people will tell you that they can't find a parking place close enough to where they would like to be most of the time. That's the perception here. There are parking places in this town but they are further than people are willing to walk. He isn't sure who came up to the Mayor and talked to her about weeds in the sidewalks, but he has a niece who just became a 27-year old widow with a one year old and a four year old. She lives in the city. He doesn't think the weeds in the sidewalk are going to be very high on her radar. They certainly aren't high on his radar living on \$1,100 a month with disabilities. He knows we have infrastructure problems. He has heard this for 12 years. What bothers him about this is what bothers him about politicians in general. Not just here or the state but in the country; there is no imagination or no creativity. He proposed a services tax and was told it was going to make it hard for people paying their lawyer's bills. Gee, people are having trouble paying all of their bills. We need to find more creative solutions in this country. There are ways to make more money. He doesn't support this. He was the only Councilor in 2004 who wasn't for this of three boards. He hasn't changed his mind on that. There are better ways to do this. Let's get creative. He would like to hear things from the business people on how we can do things better, and maybe we do need to look at our own house and make some cuts. That is one of the reasons he is stepping down because when you sit here 12 years it becomes harder to look at faces you have seen over those years and say we are going to take your job away. He doesn't think he can do it any more, and that is one of the reasons he has to leave.

Council Member Jarvis said she has been talking about trying to have more communication and more of a relationship with Montpelier Alive and the business owners in Montpelier. Her hope was that when there was a new Executive Director they could begin that discussion about how to change that relationship and she is still hopeful about what they might be able to do if we work together a little more closely. She feels terrible about the fact that this whole issue has taken a giant step in the other direction and really separates the Council from the audience and she hopes they can figure out how to mend that. Although they have gotten some pretty strong e-mails she can't really believe that there are business owners in Montpelier who think that it is a good idea for business owners in Montpelier. She said why she has taken this issue so seriously comes

down to three issues. One is her deep concern for how hard it is for people of low and moderate income to live in Montpelier, both renters and homeowners. We need to focus on the issue of property taxes and how do we lower them. Suddenly something comes along where maybe there is this possibility of property tax abatement and she has to consider it seriously for her constituents and for her city even though she feels it is something that perception and/or reality is hurtful for the downtown. There is also the issue that we are a regional service center in Montpelier. We are providing services for a region and only our residents are paying the costs of those services. People say we need to bring in more business to Montpelier but more nonresidents coming into town doesn't actually help the city. It helps the businesses; she understands that. It raises the costs that the residents pay. There are more costs for emergency services, more snowplowing, more wear and tear on our streets, etc. There is the whole regionalization issue. The third issue is just our crumbling infrastructure, and she isn't talking about weeds on the sidewalks. She is talking about the fact that we have had a number of water mains break in the city over this past year because we are not putting any money into repairing or replacing them even though they are hundreds of years old. We have gotten into a situation where the only thing we can do is repair something after it breaks. We can only work on retaining walls after they crumble. It's not prudent. It's not safe and that worries her. Those are the three reasons why she has considered this seriously. After careful consideration she has to say she is not in favor of it, either. There are really several issues.

One is the perception issue. She really does believe that people are motivated by perception and she believes them when they tell us that folks from outside communities, especially who already have some barriers in their mind about coming to Montpelier, this might make the difference of them not shopping here at all. The most important thing on her mind why she can't support this is that she has come finally to be swayed by Andy's first reaction that this is regressive. Landlords are not going to pass along the savings that they see in reduction in property taxes to their tenants, and the tenants are more than likely the people of low and moderate incomes in our community. They are the people, as Candy said, who often don't have cars and can't shop elsewhere so they are the people who will not see any real savings. She sees Phil's point about why we ought to consider the rooms and meals and alcohol tax because that is less regressive, but I think that any consideration of an options tax has the same effect in terms of the perception of Montpelier. Even if it isn't a sales tax, if it is a tax only on

meals and rooms and alcohol, it will have the same effect on all of our businesses so she isn't in favor of it. She isn't in favor of continuing the discussion either because as George said the more we talk about it and the more we consider it, it adds more publicity and hurts us in the end.

Council Member Sherman said she has heard Sarah and everyone else and has been strongly convinced by Sarah. She was prepared to say she believes that the infrastructure needs of the city are so compelling that it requires a commitment from businesses as well as residents and there is no safety net from the state. She is very concerned at the shift to residents on supporting city services and property taxes for the city. She thinks the local options taxes aren't the solution they were hoping to find, but it is a real commitment from residents as well as businesses to the city and to the future of the city to somehow meet the infrastructure needs because if we don't meet those she thinks the city is at great risk. Somehow we will have to come up with a way and a compromise so we do preserve what is special and unique about Montpelier, why we live here, why we shop here, why we choose to pay what we need to pay in order to have the experience of walking the streets of Montpelier and buying and meeting the people that are in those stores. That is something very different that you don't get anywhere else. Exactly what that mutual commitment is she isn't sure, but that is what we need to find and we haven't found it in the proposal we discussed tonight.

Mayor Hooper said Phil Dodd gave them a list of where different communities ranked in the effective tax rates. He noted that Barre City has the highest effective tax rate in the state. Montpelier has the 12<sup>th</sup> highest. Barre Town interestingly has about the 200<sup>th</sup> highest. Barre Town has more people than Montpelier does and the distinction is they don't have a downtown, the fire, police and the infrastructure we have to maintain this great community. We all get the problem that we are struggling with, but we also have to acknowledge the problem that our residents are struggling with. When we look at the cost of supporting what we have we need to find a solution, and she is sorry it feels like Ground Hog Day. She raised this awhile ago. She talked to Montpelier Alive and asked to please talk about this and didn't hear back until just recently. She wrote to the Chamber of Commerce and wrote to the Central Vermont Economic Development Corporation and asked to meet with their boards to explain why she was doing this. She received a very gracious note from the Central Vermont Economic Development Corporation inviting her to come and she appreciates that because it is a

conversation we have to have. This is clearly not the time nor the way to do it and we are going to vote it down. But what are we going to do to take care of this community? We aren't adequately taking care of it. We can't just keep saying no but yes to how we are going to take care of it for our residents and for the health of this community into the future. That's her plea. We need to take care of it.

Council Member Golonka said he appreciates her bringing the topic up because it sets the Council up well for the next discussion which is in regards to the budget. In response to Sarah he agrees with regionalization, but the way to do it is with the committee they have with Berlin and Barre and the water committee. There is some progress. Those are the meaningful dollar amounts we can contract out that can help us pay for some of our infrastructure costs. He just doesn't think this the way to do it.

Mayor Hooper called for a vote on the motion. The vote was 0-6, the motion failed.

10-307.

Introduction and discussion regarding the City's FY 2011-12 Budget.

City Manager Fraser said he wanted to thank all of the staff who had worked hard on the budget. On December 12<sup>th</sup> Sandy Gallup, the City's Finance Director, will have her five-year anniversary with the city. The City Manager presented Sandy Gallup with her five-year pin.

City Manager Fraser told the Council they received the e-mail version of the budget last night and it should be posted on the web tomorrow. The main premise he had was when they talked about infrastructure we begin this idea with the Capital Budgets Committee about proposing raising the capital plan by a penny. With the new grand list that is \$82,000. They should raise the equipment plan also because those are the two they have robbed from over the years as they tried to make everything else work. His real goal was to try for a penny for each of those and zero for everything else but also to do everything we do. There is a penny for the capital plan, a penny for the equipment plan and half a penny for the rest of the budget. What the City Council has proposed for the city budget over the past 10 years, starting in 2001 the average increase was 1.47 cents. Even if we were to approve this as presented it would still only be averaging 1.5 cents for the year on the

municipal side. The city certainly has tried to do its job in holding the budget down. He got those figures directly from the Annual Reports.

It is basically proposing no changes in our operations. We discouraged expanding services but we want to keep what we are doing. Some of the changes that have been made, some of the reorganization in the Finance Department and dispatch we have already done. It continues the health insurance plan. Last year we were about \$24,000 away from the zero we cut the community enhancements. Year to date we always compare how much we actually took in for revenue versus how much we spent, and that is our net addition to the fund balance. That has been in excess of \$24,000 the last few years. Even though we have allocated money from the fund balance to be used we haven't needed it because we spent less than we actually took in.

He is also suggesting that they do use some general fund money for a couple of one time expenses. Our Assessor recommended we consider a reappraisal of personal property, and that has the potential of adding some more to the grand list certainly in the nonresidential sector. The second piece is the survey that they paid for out of the fund balance. One of the issues has been the affordable housing trust fund. Last year we cut it to \$26,000, which was half a cent on the tax rate. There was a request initially to go back to \$52,000 and we split it and went to \$41,000 which would be half a cent on the current tax rate and \$10,000 short from the goal. The Justice Center you can see the net cost to the city is \$32,000. He hasn't cleared all of the community enhancements this year without reducing them. They are one cent up in the capital program and one cent up in the equipment fund. Certainly the hot topic people want to talk about is tazers. There was a request for \$25,000 for digital in-car radios and \$11,000 for tazers. If we are going to have a communication about tazers let's do it on a night when we advertise the date and start at 7:00 P.M., because the issue is the same regardless of where the money comes from.

Operating funds are down again. Last year we really shaved operating funds. This year we tried to hold them all the same. The main reason our operating funds are down are because we converted contracted services to staff so our personnel costs went up a little. While the numbers for operating are down it doesn't really reflect a drastic cut in our operating budgets.

He didn't include the bus route. That is a discussion the Council needs to have about whether to add it to the budget or put it on the ballot. They held our projected state revenues flat.

Basically, they tried to keep the services that people identified as important and tried to add more money for infrastructure since that had been a concern while keeping the tax rate at a reasonable proposal. Next week we will be discussing the smaller operations.

City Manager Fraser said really the only changes in planning is that Gwen has some funds in the capital plan for the VISTA volunteers for the Master Plan. They are now working on the zoning project.

Planning Director Gwen Hallsmith said the only change has been what was formerly in the capital budget is in the operating budget. This item was for a Master Plan update. The reason it was in the capital budget is because the Master Plan was required to be done. It is also an expense that only occurs periodically so the idea of having it in the capital budget is so you save up money over a course of several years and have it to hire a consultant to do the Master Plan. Rather than hiring experts to come in she thinks it is better to get the community involved because Montpelier has a particularly rich foundation of experts in our own community. To get the community adequately involved in these projects it takes time and resources. It is one of the things that the AmeriCorps VISTA Program is particularly good at. They give them training in planning and outreach and it is also incredibly cost effective. They have two full time people for less than \$8,000 a year. It also provides entry level jobs for people in our community. There aren't a lot of entry level jobs in Montpelier in this field. They have attracted people that are very highly qualified to our VISTA Program. One has a master's in land use planning. We have made a commitment to revising our zoning and using people in the neighborhoods to help us do that. They had their first meeting last night and there were about 60 people present. That is part of the rationale of putting it into the operating budget.

Council Member Hooper said he didn't understand the Master Plan money being moved over to the operating budget. Is it paying for salaries?

City Manager Fraser replied yes and printing.

Council Member Weiss said when people chat with him about the operation of city government the Planning Department is a very high priority. They are overstaffed with too many projects going. He supports a lot of that. When the Council gets to make decisions he is going to recommend they cut 10 percent of the planning budget.

Council Member Jarvis said she has heard that too but she doesn't believe it.

Mayor Hooper asked the Council if they wanted to take up issues like Alan is raising right now or flag it, walk through it and see where they are. The Council will have to weigh the whole thing before they can have the debate.

Council Member Golonka inquired how much it cost for the Master Plan.

Planning Director Hallsmith said there was \$20,000 in the capital budget since she has been here. She said it cost \$60,000.

Council Member Hooper asked Finance Director Gallup what counts for the percentage increase for the IRS Section 125.

Finance Director Gallup replied that IRS Section 125 is how much the city funds to the individual employees who participate in the flexible spending. Up until this year they didn't guarantee what they were going to fund but they had been funding it at \$105 from way back. When they received the money back from the Leader Program for wellness they increased it to \$250. For people who participate that means they have to put money in as well. It became part of the health insurance package last year.

City Manager Fraser said Todd is responsible for City Hall maintenance now.

Mayor Hooper said she was looking at Barre Town budget and she was surprised at how big their highway department budget was. It is close to \$2.5 million.

Council Member Hooper said he noticed that unemployment insurance went up a lot.

Finance Director Gallup said it did because more people are collecting unemployment checks.

Public Works Director Todd Law said City Hall maintenance they replaced their custodian with a new custodian who is doing a great job. The budget hasn't changed a whole lot. One thing he wants to alert people to is that next year is the 100 year anniversary of the opening of City Hall so they may be looking at something to brighten up the building.

Mayor Hooper said none of that is in the budget so they will have to talk about how to cover those costs.

Public Works Director Law said there are some costs in there for building maintenance. They talked about having the Corrections Department come in to paint. They do that economically well.

City Manager Fraser said when 58 Barre Street is put back together the condominiums will be paying for the maintenance and the Senior Center will just have its operating costs in its budget.

Mayor Hooper said the condos, if they are similar to the Land Trust setup, they will pay taxes.

Council Member Weiss said he has general concerns about the whole Barre Street building maintenance coming down at \$1,500. He really would like to understand line item by line item how they all convert into zeros for something that is going to start July 1, 2011.

City Manager Fraser said before they were bearing the cost of the entire building, the upper floors and even the vacant spaces. When it goes back, whatever costs are going to be in that building, are going to be part of the Senior Center costs because they are going to be a part owner of the building. There will be a budget for the Senior Center that will have their operating costs in it but there won't be a 58 Barre Street operating budget any longer because they won't be running the whole building. The city owns the Police building and the maintenance is part of the Police Department's budget.

Council Member Hooper said the answer to Alan's question is that while 58 Barre Street is under construction the construction budget

includes what is necessary for the physical structure.

City Council members flagged looking at a budget item for streetlights.

Public Works Director Law said there isn't a lot of change in the streets budget. They have increased some of the operating budgets. Paving costs have gone up. They have increased bridge maintenance because the bridges need some repair to preserve them. Costs for road salt have gone up. They are projecting fuel to be up substantially from last year.

Council Member Sheridan asked if there were any personnel changes reflected in the Public Works Department.

Public Works Director Law replied no. The stock records clerk who also does all of the administrative work at the DPW garage was added back into the budget at full time, but she isn't in the street division. There is a little in there because she does their payroll.

Mayor Hooper asked if they had looked at the energy efficiency of the DPW garage. Is that worth talking about?

Public Works Director Law said water and sewer is next in the budget books. We are running a deficit. They will be reactive and fix the things that are broken.

City Manager Fraser said he would note that the budget is down \$6,100 from last year's budget which was down almost \$200,000.

Council Member Hooper said the revenues are up slightly.

Finance Director Gallup said when she does revenue she takes the most recent four quarters. On an interim basis they are raising the rates. Water needs more customers.

Mayor Hooper suggested this is something that needs to be looked at. It has been raised. It sounds like there is some disagreement in the committees recollection on how to move forward. This is a flagged issue.

Council Member Sherman asked if they could tell her why water revenue for the Berlin Fire District is always zero.

Finance Director Gallup said she doesn't break it out any more. They are part of the city system.

Mayor Hooper said she would also like to have a discussion of the implication of not being able to get to the deteriorating system and understand generally what that means and what our liabilities are out there. The Council understands they are deferring maintenance and managing as best as we can with what we have, but we need to understand the potential liabilities of that.

Public Works Director Law said they actually cut the cost of water treatment. The guys have been cutting back on the chemicals they are using. They have been coming up with better quality water by just eliminating some of the chemicals. The quality is excellent. They flagged taking the fluoride out of the budget. It is in the budget for \$13,000.

Public Works Director Law said there is also a failure of one of the storage tanks, which is the fluoride tank. In the interim they have been using one of the spares.

The sewer budget is in the red. They cut a position in waste water. There may be a retirement there soon.

Storm water management is a big item. They have been making their own repairs on the water line system. Storm water management has definitely taken on its own life. There have been two other permits pop up, North Park Drive being one of them and the other on Freedom Drive. They were previously taken care of by the developer and given back to the city. The drainage system is all the city's and one is a shared system.

Mayor Hooper said in February or March they should have a storm water management conversation. This is a big issue the Council needs to understand.

They need to replace a bucket loader. It gets a lot of use, especially during snow removal. The sweeper replacement is necessary because the one they have now broke down three times during the beginning of the sweeping season. The mechanical sweepers are prone to that. After 6 or 7 years they start having mechanical failures. What they are looking

at is obtaining a storm water management grant to offset some of that cost and get a high efficiency sweeper which they can also use to clean catch basins. It's not as efficient as a vactor and a lot slower. They do a lot of sweeping at night.

Council Member Golonka said he would like to flag those two items because it is a huge expense on just those two items. Their fleet management shows they should be spending about \$225,000 a year just to maintain the fleet for the DPW alone.

Regarding the capital budget they should flag street accessibility and downtown projects. There are some ADA requirements that need to be taken care of.

Council Member Jarvis said basically we have money for maintenance but it gets used for repairs.

Mayor Hooper said the Council needs to understand the consequence of beginning to provide on-street accessible parking and what that means.

10-308A.

#### Council Reports:

Council Member Weiss said the City Manager pointed out that Washington County is having a pre-budget hearing on Friday, December 17<sup>th</sup> and he plans to attend. The Manager did a great job in the request for proposals for consultant services management analysis. Would the Council prefer someone else whose name we can list on the RFP? He would suggest that the Chair of the Council be on the RFP. Mayor Hooper said she doesn't recall on the scope of services that they were speaking to the Council. It sounds like it should be management.

City Manager Fraser said the requirements were they would have a briefing with management about what they found and then a public presentation to the Council.

Mayor Hooper said it is a review of the city's management structure and efficiency and effectiveness. She would think that a part of the management structure is how this body works.

Council Member Weiss asked the City Manager why the report was going to him and the department heads before it goes to the Council. He isn't comfortable with that.

City Manager Fraser replied it is so they aren't surprised when it is said. They will check with the management to make sure they didn't misunderstand something or miss something. It's a fact check and pretty standard.

Council Member Sherman said last night was the Regional Planning Commission Transportation Advisory Committee meeting and the railroad was supposed to come and give the committee an update but they didn't show up. The merger of GMTA and CCTA is moving right along, but they may go back to the GMTA name because it is regional and bigger than CCTA. The name is up for grabs. Harold Garabedian will represent the entire Central Vermont Regional Planning Commission Transportation Advisory Committee so they are going from seven members down to one. There was great concern that our region would be outnumbered by the other regions, but hopefully everyone will be collegial and look at transportation with a bigger eye than just what fits around our own needs. There are very interested in the Montpelier Circulator and what that means. It has not been designed yet and their planner will work with the city to decide what the best layout for a prototype is. Everyone knows that the funding will be on the ballot Town Meeting Day but there has to be something defined so they know what they are voting for. Taylor Street Bridge is going to open soon. Maybe part of First Night they can have a little relighting of Taylor Street Bridge.

Council Member Jarvis said last night was the first neighborhood zoning meeting. There were two members of the Planning Commission present and she was there from City Council. She thinks it is really important that at least one of the Council Members attends each one of these meetings, both just to hear what people are saying and people needed reassurance of the fact that the city hadn't made any decisions and are really in fact trying to figure out how to do this and do it with input from the citizenry.

Council Member Golonka said they are finishing with the Board of Civil Authority. It will finish by next week. He thinks the process has gone reasonably well. It has been a long process.

Council Member Sheridan said due to family events he is going to have to be stepping up his departure on some things because he is going to be needed by family. Yesterday was his last meeting with the ADA Committee. They elected a new chair, Kim Brittenham, and he thinks she will be great. Bill said he could fill the Councilor role for the next two meetings. There are only two more meetings and then in March someone else will be taking over. While he was there they established a good base to work from and they will do fine. From here out they will only see him in Council meetings and things involving the Senior Center.

10-308B. Mayor's Report.

Mayor Hooper reported she heard that the BCA was considering was making a report on the assessment process. The thought was to also interview people who had gone through the process to get some feedback. She felt that was an excellent idea, so for the next group that goes through the process will have that feedback. She went on to say she was sorry that she missed the zoning meeting. She asked Gwen if they could have a master schedule of everything because it is really important for the Council Members to attend.

10-309. Report by the City Clerk-Treasurer

City Clerk-Treasurer Charlotte Hoyt reminded everyone there is a BCA meeting tomorrow night. The water and sewer bills are due next Wednesday, December 15<sup>th</sup>.

10-310. Status Reports by the City Manager

There are two collective bargaining agreements we have to negotiate before July 1<sup>st</sup>, both Police and Public Works. There has been a Council representative participate in that and it has been exclusively Jim since they started so they need someone else to fill that position. They usually don't start until after January. Council Member Sherman said she might be able to serve in that area. The City Manager explained the process to the Council.

They have had a discussion with Berlin and floated some ideas about water. They were going to present those ideas to their Select Board on Monday night and get back to us, but he hasn't heard from them.

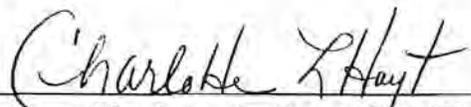
10-311. Agenda Reports by the City Manager

None.

Adjournment

Motion was made by Council Member Weiss, seconded by Council Member Jarvis to adjourn the meeting at 11:55 P.M. Motion carried unanimously.

Transcribed by Joan Clack

Attest:   
Charlotte L. Hoyt, City Clerk