

CITY COUNCIL MEETING STATED MEETING & PUBLIC HEARING FEBRUARY 23, 2011

On Wednesday evening, February 23, 2011, the City Council met in the Council Chambers.

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

Call to Order by the Mayor:

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

11-053. General Business and Appearances

Elizabeth Dodge from the Montpelier Senior Center appeared before the Council to thank Council Member Sheridan for everything he had done for her as a constituent. The Senior Center's Advisory Board appreciates his work and said he was going to be missed.

11-054. Consideration of the Consent Agenda

- a) Consideration of the Minutes from the December 22, 2010 meeting.
- b) Approval of the City Manager's Contract renewal for March 13, 2011 through March 12, 2014.
- c) Consideration of authorizing and approving the submittal of a grant application from the Vermont Department of Environmental Conservation, through the financial assistance program, for the construction of Municipal Water Pollution Control Facilities and to authorize the City Manager to execute the grant application on behalf of the governing body.
- d) Consideration of becoming the Liquor Control Commission for the purpose of acting on the following:
 1. Ratification of the issuance of two Catering Permits from Yebba, Ind., d/b/a The Abbey Pub & Restaurant for:
 - (a) A Cocktail Reception held on Tuesday, February 15th, from 3:00 to 7:00 P.M. in the Cedar Creek Room of the State House.

(b)A Cocktail Reception scheduled to be held on Wednesday, February 23rd, from 3:00 to 7:00 P.M. in the Cedar Creek Room of the State House.

2. Ratification of the issuance of a Special Event Permit to *Go America, Go Beverages, LLC*, d/b/a/ "Whistle Pig Whiskey," for a Legislative Tasting Event scheduled to be held on Thursday, February 24th, from 2:30 to 6:30 P.M. in the State House Cafeteria.
3. Application from Hyzer Industries, Inc., /d/b/a Three Penny Taproom, for a Cheese Reception/Concert scheduled to be held on Friday, March 4th, from 7:00 to 11:00 P.M. in the City Hall Auditorium.

Additional Item

Application from El Portico submitted by Angelo and Joanna Caserto for a liquor control license at LaPizzaria in Montpelier.

c) Payroll and Bills.

General Fund Warrant dated February 9, 2011 in the amount of \$285,725.84.
Payroll Warrant dated February 17, 2011 in the amount of \$34,989.64 and \$120,817.99.

Motion was made by Council Member Sheridan, seconded by Council Member Weiss to approve the consent agenda. The vote was 5-0, motion carried unanimously.

11-055. Appointment to Planning Commission.

- a) Following the resignation of Missa Aloisi, staff advertised to fill this position; listed below are the names of those who submitted letters of interest and/or resumes:

Michael Tarrant
144B Main Street, Apt. #2

Kimberly Cheney, Esq.
c/9 Cheney, Brock & Saudek, PC
159 State Street

- b) Recommendation: Opportunity to meet applicants; possible Executive Session in accordance with Title I § 313, Executive Sessions, (3) *The appointment or employment or evaluation of a public officer or employee*; appointment to fill the unexpired 2-year term until August 2012.

Michael Tarrant had withdrawn his application for the appointment to the Planning Commission.

Kimberly Cheney, Esq. reported he was happy to be back in Montpelier. He thinks a lot of people put a lot of work into the Master Plan and really tried to cover all of the bases you need to make a city work. He would love the opportunity to be involved in the city. He thinks there is a big job ahead to make the Master Plan work. He would welcome the appointment.

Motion was made by Council Member Sheridan, seconded by Council Member Sherman to appoint Kimberly Cheney to the Planning Commission. The vote was 5-0, motion carried unanimously.

11-056. Presentation of the City's Audit Report for FY July 1, 2009 – June 30, 2010.

- a) Steve Love of Love, Cody & Company, CPA's, will present the Audit Report to the Council.
- b) Recommendation: Receive report; opportunity for discussion; acceptance of the City's FY 10 Audit Report.

Finance Director Gallup introduced the Finance Department's staff .

Steve Love from Love, Cody & Company, CPA's appeared before the Council to present the Audit Report. He reviewed the Management's Discussion and Analysis and went over some of the financial reports. Excerpts of the Independent Audit Report will be made a part of the minutes.

Mayor Hooper said in his notes he said while the city has a great deal of debt he also noted we have the annual revenues that more than cover these costs. Is this a flag to them? Are they concerned?

Mr. Love said he would say the city has a higher percentage of debt than some of the other municipalities he is auditing. That is why he brought up the fact that the finances of this year were certainly covering the debt service requirements and since those are staying consistent going forward he doesn't see it as an issue. He would caution the city not to incur a great deal more debt if it can be avoided. It is not an easy black and white question though when you compare different municipalities. What you don't see there is the condition of the infrastructure is how new the sewer treatment plant is compared to some other

towns. You always have to think about how you are going to pay it back when you take on new debt.

Council Member Golonka said the city's deficit in the water and sewer fund how would he advise them to get out of that hole?

Mr. Love said it looked like they had turned the corner on some of that. The deficit for those funds is largely how you present the net of capital assets so they are showing up as a piece of the fund balance. Looking at cash flows he thinks they are in decent shape. Where you have an issue is where you do tax anticipation borrowing and can't retire it.

Council Member Weiss said he has a comment about whether there are benchmarks. If we look at the year 2011 the principal is roughly \$1,400,000. Project that out to the year 2020 and the total there is \$7,200,000. Something has to end in order for that magnitude of principal payments and interest to be made, and those numbers are going to come back to haunt them.

Motion was made by Council Member Weiss, seconded by Council Member Golonka that the Council receive the Annual Audit Report for Fiscal Year 2010. The vote was 5-0, motion carried unanimously.

Council Member Hooper said during the budget process they were wondering when they were going to receive the Audit Report and wondering if there was a way to accelerate the process so they can have the report earlier.

Mr. Love replied he hoped so because they don't like doing audits once they get into the tax season. They first saw the draft statements on January 11th and that was why their report was late.

- 11-057. Consideration of approving and authorizing the City Manager to contract for technical support services regarding the development of the District Heat Plant.
- a) The City applied for, and received, an \$8 million grant from the Department of Energy Community Renewable Energy Program funded by ARRA to develop a district heating system fueled with locally harvested renewable biomass energy.
 - b) The project would be developed in partnership with State Government/Buildings and General Services (BGS) which currently operates a central heating plant in Montpelier.

- c) For the City to develop the proposed routing, preliminary design and cost estimates of the heat distribution system along with providing BGS critical information for sizing and selecting the boilers which will replace the current aged boilers at their central heating plant, the City proposes to contract for assessment and preliminary design services with Community Biomass Systems.

Recommendation: Authorize the City Manager to enter into a contract with Community Biomass Systems, Inc. for the necessary technical services up to the amount of \$95,490.

Harold Garabedian and Planning & Development Director Hallsmith were present to answer questions about the district heating plant.

Mr. Garabedian said they were moving ahead with their discussions with the State of Vermont. The State is moving ahead with the heat plant development so the city will move ahead with the distribution heat element of it. In order to do that they would like to have a limited scope of services to help them identify the connected load, design the optimum routing, understanding the permitting requirements for the piping and to convey the information about the connected load back to the state so they can size boilers. They did come up with a default route for the purposes of some planning, but as they move towards making some final decisions it is best to identify what a final route would be and get a cost estimate to put together with the boiler plant. They are looking for the technical support to get that work done.

Mayor Hooper said this is a process to enable us to gather some more information so the Council can then make a decision about how to move forward.

Mr. Garabedian said it would be refining the design of the routing primarily the pipes in the ground to distribute the heat.

Council Member Golonka inquired about \$95,000 how much is the city responsible for that and how much will the federal grant cover?

Planning & Development Director Hallsmith replied the federal grant involves a 50 percent cost share so the city will pay half and they will pay half. Our share comes from a combination of the money we received from the Community Development Fund and the money the voters voted to authorize the permitting, designing and siting of the facility. The Phase I cost of the project, including the DOE allocation, allows about $\frac{3}{4}$ of a million dollars for this phase and we aren't there yet. This is an alternative that was proposed by McMillan, which was one of the three bidders we had in that process.

Council Member Weiss reported the Energy Committee met on Tuesday, February 15th, approved that which is before the Council, and if it isn't a conflict of interest he will move that they authorize the City Manager to enter into a contract with Community Biomass Systems for an amount up to \$95,490. Council Member Sherman seconded the motion.

Council Member Golonka inquired if they would be at a decision point at the end of this process.

Mr. Garabedian replied this is part of the decision making process. This information about the distribution heat has to feed into the information about the heat plant to come up with an overall financial figure for the project. They expect to have that in May or June.

Mayor Hooper called for a vote on the motion. The vote was 4-0, with Council Member Sheridan abstaining.

11-058. Council Reports

Council Member Sheridan thanked everyone on the Council and spoke about his experiences serving on the City Council.

Council Member Sheridan said Council Member Sherman will become the senior representative on the Council. She is the only other person who has served longer than 10 years, and that is incredibly admirable. She did the right thing about changing his vote on the bus, and it is worked out well. She has always been good about taking on committee assignments that nobody else wanted, including the upcoming negotiations.

Council Member Sheridan told Mayor Hooper that since she has become Mayor that no one has given more time to the city than she has. Her dedication and commitment is incredible. She goes to tons of meetings and all kinds of things representing the city. She is highly visible and available to the people of the city. She is very intense and passionate about her love of the city. He really respects how much she cares about this city.

Council Member Sheridan thanked Council Member Golonka for becoming the hammer three years ago. It is a wearing and tough position to maintain. He asks the hard questions and gets into peoples' faces sometimes. He took the lead on the railroad issue. He plays an important role. The time he gives the city is incredible. He has five kids, a wife and a business and home and yet he sits on as many committees as anybody and takes them intensely serious.

Council Member Sheridan told Council Member Hooper he probably didn't realize how he helped him transition out of the role of the hammer. He is always so even keel in here and never gets worked up. He used him as an anchor to learn from. Thanks for being his hockey buddy and he will forgive him for cheering for the wrong team.

Council Member Sheridan told Council Member Weiss he made him chuckle when he told him he was his inspiration and mentor. He was looking at his high school diploma the other day and Superintendent of Schools Alan Weiss had signed it – this was in 1969, 40 years ago! Alan is an inspiration to all of them. At a time in life when most people sit on their laurels and are happy with what they have done he is still giving to his community and his mental sharpness is incredible. He hopes Alan will embrace and work with whomever replaces him on the Council.

Council Member Sheridan told City Clerk-Treasurer Hoyt that she has got to be the most dedicated committed employee of the City of Montpelier he has ever known. There was only one meeting he remembers her not being there. She is so committed the Council had to institute a policy to make her take a vacation because she wouldn't take her vacation.

Council Member Sheridan told Assistant City Manager Hill she is the epitome of class and grace in this city. How she handles people is just amazing. She knows when to be firm, when to negotiate and to be empathetic. She is an incredible example of how wonderful our city is. When she was asked to take over the Senior Center not only did she not complain but she did a phenomenal job.

Council Member Sheridan said he thinks he is leaving at a good time because we have a great set of department heads that the city's hands are in and great employees. He thanked all of them for making the Council and the City look good.

Council Member Sheridan said on a private level he needs to thank his two best fans and two best friends, his Mom and Dad. He relied on them so much over these last seven years for feedback and his triumphs, failures, hopes, dreams and frustrations. They have always given him good constructive criticism. They gave him the foundation in life to become the person he is.

Perfect attendance for 12 years is a very important thing for him. He doesn't think anybody out in the city can question his dedication and commitment and he is very proud of that. He wanted to come here and not be the same old kind of politician because he wanted to set an example but you have to be effective. People really are watching the Council Members and paying attention. He got

on the Council in 1999 and in 2000 they added two people and it meant he got to be part of this exclusive club of five that just being in the right place at the right time he got to be part of the last Council of the old millennium and the first Council of the new millennium.

Goodbye, good luck and God Bless!

Council Member Weiss told Jim Sheridan that those of them who are here tonight signed his last agenda.

Council Member Sherman told Council Member Sheridan it has been a great eleven years! She has already blown the possibility of having perfect attendance and she is sure it will be hard to live up to his other standards as well.

Council Member Golonka said he is impressed by Council Member Sheridan's service to the city.

Council Member Hooper said he certainly doesn't agree with all of Council Member Sheridan's positions but he never questioned where his heart was or his love of the city.

11-059. Mayor's Report

None.

11-060. Report by City Clerk-Treasurer

City Clerk-Treasurer Hoyt reminded members of the Council and viewing public that the Annual City Meeting would be held next Tuesday, March 1, 2011 and the polls will be open from 7:00 A.M. to 7:00 P.M.

11-061. Status Reports by City Manager

None.

11-062. Agenda Reports by the City Manager.

None.

Adjournment:

After motion was duly made by Council Member Sheridan, seconded by Council Member Sherman the council meeting adjourned at 8:24 P.M.

Transcribed by: Joan Clack

Attest: _____
Charlotte L. Hoyt, City Clerk