

**CITY COUNCIL MEETING STATED MEETING & PUBLIC HEARING AUGUST 19, 2009**

On Wednesday evening, August 19, 2009, the City Council Members met in the Council Chamber.

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

Call to Order by the Mayor:

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

09-204. General Business and Appearances

None.

09-205. Consideration of the Consent Agenda:

V.A.

Approval of the minutes from the July 22<sup>nd</sup>, 2009 Regular City Council Meeting.

Ratification of a poll vote taken of Council Members on August 4<sup>th</sup>, seeking authorization to enter into a contract with DuBois & King for professional civil and structural engineering services for the design and preparation of contract documents for the reconstruction of a retaining wall located on North Street. (Based on their proposal dated July 24<sup>th</sup>, the contract is to be in the amount of \$18,700 with payment to be made based on actual work hours and in accordance with the approval rate schedule. Staff further recommended a maximum limiting amount or value be established in the amount of \$21,000 to cover unforeseen circumstances and work efforts. DPW staff also requested that the City Manager be designated as the City's duly authorized agent for all contractual matters. Council Members have received a copy of a memo from DPW staff which provides further details of this project.)

Ratification of a poll vote taken of Council Members on August 3<sup>rd</sup> to "accept the bid submitted by Lucky's Trailer Sales of South Royalton, Vermont, for two (2) dump bodies, plows, spreaders, and related equipment for the Public Works Department, and to authorize the City Manager to make this purchase in the amount of \$39,218."

Consideration of approving the purchase of a new Ambulance, in the amount of \$179,167, to replace the City's current Ambulance #2 (1999 Wheeled Coach, w/95,000 miles and 6,748 hours). Staff recommends that the Chassis be purchased from Clark's Truck Center, Jericho, Vermont, in the amount of \$ 65,496; and the Ambulance Body be purchased from Osage Ambulances, Linn, Minnesota, in the amount of \$ 113,671.)

Consideration of a request by the Public Works Department to endorse a formal application for revolving loan funds construction (step 3) of three pollution control projects. The projects include the combined sewer overflow elimination on several city streets, the installation of solar panels at the Montpelier WWTF, and the purchase of a Sewer/Rodder Vacuum truck for the Public Works Department. All of these projects were previously approved in a Bond Vote, but a majority of the City Council must sign the application in order to receive ARRA (American Recovery and Reinvestment Act) funding.

Signing of a Proclamation by Mayor Hooper for “Family Day – A Day to Eat Dinner with Your Children”. This request was received from Valerie Stahl from *The National Center on Addiction and Substance Abuse at Columbia University*.

Consideration of becoming the Liquor Control Commission for the purpose of reviewing the following:

Ratification of the issuance of Catering Permits to Vermont Hospitality Management, Inc., d/b/a New England Culinary Institute, for ...

Faculty Reception on Friday, August 7<sup>th</sup>, from 7:30 to 9:30 P.M. at the Wood Art Gallery

Faculty Reception on Friday, August 7<sup>th</sup>, from 9:30 P.M. to 12:30 A.M. at Alumni Hall

“Reading Reception” on Saturday, August 8<sup>th</sup>, from 7:15 to 9:30 P.M. at the Wood Art Gallery

Additional Catering Permits for consideration:

Family Reunion at the Chapel at Vermont College of the Fine Arts on August 22<sup>nd</sup>, from 5:00 P.M. to 10:00 P.M.

Alumni Dinner on the Vermont College Green on August 23<sup>rd</sup> from 6:00 P.M. to 8:00 P.M.

Corporate Dinner at the National Life Guest House on August 25<sup>th</sup> from 5:00 P.M. to 10:00 P.M. and on August 26<sup>th</sup> from 5:00 P.M. to 10:00 P.M.

Application for an Outside Consumption Permit from Inn endeavors, Inc., d/b/a The Inn at Montpelier. The inn is now under new ownership so this permit will allow them to continue serving alcoholic beverages on the wrap-around porch, lawn and patio area.

Approval of payroll and bills:

General Fund Warrant dated July 29, 2009, in the amount of \$1,294,243.82 and Community Development Funds in the amount of \$3,000.00, \$3,300.00 and \$604.75.

Payroll Warrant dated August 6, 2009, in the amount of \$137,412.95.

General Fund Warrant dated August 12, 2009, in the amount of \$1,111,766.71.

Mayor Hooper said she would like the Mayoral Proclamations pulled because it doesn't require the Council's approval.

Motion was made by Council Member Sheridan, seconded by Council Member Golonka to approve the consent agenda with the added catering permits and removal of the Mayoral Proclamation. The vote was 6-0, motion carried unanimously.

09-206. Planning Commission Appointments.

V.A.

Jason Czarnezki recently stepped down; he has an opportunity to teach law in China until June, 2010. His 2-year term needs to be filled until March of 2011.

Claire Benedict's and Anne Campbell's terms also expire this month; Claire notified staff that she is **not** seeking reappointment.

Staff advertised and as of the deadline, noon on Friday, August 14<sup>th</sup>, letter(s) of interest had been received from the following:

Bethany Pombar  
73 North Street

John Bloch  
6 Winter Street

Missa Aloisi  
19 Kent Street

Erik C. Esselstyn  
2850 Route 14 N, Plainfield

Recommendation: Meet candidate(s); possible Executive Session in accordance with Title I, Section 313, Subsection (a) for the purpose of discussing; appointment to fill an unexpired term until March, 2011; and two appointments to fill the two, 2-year terms.

Mayor Hooper stated there are three vacancies. One of the Planning Commissioners resigned because he is taking a Fulbright appointment in China and couldn't attend meetings. Claire Benedict has decided not to reapply. Anne Campbell would be a third. She is not well so she would recommend they wait until she has had an opportunity to respond to the Council. She suggested the Council fill two positions.

Mayor Hooper said they normally meet each of the applicants and ask them to give us some background information and why they are interested in serving on the Planning Commission. We may make appointments right then or go into Executive Session.

Bethany Pombar said many of the City Council Members know her from her work with the North Street CAN Group. She has been organizing the neighborhood group for the past year and it has been an interesting and eye opening experience. She is interested in a position on the Planning Commission because she has a degree in community development and would be looking at it from the social service aspect and sustainability from the people side of it. She has lived in Montpelier for eight years. She loves the city and thinks we have some great opportunities for work they can do with a small progressive city.

John Bloch said he lives on 6 Winter Street and has been in Montpelier for about 15 years. He has watched the city for 40 years. He has a graduate degree in community economic development. He has worked in planning at multiple levels, educational, economic, and transportation. He thinks that his background experience would be a good match for the Planning Commission. He is particularly interested with what we are going to do with housing crunches for all segments in the community. He is not unmindful of our under utilization of the water and sewer system we have and the burden it places on all of the residents.

Missa Aloisi said the last time she came to the Council she was trying to fill a vacancy on the Design Review Committee. She wasn't a resident at the time; however, in two weeks she will move to Kent Street. She has a master's degree in architecture she received from the University of Oregon in 2007. She has nine years experience in architecture, with five of those years working for various firms here in Montpelier. She has taken projects such as the River Station Properties and VSEA through the permitting process in Montpelier so she is familiar with it process. She would bring her architectural knowledge and the world of sustainability as she understands it to the Planning Commission.

Council Member Sherman said given Missa's work with developers and buildings in the city does she feel there might be opportunities for a conflict of interest if she served on the Planning Commission.

Ms. Aloisi said if she were directly working on the building she could see that. However, most of her projects are located in Burlington. If she were doing projects in Montpelier she would see this as a conflict of interest.

Erik Esselstyn said he didn't want to take the Council's time this evening if as a resident of North Montpelier it is an automatic no. The City Manager wrote him a very nice e-mail mentioning the fact that because he was not a Montpelier resident, although he does own a house and pays taxes and water and sewer in town, he isn't a resident. If that prevents him from serving he would save their time.

Mayor Hooper said it is her understanding that for positions of this nature the Council is looking for residents of the community. She thanked him for his interest and participation in the city.

Council Member Jarvis asked Mr. Esselstyn if he might consider serving on the Montpelier Conservation Commission.

Mr. Esselstyn said he just chatted briefly about that with the Planning Director. If that is a possibility as a nonresident he would be interested in finding out more about it and would be happy to serve if it is a good fit.

Mayor Hooper said the city does on other commissions invite nonresidents to participate recognizing that we really are a community of larger area than just Montpelier.

Motion was made by Council Member Sheridan, seconded by Council Member Sherman that the council go into executive session at 7:13 P.M., in accordance with Title I, Section 313, Subsection (a) for the purpose of discussing appointments to the Planning Commission. The vote was 6-0, motion carried unanimously.

Present: Mayor Hooper; Council Members Golonka, Jarvis, Hooper, Sheridan, Weiss and Sherman; also City Manager Fraser; The City Council requested Planning Director Hallsmith to enter the executive session shortly after it began.

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

Council Member Sheridan moved that the Council appoint Bethany Pombar and John Bloch to the Montpelier Planning Commission. Missa Aloisi would be given first consideration if another appointment was needed next month. The motion was seconded by Council member Weiss. The vote was 6-0, motion carried unanimously.

Planning Director Hallsmith said the next Planning Commission meeting was scheduled for Monday, August 24<sup>th</sup>.

09-207. Appointment to Montpelier Conservation Commission. V.A.

Two members have stepped down ... Dominic Etli and Emma-Lynn Melvin. Staff advertised in June but had not response.

Christopher J. Hilke has stepped forward and would like to be considered to fill one of these positions.

Recommendation: Opportunity to meet Mr. Hilke; appointment to fill one of the 2-year terms which will expire in January, 2011.

Council Member Sheridan said Christopher's application came out of his wearing a Mr. Montpelier shirt to the gym one day. When they got talking about the city and he explained what he does and how he would like to get involved in the city. He sounded like a great fit for the Conservation Commission. He directed Mr. Hilke to talk to Kris Hammer and he said he was very interested. If his dedication is anything like his dedication in the gym he'll be an excellent member. He is very common sense and smart and he thinks highly of him. He was very glad to recommend him to Kris Hammer for a seat.

Mayor Hooper said he has a degree in environmental law and an MS in conservation biology and works for a nonprofit in New Hampshire out of his home in downtown Montpelier.

Motion was made by Council Member Sheridan, seconded by Council Member Sherman to appoint Christopher Hilke to the Montpelier Conservation Commission. The vote was 6-0, motion carried unanimously.

Motion was made by Council Member Sheridan, seconded by Council Member Sherman to appoint Erik Esselstyn to the Montpelier Conservation Commission. The vote was 6-0, motion carried unanimously.

09-208. Opportunity for Richard Harlow of American Legion Post#3 to come before the Council to propose increasing the veterans' exemption on property taxes from \$10,000 of their assessed value to \$40,000 of the assessed value as allowed under Vermont Law. V.A.

Veterans want to begin public relations on this topic by first coming before the City Council.

Because this request will require voter approval, they are also looking for direction as to whether Council can just authorize this item to be put before the voters at next year's City Meeting ... or would Council require the veterans to file a petition.

Recommendation: Opening remarks/request from Mr. Harlow; discussion; possible direction to staff.

Richard Harlow, Vice Commander of the American Legion Post #3 in Montpelier and Rick Gray, District #3 Commander were present for this agenda item.

Mr. Harlow said they were here to discuss raising the exemption from \$10,000 to \$40,000 for disabled veterans who owned property in Montpelier. He presented a brief history on how the tax came about. Montpelier right now has ten qualified veterans and they are still receiving \$10,000 in property tax exemption. That amount was established 18 years ago so nothing has been done over time.

During the past Town Meeting Day of March 3, 2009 there were 62 communities that increased their property tax exemption for their deserving veterans. Of the sixty-two communities fifty-seven of them raised the exemption to \$40,000. Currently 133 towns and cities out of 257 are at the \$40,000 tax exemption. All supported the increase by a large majority of votes from local residents. Only two communities turned down requests.

He is here to ask if the Council will supports placing this proposal on the ballot in March, 2010. All he wants is to allow the people to vote on the subject. If they are uncomfortable about placing it before the town, then he asks them to please give him the number of

signatures required on a petition to have it warned so it can appear on the ballot. These veterans deserve the Council's support and leadership and the opportunity to have a fair tax exemption for their service to our country.

Rick Gray said he has recently relocated from Waterbury and used the process of this tax exemption for reasoning to relocate. Veterans do that coming off active duty. He had 23 ½ years serving in the Army and had the opportunity to be at Norwich for three years as part of his active duty time. His mother's side of the family is from Vermont and he just purchased a place in Barre Town because their exemption is \$40,000. A lot of veterans also look at income tax relief. A lot of states provide income tax relief on their retirement. It has been on the plate here but probably won't pass. This is another example of what veterans are looking for. There is the hunting and fishing in the Green Mountains so that is a reason for him to come back to Vermont. He is looking for the benefits of the perks. He is 50 percent disabled, or better. It's not a welfare position. He makes over \$100,000, but it is a benefit he feels that all veterans who qualify should have the opportunity to participate in. This is an excellent opportunity. He believes veterans will locate and relocate in the city based on some of the benefits that are provided with regards to their veteran status.

Council Member Weiss asked Mr. Harlow if he knew whether or not the Vermont Legislature either in a previous session or a year ago raised the minimum from \$10,000 to \$20,000.

Mayor Hooper said she thinks it was the past session.

Mr. Harlow said they were looking at trying to lower the disability rating to 30 percent, and he doesn't think that will fly because it will open a large number of disabled veterans. There was still the option of \$10,000, \$20,000, or \$40,000, but you have to be fifty percent disability.

Council Member Weiss said he thinks they are asking to raise it from \$20,000 to \$40,000.

Mayor Hooper asked Mr. Harlow to explain what a qualified veteran is.

Mr. Harlow said a qualified veteran is any veteran with 50 percent or higher service connected disability, veterans with 100 percent and non-service connected disability, veterans medically retired from the Department of Defense, surviving spouses and/or children receiving monthly payments from the VA for the deceased military members or disabled veterans.

Mr. Gray said that last category is still generally the 100 percent who may have died and the spouse and/or family members until they are 21 or 23 still have the financial protection. He said he could put a packet together showing where the other communities are. Their goal would be to ask the Council to consider going to \$40,000.

City Manager Fraser asked if this was all on the city taxes. How does it work with the school tax?

Mr. Gray said there is a formula that is in place. The communities would have to pay the difference, whatever the percentage.

Mayor Hooper said that is the case when we offer exemptions for anything, and it is a shift then to all of the other property taxpayers in the city.

Council Member Golonka said in terms of Act 68 state funding formula with the prebates and income sensitivity payments, how does that factor into this? Are we giving the state a

discount, or are we not getting so much money reimbursed from the state under the Act 68 funding formula? If they get a veteran exemption and a prebate how would that affect the city?

Mayor Hooper asked Mr. Harlow how he knew there were ten qualified individuals in Montpelier.

Mr. Harlow said they are listed. With the wars going on there are going to be more veterans coming home that are really going to need this.

Council Member Sheridan said Dick Harlow had talked to him about this a month ago. They aren't asking for the Council's vote to approve this. They are asking whether we want to put it on the ballot without them petitioning for signatures. He isn't taking on any veterans with disabilities. He has no problem with putting them on the ballot.

Council Member Sherman said she would second that as a motion.

Mayor Hooper said they mentioned one of the categories was medically disabled from the Department of Defense, so that is not just veterans.

Mr. Gray said it says through Veterans Affairs. There are also veterans who end up with non-service connected disabilities through their pensions through the VA. They are still through the VA and are given a percentage just like a service connected disability. They would also fall under the category of eligibility. Fifty percent, or better, disabilities, veterans with 100% which is understandable, veterans medically retired from the Department of Defense – that's the piece

Council Member Weiss said if this passes now, and he hopes it does, they are responsible for working with the City Manager as this goes on the ballot as there are public hearings and information needed to help the Council support the motion.

Mr. Gray said Dick Harlow has draft language that other communities have used for their ballot.

Council Member Jarvis said she would also like to know what the impact would be. It needs to be clear that this is a shifting of the tax burden.

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

09-209.

Consideration of a request from Ed DuFresne, on behalf of the 3 Penny Taproom, for permission to close a section of Langdon Street, as well as a request for a variance of the City's Noise Ordinance, in order to hold a Fall Street Festival on Saturday, September 19<sup>th</sup>. V.A.

Mr. DuFresne applied for, and is receiving, a Community Arts Grant from the City for this festival.

City Staff is scheduled to meet with Mr. DuFresne prior to this evening's meeting to make sure all of his bases are covered, and each department is aware of all of the details of this event and what is needed to make it happen.

Once all of the details are ironed out, Mr. DuFresne will apply for his Outside Consumption Permit. If his Application is prepared by this evening's meeting, the Council may be asked

to consider this, as the Liquor Control Commission, under an addendum to this evening's agenda.

Recommendation: Discuss the details with Mr. DuFresne and City staff; approve the request with, or without, changes.

City Manager Fraser said this is an event similar to an event that happened last fall in which we approved the same street closing and noise variance. What we did on our end was sit down with the Police Chief, Fire Chief, and Public Works Director and even though we don't have a formal events policy we took the aspects of things which had appeared in the draft and went through each one and made sure things like sanitation and other issues were addressed. They have worked with Ed DuFresne to see how it might work logistically and it is really up to the Council to decide whether you want to grant a noise variance and the street closing for the event.

Ed DuFresne said last year when they first did this he was employed at Langdon Street Café and was integral to organizing the first street fair they did last year. Besides booking most of the acts he also planned the layout, the ingress and egress and placement of staging for performance areas, placement of security and all of the basic things that make the event safe and run smoothly. This year due to other obligations the owners of Langdon Street Café did not want to do the event again. Since he had organized a good portion of it last year he totally offered to step up and run the event, but they decided if they can't have intimate involvement they didn't want it to happen on their end of the block this year and to bring it back next year.

In the interest of momentum he wanted to go forward with it anyway. He didn't want to create friction with them, so he looked at the other models that the city has used for events on Langdon Street. It seemed that the 4<sup>th</sup> of July model made the most sense as an adjustment. He shifted gears to the other end of the block, and the proposal is to do it on that end. He understands that there has been some issue with Andrew Brewer from Onion River Sports as far as access to their parking lot. He has made adjustments to the plan and reissued the letters to them to indicate that the parking lot will be accessible for all day Saturday, even after the street closure.

They would plan on the street closure at noon and use the grant funding for family activities from 2:00 to 5:00 P.M. and not serve any alcohol until after 5:00 P.M. when those activities are over. The noise variance is requested from 5:00 P.M. to midnight because it is an after 9:00 P.M. event. He has applied for an event insurance as well, which should come through with a quote and certificate within 24 to 48 hours. This is the same insurance he has used for other events in the city and when he did an event at Vermont College a few years ago.

As far as the notice of street closure, when he met with the City Manager and city staff they made a plan to put notices on all of the parking meters that would be there first thing in the morning, so he would probably do it late Friday night. He would also send out a reminder letter within a week of the event to all Langdon Street residents just so they are aware of the street closure on that particular day.

Council Member Sheridan asked if Three Penny was still part of the event.

Mr. DuFresne said as long as this goes through okay. Their question is if Andrew is going to be totally opposed they want to have good relations with their neighbors.

Council Member Sheridan said he has heard a lot about this in the past two days, and it is more opposition than just from Andrew Brewer. He had also talked with Dave Nelson and the Langdon Street Café. There is ill will all around. He went to talk to Three Penny today

to let them know what he has heard so they can make an informed decision. He told them the concerns which had been brought to him. Dave Nelson's concern is that the event is being put on by a business that is not located on Langdon Street. He doesn't have a problem with the festival, but if they are going to have festivals it should be in front of their own place and not a street that another business is on that is a competitor. Langdon Street Café has a little bit of the same issue.

Mr. DuFresne said Andrew Brewer was under the impression they were doing a nighttime event when he talked to Scott, so that was a misunderstanding. When he followed up with Andrew and informed him it was going to be a daytime event he had opposition so they altered the plan so access to that lot could be retained.

Council Member Sheridan said there are issues and more discussion should have taken place.

Mr. DuFresne said he had discussion with other parties on the block and everyone seemed in favor of the event. They had a misunderstanding when Scott talked with Andrew Brewer.

Mayor Hooper asked Mr. DuFresne to describe where he was having the event.

Mr. DuFresne said where they decided to move it is a very similar situation to the 4<sup>th</sup> of July. As opposed to being in front of McGillicuddy's the tent would be in front of Buch Spieler. The stage would be in the opening between Buch Spieler and Global Gifts angled toward the Onion River parking lot across the street. He is in discussion with Alan Lendway about the use of that space. If he had a problem with the use of that space, then they would simply shift the stage location and it would be done similar to the way Dave does it on St. Patrick's Day where the stage is at the end of the tent, except he would leave a portion of it that would be a public area so it wouldn't have to be inside a drinking area after 5:00 so all ages could be there without any issues of being under or over 21.

Council Member Golonka said one of the issues the Council has had in the past is the creation of an events policy. Who has the right to request a street like Langdon Street be closed? He has a little difficulty in terms of cutting off the area from shoppers down to Main Street at least until after hours.

Council Member Jarvis said she can definitely understand why Langdon Street makes sense for this event. It is a nice enclosed area. Is this an event that lives or dies on its location, or if the Council has a problem with Langdon Street is there another location to be considered?

Mr. DuFresne said considering that the event was originally titled the Langdon Street Fair and trying to keep a location based thing to establish something that can get a foothold and grow and eventually an event that will draw a lot of people and a lot of economic activity to the city. His larger goal is to make something that is actually going to be good for everyone. Yes, a fair could be done somewhere else, if necessary, and if opposition on the street skuttles it then he would probably would try to look for an alternate location. He was smart enough not to confirm anything in stone yet. Most of the artists and acts doing the event, and the things arranged for the family activities during the day are all waiting for final confirmation.

Council Member Sheridan said what he heard from the three businesses today is they are concerned that the Council will draft a policy with a limited number of times Langdon Street can be closed. They feel that merchants on Langdon Street should have the first shot.

Council Member Golonka said they have never limited the number yet.

Council Member Sheridan said they are concerned that will happen, especially if everybody starts to realize you don't have to have a business on Langdon Street. What Langdon Street Café, McGillicuddy's and Onion River Sports were concerned about is whether Langdon Street will become the certified street for everybody to hold their events on, whether they are located there or not.

Mr. DuFresne said Three Penny's back door is directly connected to Langdon Street, which is one reason they chose it. The back door of their place goes right out into the lot by Andrew Brewer's store.

Council Member Sheridan said he talked to all three today and there is opposition from all three of them. There is concern and ill will.

City Manager Fraser said they have wrestled with this in the past as to what would be the appropriate number of events.

Mayor Hooper said there is a particular request in front of the Council and we need to focus on the elements of that and not what might happen in the future.

Council Member Weiss said in their proposal is a proposed budget. It reads a \$1,000 request. Is that a request to the Council, or is that the request for the Community Arts Grant?

City Manager Fraser said he asked Sandy to put his arts grant application in because it explained the event contingent upon him receiving all of his permits. He felt that was the best explanation of the event they had in writing to give the Council some background.

Council Member Sherman said this event is different from the 4<sup>th</sup> of July. The 4<sup>th</sup> of July is a citywide celebration like First Night when lots of things are different and are oriented to celebration. This event would be different from that. Closing a street is a major event. Streets are public resources and public property and the whole city needs to be taken into consideration and the needs of all of the population, not just the ones who would participate. There are also expenses the city bears as a result of these special events. With regards to the noise ordinance you can get a variance but it doesn't mean there is unlimited noise. There is still a decibel level for before 9:00 P.M. and after 9:00 P.M. He could get a variance but full blast music until midnight is not what is allowed and isn't in the best interest of the whole city. She is skeptical about an additional closing and wonders if there is another location or another way to do this as an inside venue because she thinks it has a major impact on the city when there is outside music until midnight. She is not strongly in favor of this. Outside celebrations on Langdon Street, or anywhere, have a major impact on the city. They are important and valuable and a lot of people enjoy them, but there are special occasions when that happens citywide. It is hard when there are multiple events.

Mr. DuFresne replied they established this event last year and it worked very well. They are looking to continue a tradition. Obviously, there is a great appeal for outdoor events, especially in the fall when the last of the good weather is here and it is the last chance for people to have a gathering outside. If he was going to do something inside he would do it in the winter because it would be a bigger draw in the winter. People want to be outside on those nice fall nights. He understands her noise concerns. Bringing hundreds of people downtown is going to bring economic benefits to the downtown.

Council Member Jarvis said she wanted to oppose Council Member Sherman opinion because she thinks they need to have more things going on in Montpelier. It's fantastic when someone steps up and is willing to organize something. She has a lot of concerns after hearing from Jim Sheridan about the merchants on the street. She is very surprised to hear

their opposition is so strong and yet none of them are present. She thinks it is great when someone is willing to do something like this for the city. She was in Rutland last week for an arts street fair where they closed off the street and there were a lot of people from Montpelier present. They all had dinner in town and stayed and visited the book store and spent money. She would love to see a fall festival happen. That is a fantastic idea. She isn't sure this location is going to work but she feels the Council should do what they can to make sure this event happens somewhere.

Council Member Hooper said he wanted to echo Sarah and say that in the absence of an events policy we have no reason to prohibit the use of Langdon Street by someone who is not on Langdon Street. He would like to move the adoption of this proposal so the event can happen. Council Member Jarvis seconded the motion.

Council Member Sheridan said he doesn't have a problem with the noise. Saturday downtown is noisy anyway. If you have ever heard Positive Pie's music bouncing off the buildings it is like fans are out on the street. It is the same thing with the Black Door. People are used to noise downtown on a Saturday night, even after midnight. He doesn't think noise should be an issue for a one-time event in the heart of downtown. Those who live downtown there is noise every single night in the city because we are becoming a city with a vibrant night life, which he thinks is great. He doesn't have a problem with the fall festival, either. He thinks in the future if people were approached face to face rather than by a letter they could have avoided this problem. In the future if they are going to hold an event on Langdon Street they should talk to the people face to face. Talk to them a month ahead of the event so they can deal with the issues and work things out.

City Manager Fraser said they have had the events policy in front of the Council on a couple of cases. The policy they drafted and approved there is nothing included that would have prevented this. It has not yet talked about the number of times. In the last draft we talked about it being open to the public as opposed to closed and private it wouldn't have a fee. Because of the way they are setting up the tent and because it is open to the public that is one of the conditions. It fully complies with the last version of the events policy. What the Council considered wouldn't change the conversation.

Council Member Weiss said discussion to the events policy is not germane to the motion. He asked the Mayor to call the question.

Mayor Hooper asked if there was a second to the motion. The motion to call the question died for lack of a second.

Council Member Golonka said he generally supports festivals and agrees with Council Member Jarvis and Hooper in that regard. He would like to see some type of consideration for business hours so he would ask for a friendly amendment that Langdon Street from Onion River Sports to Main Street stay open until 5:00 and then have closure.

Council Member Hooper said that puts in front of McGillicuddy's which is one of the merchants that complained.

Council Member Golonka said he would like to see it as close to Langdon Street as possible.

Mr. DuFresne said if he could use the other end of the street he would. Unfortunately, even though the event originally was his idea and 80% planned by him Langdon Street Café has taken ownership of the event and they do not want it done this year. McGillicuddy's would not want it in front of their door, if they weren't the ones serving. Parking on Main Street is so close to Onion River. It is kind of ironic that an outdoor store that specializes in bikes and hiking needs to have their cars pull within 5 feet of the building in order to do business.

Mayor Hooper asked how residents and businesses on Langdon Street received information about this event.

Mr. DuFresne said they all received the same letter last week. That was given to all apartment residents, businesses and posted near the mail boxes in the apartment buildings and on the doors on the way out.

Dan Renfrew said he supports the event. The community needs more things happening in Montpelier.

Mr. Dufresne said he was going back to see some of the folks who have opposition to this and if he finds that the opposition is worse than anticipated he isn't willing to shove an event down peoples' throats. He will look for an alternate location that he can use the same date which may require him to come back to the Council on September 9<sup>th</sup> to receive final approval for an alternate location. If he was to find an alternate location it would be one that did not involve closing a street because that would be another can of worms opened. In fact, he would probably pursue the parking lot where the Farmer's Market is held and hold it after the Farmer's Market. It obviously wouldn't be called the Langdon Street Fair, but they could call it the Second Annual Downtown Montpelier Fair. At least the event could be maintained. If Langdon Street Café chooses to get involved again next year and do it at their end of the block they can revisit that then.

Mayor Hooper called for a vote on the motion. The vote was 4-2, with Council Members Golonka and Sherman voting against the motion.

09-210. Public hearing for further consideration of a location for a bus stop to accommodate public transportation coaches (Greyhound) in the downtown area. V.A.

Council has discussed this issue at their July 8<sup>th</sup> and July 22<sup>nd</sup> meetings; the two proposals being considered were in front of City Hall and the other in front of the TD Bank building at 90 Main Street.

Chris Turly of TD Bank raised questions which were discussed at the July 22<sup>nd</sup> meeting.

Council opted to conduct this public hearing to give everyone an opportunity to voice pros and cons on both locations.

Recommendation: Conduct the public hearing; possible direction to staff.

Mayor Hooper said the Council wanted to create the opportunity for people to weigh in because they hadn't sufficiently noticed adjacent users of the space where they decided to put the bus stop, State and Main in front of TD Banknorth. She thought if the Council decided that was not a good place to locate the bus stop rather than to lose a couple more weeks she asked the Council to take off the table the second public hearing of placing it in front of City Hall. This is an opportunity for members of the public to address the City Council on the location of the bus stop at the intersection of State and Main Streets.

Morgan Brown, a resident of Montpelier, said he had used the bus over the years to visit friends and family out of state. The bus is an important service. He remembers when there was a possibility of them moving out of Montpelier in the past and he was very concerned about that. He is glad the service still exists and hopes it continues. He has often wondered why it has been so impossible to get a transit center in town because that is what we need. That's the ultimate solution. He thinks City Hall is a very bad idea. He doesn't understand the rationale and he thinks the city is going in the wrong direction. He thinks in front of TD

Bank is a worse idea. Greyhound bears more of the responsibility and so does any entity they partner with. Apparently, their partner is Rhapsody and he thinks the responsibility goes more towards those businesses as far as locating the bus stop than it does the city. If they can't stop in front of Rhapsody's business, he thinks the best solution right now is to keep it where it is on Taylor Street. If Rhapsody and Greyhound can't find a better location that is agreeable to everyone and doesn't create a hardship on the city, then keep it where it is and let the people walk back and forth.

Zachary Hughes, a resident of Prospect Street, said he is going to be on Greyhound's side a little bit. He does not share the view that it is Greyhound's ultimate responsibility. He believes the city should team up with Greyhound. He has a concern that Greyhound is going to say they are out of here. If that happens it will cost him more money, and he will move. He has to lay it on the table. If they had a choice right now and Taylor Street was not available what is the big deal with City Hall? He thinks TD Banknorth is an accident waiting to happen. He believes this is an important service. He feels it is embarrassing if the service leave this city. There aren't enough services for transportation in the city. You have GMTA and a few taxis, but if the bus service moves to Berlin there will be no way for Montpelier residents to get back to Montpelier especially in the middle of the night. In his view bring it back to City Hall if Taylor Street is not an option is the only alternative.

Franklin Shiner, a resident of Montpelier, said he grew up here. He is lucky enough to be able to say that as a boy he had ridden steam in and out of Montpelier Junction. He remembers the old Central Vermont Railroad Station when it was a bus station and has taken buses in and out of Montpelier. He has also flown in and out of the Barre-Montpelier Airport, which is now the E. F. Knapp Airport, when Montpelier had commercial aircraft service. We actually had public transportation here and used it. When he thinks about the AARP Magazine putting Montpelier as high in the rankings as it did he has to say that without bus service why should we be so high? If the bus service goes up to Berlin and people start patronizing the mall, why shouldn't they? If the bus service is kept down here in the center of Montpelier in some way, then we will be drawing people to the businesses. People who are either legally forbidden from driving or are unable to drive or choose not to drive do take the bus. He said from personal experience as a pedestrian stepping out to cross the street in front of the bank when there have been buses and a Brinks truck was parked there was risky. There are other risks besides the visibility, but he certainly does not support having that in the middle of town. He wonders how much the city would lose in terms of money by giving those spaces up and wonders whether that would actually be worth it in terms of some other deal that could be made with another store or business. It also occurs to him that the depot across from Shaw's where GMTA buses stop now might be a reasonable alternative because he realizes they could come off the interstate and go around and come back on. That would be another good place to think about. He doesn't know if there is any place around that depot that would be worth consideration. As far as Greyhound itself goes, in conversation with people who are operating the last bus station on Taylor Street they were talking about how the company that now owns Greyhound, the American Bus Company, is in Scotland. They don't care what happens here. They care about their profit. If a bus stop in Montpelier isn't profitable we need to tell them it is because it is the capitol city and we need to keep it here. If it isn't profitable up in Berlin the same thing will happen as did in Randolph Center which is no longer a bus stop so we could lose doubly by not keeping the bus stop somewhere in downtown Montpelier.

Dan Renfrew said he doesn't own a car and has never owned a car. He lives a very local life. He rarely ever uses the bus, but when he does it is because he needs to. He would like to see the bus service kept in Montpelier.

Elaysha from Rhapsody said for them to be the ticket station they really want to keep the public transportation in town. She is from the Netherlands and there are bicycles and

buses. She wrote out a few points why we should have the bus stop in front of City Hall. There are 18 signatures from 19 businesses supporting this. Tonight there were two people who came to Rhapsody to buy bus tickets. People are very confused now because there is no place to buy tickets for the bus.

Carl Etnier said he wanted to review a little of the history of this. They have all supported the importance of having Greyhound in Montpelier. At one point it was decided that TD Banknorth would be the spot, and that was a decision the Council made. The next meeting he attended a TD Banknorth representative came and was against putting the bus stop in front of the bank. At that time Rhapsody was scheduled the following week to go to training with Greyhound to start selling the tickets so the two people who came tonight could have purchased their tickets. Meanwhile, the bus is still far away from where the tickets are being sold, which is over the internet. It's fundamental for a bus station to be near where the tickets are sold. He doesn't care whether it is TD Banknorth or outside of City Hall, or outside of Rhapsody by M & M Beverages. He does think it is time to stop messing around and get a permanent location near where tickets are sold here in Montpelier so we can once again have real service to the city where people can come buy tickets, wait in peace and package service can also be restored.

Paul Giuliani said he wanted to give the Council a little historical context behind his remarks. His office is on the second floor of the TD Banknorth building and it has been there since 1951. Like Mr. Shiner he too has ridden public transit in Montpelier because he used to take the train from Montpelier to Wells River. To dispel any rumors about his preferences of public transit he wants to assure the Council that whenever he has to go anywhere if it is possible he takes the bus or the train because he is scared of flying. The original landlord was Montpelier Savings Bank and Trust Company which is now TD Banknorth. Their lease arrangements since the beginning and through today entitles them to the use of the second floor as a law firm. It also entitles them to free and unobstructed use of the vestibule where the ATM is located. It allows them the unobstructed common use of the stairwell lobby and the lobby for the elevator. That is part of their lease. They have as much right to use those spaces as the bank does or any other tenant in that building. Those spaces are restricted to their use, the bank's use and the use of the other tenants in that building, and their clients, vendors and employees and other people who have a legitimate business interest in the building. He wants to assure the Council that if there is a bus stop in front of TD Bank they will not stand rightly by while those spaces are turned into a waiting room or they are disrupted by people or baggage. That is unacceptable. That is not part of their lease arrangement with the bank and it will be very disruptive to their operation. There is a security issue that he doesn't know whether it has come to the floor or not. If that bus is going to stop there eight times a day it had better coordinate its activities with the armored car companies. If there is an armored car delivering or picking up cash or securities from the bank at the same time there are 20 people milling around waiting for the bus there is a disaster waiting to happen. It is a very serious problem. That intersection is very poorly laid out now compounded by the crosswalk in front of where Ben & Jerry's was located. That bus pulling left back into the interstate is an accident waiting to happen. What is wrong with the present location? He has been told that the reason from the city's perspective is that the Taylor Street location isn't acceptable because people buying their tickets at Rhapsody may walk across the railroad bridge to get to the bus stop on Taylor Street, and somehow that pedestrian activity exposes the city to some liability. He has no idea where that comes from. That is not the law in the state of Vermont. He would be very troubled if that was the predicate upon the Council's action to dismiss the Taylor Street location and try to relocate the bus stop some place in downtown Montpelier. He is sympathetic to the needs of Greyhound and the people who use the service, but they cannot allow their office to be used as a bus terminal. It's as simple as that. If it comes to pass that the Council decides to use the front of TD Bank as a bus pickup and drop off point and people start using the lobby of the stairwell or the elevator lobby as a waiting area or

baggage area, all he can do is assure them that the police will be called and trespass citations will be issued because they cannot have their employees, clients or invitees running a gauntlet to get to their office. It is just not going to happen. He thanked the council for their consideration.

Harold Garabedian, a resident of Montpelier, said he isn't about to suggest a site. He can appreciate all of the issues pros and cons about any of them. He just wants to reaffirm that he thinks regional interstate transportation is important to Montpelier. It's as important as events that Sarah was talking about. It's important in terms of community vitality in terms of the ability to have accessibility. We're an aging population and transportation is more of an issue as we get older. The goal here is to sort through the options and make a decision because he thinks it is certainly needed in terms of allowing transportation to serve the community efficiently. This is also to put in a plug for the transit center because that is really the ultimate solution, and that is why we need one. We need to keep investing in transportation.

Nat Frothingham said he doesn't understand the current logic. Is the proposal to have the bus stop in one location, the tickets sold in another location, and where do people wait when City Hall closes? Where do people wait when Rhapsody closes? What happens if there is a storm and the bus is delayed? He would love to have the dots connected.

Mayor Hooper said their interest is to hear from members of the public about their concerns. The Council opened this up for further discussion because she felt that we hadn't given sufficient notice the same way they had afforded to other options they had considered throughout the city.

City Manager Fraser said for years the city's bus stop has been located on Taylor Street in the trailer. That was first through a sub lease through the city when we leased that lot. A combination of contamination issues and other reasons the property owner chose not to continue that lease so that was no longer available. That trailer had to go. The city controls a small portion of land adjacent to that which we are temporarily using. There is no shelter there; there is no cover. The tickets used to be sold out of that location. The long term solution is the transit center which will have a ticket location and shelter. Greyhound, not the city, although we assisted them sought to find a new ticket agent and looked all over town. They began their search with businesses that were near Taylor Street recognizing that the proximity does make sense. There is certain logic that you buy a ticket when you are near where the bus stops and they weren't successful for whatever reason. People weren't interested in selling tickets. That's a business choice people made, but it had a consequence. They finally connected up with Rhapsody who was interested and it didn't work. Greyhound said it was really important for them to have a close proximity between their ticket sales and the bus stop. They aren't going to be immediately adjacent, but they should have site distance at least. The city working with Greyhound and working with its traffic people looked at what might be available in the core downtown. They agreed with everybody who said why not leave it at Taylor Street. From a pure traffic safety standpoint there is no question that is a better location. However, that doesn't really meet the needs. We aren't concerned about city liability. We do have a concern that people should not be walking across that bridge. That is not a legal pedestrian thoroughfare. If some time in the future rail traffic increased it could be downright dangerous. Experience shows that people do that. The city did not want to be part of encouraging any illegal and dangerous activity. They started looking at finding alternatives somewhere on the Main Street corridor recognizing that none of them were particularly any good. They first looked at a location almost adjacent to Rhapsody at M & M Beverage, and that had a whole bunch of problems and was rejected. They looked at the GMTA site in front of Shaw's and anyone pulling out of Shaw's recognizes the limitations of that site. In fact, they would like to do away with that because they don't think that is a particularly good location, either. It is an example of

the sorts of inconveniences you put up with. They looked at pulling it in around City Hall and having them stop over near Rite Aid or behind by the Police Station and there were circulation issues. The situation came down looking at removing three parking spaces in front of City Hall. No, there's not necessarily internal location for people to wait in the building at night. There is not on Taylor Street right now, and there won't be. They brought the bus in and did a demonstration of the area in front of City Hall to see how it would work. That morning they asked, what else might work? The only other possibility would be in front of the bank where the tour buses stop. That was a decision made the morning of the meeting. The bank wasn't notified. The Council passed a motion saying this would be our spot subject to hearing from the bank. At the next Council meeting they heard from the bank, and the Council said if there were concerns let's open it up to a public discussion about that site. That is what is happening tonight. There is not great site. If there was we'd be using it. Every one of the sites has problems.

Mayor Hooper said she thinks the City Manager is correct. We are at the point where we need to figure out how we are going to proceed with this. We are not at the public hearing portion of this, but the Council made the decision at the last meeting to have the bus stop in front of TD Banknorth. If the Council wishes to reconsider that and the option that is available to us is the next agenda item which is where we would remove the three parking spaces in front of City Hall and call that a bus stop. All of the Council Members have received e-mails and the Council has looked at every other space that is available to us in town.

Council Member Sheridan said he found somebody who wants to sell tickets on Barre Street. The Senior Center wants to sell tickets and they are wondering if somehow the bus could work there. He wished they had known that when the bus was here. It would be nice to see if the bus could circle around the Senior Center.

Council Member Golonka said given their discussion that Section 9-218 he would make a motion to stay on Taylor Street for the time being and reject the other two sites. They have been talking about this for six Council meetings. He thinks they need to make some call on the Carr Lot. He hates the idea of taking parking spaces away from City Hall. He doesn't like the spot in front of TD Banknorth. It is a poorly conceived plan. The City Hall spot will take away spaces that service a core function for city government. People come in here for building permits, pay their bills, etc.

Motion was made by Council Member Golonka, seconded by Council Member Weiss that the bus stop remains at the Taylor Street location.

Council Member Sherman said public transportation is a public service and City Hall is a public building. It is important that we do services for the public here. Three parking spaces is huge in Montpelier, but eight buses stop in Montpelier is a important to the activities of the city. There is a ticket vendor here. There is no ticket vendor at Taylor Street and it is dark. There is no place to wait. As a temporary solution we should keep the bus stop in front of City Hall. When City Hall Plaza was redone and the cobble stones were put in that was funded by ICET, which is transportation funding for multi-modal transit projects. Transit is not a foreign idea to the front of City Hall. For people who come here and who ride the bus, which comes in the morning, afternoon and the middle of the night, it is really important to have a welcoming place for them and a safe place, and nothing is safer than the front of City Hall.

Mayor Hooper said we are not going to build a multi-modal transit center for at least three years. We have heard that selling tickets for the bus at a distance from the spot does not work in their business model. She would be stunned if we managed to retain bus service in this community by allowing that to continue to be the bus stop. She appreciates the

frustration that all of the options that are available to us are not great. In her view the most appropriate is in fact in front of City Hall. She finds it interesting that we talk about the value of the loss of the spaces. We know that folks struggle with public parking all of the time. In her opinion we rather casually give up other spaces to deal with public safety issues rather than to try to think of different models to make parking work. Perhaps this is a challenge to us to figure out how to create more spaces in downtown and maybe consider other models. She is deeply concerned that we are going to lose the public transit option.

Council Member Hooper said he is also concerned about losing Greyhound, but he has nothing to base that on. Do you actually expect they would leave if we remained on Taylor Street?

Council Member Golonka said if we are going to be talking about investing \$10 million in a multi-modal transit center they would want to stay.

Council Member Jarvis said that apparently is what is keeping them in town, the promise of that.

Mayor Hooper said if they don't have a place to bring service in within the next few years they are going to have to provide that service somewhere else. It is clear in the conversations and she has heard from city staff they believe that to be the case. There is a motion before the Council, which is to not have the bus stop in front of TD Banknorth and not have it in front of City Hall but to leave it on Taylor Street where it is now. She called for a vote on the motion. The vote was 4-2, with Council Members Jarvis and Sherman voting against the motion.

Mayor Hooper said she needed to veto that. She doesn't find this a good resolution to the problem. The service is too important to the community. That leaves us nowhere which is an unfortunate position to leave the community in. What are the options available to the Council at this time?

Council Member Jarvis said they could remove from the table to continue the second public hearing on having it in front of City Hall.

City Manager Fraser said it takes 5 votes to override a Mayor's veto. The most recent action of the City Council is to have a bus stop at TD Banknorth. Unless that is changed, that is the standing action of the Council. There was a motion to undo that action and to table the issue. At this point the decision of the Council is to either override the Mayor's veto or reconsider the action.

Council Member Jarvis moved that the council reconsider the decision to have the bus stop located in front of TD Banknorth. Council Member Sheridan seconded the motion.

Council Member Weiss said in terms of the minutes held on July 22<sup>nd</sup>, page 8, when this item was last discussed at the City Council's July 8<sup>th</sup> meeting the Council opted to go ahead with the TD Banknorth location pending notice to the bank and assuming the bank had no major issues. He isn't clear as to whether or not this Council had ever taken an action which said we are going to Banknorth because they put the provisos within it.

Mayor Hooper said the Council heard objection from the bank and its tenants.

Council Member Sheridan said he would say by the positive vote for Taylor Street we have thrown out TD Banknorth.

City Manager Fraser said what they might want to do process wise instead of getting hung up with what they have done and undone is think about what you want to do and get there.

Mayor Hooper said she would suggest based on what Alan Weiss just read and based on the testimony we aren't supporting the TD Banknorth location. Four would like to be at Taylor Street. The person who holds the veto power doesn't want to be there. They need to override her veto if they so choose.

Council Member Sheridan inquired where the bus was stopping now.

City Manager Fraser replied Taylor Street.

Council Member Sheridan said the veto doesn't put the bus anywhere else.

Mayor Hooper said it may put it out of town if we don't figure out what to do with it.

Council Member Weiss said he would like to make reference to the Montpelier City Charter under Title 4, the Mayor, and Section 5 powers of the Mayor. Basically the last full sentence says the Mayor may veto any action passed by the Council providing that the Mayor does so before the next regular meeting to said City Council, and any action so vetoed not become effective unless at the first regular meeting with all members present after the Mayor's veto five or more Council Members vote to override the Mayor's veto. Yes, the Honorable Mayor vetoed that motion, which is her prerogative. If he is reading this correctly, it appears to him that the veto does not take effect until the next regular meeting.

City Manager Fraser replied that isn't correct. The action that was passed doesn't take effect unless it is overridden at the next regular meeting. She can't exercise her veto after the next meeting. She can do it any time between the time the motion is passed and the next meeting.

Council Member Golonka moved to override the Mayor's veto. Council Member Weiss seconded the motion. The vote was 3 to 2 with Council Member Hooper abstaining.

Mayor Hooper said they failed to override her veto.

Mayor Hooper said they could move on to the next item on the agenda which is the second public hearing on removing the parking spaces in front of City Hall which creates the opportunity to have the bus stop there.

09-211.

Consideration of removing from the table and continuing the Second Public Hearing to address proposed amendments to the City's Code of Ordinances, Chapter 10, A VII, LIMITED PARKING, and TOW-AWAY ZONES, as they relate to providing a bus stop (for public transportation coaches) in front of City Hall.

V.A.

Sec. 10-717. LIMITED PARKING.

*New Sub-section:*

(ii) Main Street. For the establishment of a bus stop zone for the loading and unloading of passengers, parking is restricted daily to bus use only (public transportation coaches) on the easterly side of Main Street and located in front of City Hall beginning at the intersection of Blanchard Court and extending northerly for a distance of seventy-two feet.

## Sec. 10-715D. TOW-AWAY ZONES.

*New Sub-section:*

- (i) Main Street - Within the bus stop zone located on the easterly side of Main Street in front of City Hall as described in Sec. 10-717, sub-section (ii).

A lengthy discussion ensued at the First Public Hearing conducted on June 24<sup>th</sup>; giving up three prime parking spaces (45-60 foot area) in front of City Hall and the fact that it takes away parking for those who want to do business with City Hall were just two of the concerns raised.

Staff has followed up on questions as to how many buses per day come into Montpelier (where they come from and where they head to); approximately how long each stop takes; would the picking up and dropping off of packages be an issue; and is ADA compliance with this proposal achievable.

At their July 22<sup>nd</sup> meeting, another location (90 Main Street in front of the TD Bank) was also discussed.

**Recommendation: Continue the second Public Hearing; depending upon what Council decides on Agenda Item #210, possibly approve the amendments, with or without further changes, or direct staff to pursue other options.**

Mayor Hooper said this agenda item is to remove the three parking spaces in front of City Hall and use that area as a designated bus stop requiring that to become a tow-away zone.

Motion was made by Council Member Jarvis, seconded by Council Member Sherman to remove action on this item from the table. The vote was 4-2 with Council Member Sheridan and Hooper voting against the motion.

Mayor Hooper opened the public hearing on the proposal to eliminate the parking spaces and to create a tow-away zone and bus stop in front of City Hall. This is an opportunity to move the discussion forward on this item and decide whether or not to put the bus stop in front of City Hall.

Zachary Hughes said he continues to affirm his position in favor of placing the bus stop in front of City Hall and also believes the other options are totally unsafe.

Franklin Shiner, a resident of Montpelier, said he served on the former Wheels Board of Directors for 18 years. Someone made the comment that they didn't know whether Greyhound had threatened to pull out of Montpelier. At the time service was taken out of Barre Greyhound threatened to move services for both Barre and Montpelier up to the Park and Ride in Berlin and just make one stop out of the two. They have in fact said they would remove service. Maybe they are going on a promise and maybe they need a little bit of something more to insure that the promise is stable. We don't only need to consider the cost of these parking spaces in front of City Hall, but also the value of having the bus service.

Morgan Brown, a resident of Montpelier, said they are talking about three parking spaces in front of City Hall to have the bus stop located there. He feels this is a very bad choice. Greyhound is a big corporation and a private bus company. Rhapsody is a private business. Members of the public can ride this bus, but he doesn't consider Greyhound to be public transit. Public transit to him is GMATA. He wants to echo that while the public has some interest and obligation he doesn't think they should have as much obligation as is being cast upon the city. He thinks they are making an error going in this direction. If you take those

three parking spots out and have the bus stop there, that's where the bus is going to be. It isn't going to be three years; it's going to be 10 or 20 years. We need to get this transit center on a fast track now. If you are going to do something in the meantime, on a very temporary basis and still fast track the transit center he could support it a little bit. He doesn't want to see something stand in the way of that transit center happening.

Gwen Hallsmith, Director of Planning and Community Development, said she is sorry that Tom Stone couldn't be here tonight. She wants to speak to some of the assumptions she has heard used in formulating their decisions about this. The first assumption is that Greyhound would accept the Taylor Street location with Rhapsody as the ticket sales agent. She doesn't believe that assumption is correct. They are particular about this. The city has been working with them over many months to try and find a location for a ticket sales place where you can at least see the bus from where you are waiting and buying tickets. What does that mean? She thinks it means that we really do run the risk of losing them. She has been involved in many conversations with Greyhound and can say that before she reminded them about our transit center plans they were already cutting stops here. What looked inevitable in fact was that they were going to completely pull service out of Montpelier. She called them up and reminded them that the city is building this multi-modal transit center on the Carr Lot and they will be one of the key tenants and anchors because we are hoping that the transit center brings a local bus service together with a long distance bus service. It's true that Greyhound is a private company. We do not have a public company or a public service that runs the long distance lines that Greyhound does. It is the closest thing we have to public transit serving that type of run. She wanted to speak on Tom Stone's behalf since she has been working more closely with him than anybody else on the staff. She doesn't want people to leave tonight with the impression that if you can just leave it at Taylor Street that will solve the problem. It won't. She thinks they will lose Greyhound if they do that.

Carl Etnier said he couldn't claim to go back to the days of steam railways or horse carriages, but he does remember when there were two competing nationwide bus services, Trailways and Greyhound. One bought the other, and not long after that, according to his memory, the new Greyhound started dropping stops around the city. When he grew up in Wisconsin they would go to every little town on Greyhound or Trailways and now that's not true. He remembers that not very long ago you could get to Rutland by bus and then from there to Albany, New York; you can't do that any more. There are five Greyhound bus stops here in Vermont right now. He too has talked to Tom Stone about the future of Greyhound here in Vermont. He did not give an ultimatum. He respects people who are hesitant to giving ultimatums, but he did indicate that they would seriously reconsider their business here if they were forced to continue without a place to sell tickets in proximity to where they have their stop. If they vote to say to Greyhound take Taylor Street or take a hike they may be voting to make Montpelier move from being perhaps the only capitol in the country that doesn't have a bus station to perhaps being the only capitol that doesn't have bus service period. It could be a vote to make Montpelier a second class city in that sense, and it would be a real shame to do that shortly after the AARP has singled out Montpelier for being such a desirable place to live in part because of its walkability and its access without cars. He hopes the Council will reconsider that idea and put a bus stop in front of City Hall or somewhere else in close proximity to the business that wants to sell the tickets.

Chris Turley, a resident and taxpayer of the City of Montpelier, said what City Hall is to him is a place for people to come to the city to congregate. If you are going to put a bus station in front of City Hall there are fire, police and ambulance service nearby. What better safe spot for somebody coming to the city to be welcomed. He fully supports City Hall as an option. He has a larger issue of what this is going to do to the traffic flow in Montpelier. But having to make a decision with bad options this seems to be the one that is the most palatable.

Elysha from Rhapsody said she doesn't understand why the Council doesn't listen to the businesses on Main Street. Everyone wants the transit station. It is going to come. This is just for how long it is going to take to get the transit center built. Coming from Europe every city has a bus coming in and out. More people coming into town from the bus is a plus. The

negative side is taking the parking spots away, but the plus is more people coming into Montpelier.

Council Member Weiss asked if they would be doing packages as a part of selling tickets at Rhapsody.

Elysha said maybe but people first.

Mayor Hooper said a local business person who provides a delivery service said he was interested in working with Greyhound to do the package pick up and drop off. She knows that was a thought people had, that they were concerned that City Hall would become the defacto place for this. If Rhapsody chooses not to do this there is a business person who would meet the bus when there was a package and take care of it.

Mayor Hooper closed the public hearing at 9:30 P.M.

Council Member Sheridan said he doesn't like the bus coming downtown personally. Nobody wants to discuss Barre Street even though there is someone there who will sell the tickets. He will change his mind and vote to put the bus stop in front of City Hall just so the Council can move on. He sees it as the best of the worst.

Motion was made by Council Member Sheridan, seconded by Council Member Sherman to approve second reading on the ordinance to locate the bus stop in front of City Hall.

Council Member Jarvis said she wants to make it clear that the Council isn't looking out for a private company. The Council's interest is not about protecting a business that is not local. That is not in anyone's interest. The Council's interest is in trying to figure out what is best for the residents of Montpelier. The revenue and expense which is going to be reported later and one of the things the Council is going to be talking about is how they think the most important thing they can do for the residents to lower tax rates is to do what we can to see that Montpelier grows as a city. When people come to visit Montpelier and when they think about relocating to Montpelier public transportation is something that a lot of people really do consider somewhat seriously for all sorts of reasons, not the least of them being environmental reasons. We as a city and we as a state really pride ourselves on being in the forefront in terms of environmental issues. On that aspect she thinks it is really important for us to really emphasize and put our money where our mouth is and say yes, this is something that's important to us and we are willing to take the aesthetic hit and take the parking hit and put the bus stop in front of our lovely City Hall. She knows there is concern about eliminating parking spaces and how that might inhibit access to City Hall or to city services, and she disagrees with that. We are lucky with the way City Hall is situated that we have parking on three sides, and that is pretty unusual for city halls. There is a lot of parking in the area. If we create a spot in front of City Hall for Greyhound that we also should really consider pulling the GMTA and local buses to this spot as well. That is again putting our money where our mouth is. If we are really concerned about safety, that spot where they are stopping now in front of Shaw's is not safe. There are visibility issues. Those buses could be moved to City Hall, too. Here we are helping people get to City Hall because those are local buses. She is quite persuaded by this petition that was provided to the Council, that if the businesses on the street who really need those parking spots are willing to sign on to this that really speaks volumes to her.

Council Member Weiss said the Council has information that says the loss of three parking spaces will be approximately \$3,600 a year. Therefore, he votes to amend the motion to say we will charge the bus company \$300 a month for the loss of income from the parking meters. Council Member Jarvis seconded the amendment.

Council Member Golonka asked if they could also add an amendment that would sunset the provision so that next December 31<sup>st</sup> this automatically expires and they would have to come back for approval.

City Manager Fraser said his concern is they are making a condition they don't know. We can set a rate, but we haven't negotiated or talked about it. They started to have some discussion with them and then when the site moved the discussion stopped. For example, could we convert the spaces at the Taylor Street site into creating revenue.

Planning & Development Director Hallsmith said when they discussed this with Police Chief Facos he did intend to put meters over where the bus stop is right now on Taylor Street and there are more spaces there. In fact, more revenue could be raised from the permanent spots that can go into the current bus stop on Taylor Street than is currently made in front of City Hall. In terms of it being a cost to the city at least the information she has from Police Chief Facos is that it would be a wash.

Council Member Weiss said this is a corporation that is for profit. Even if we put meters or permits some place else they have an obligation as they do in almost every other community in which they operate to make some cash contribution, and he thinks \$300 a month based upon what we would lose in front of City Hall is fine. If the city makes money on Taylor Street with another project, good, but it does not alleviate in his mind the necessity of charging a for profit corporation a responsibility to pay at least a portion of its share.

Council Member Sheridan said he wasn't concerned about \$3,000. It's a drop in the bucket to our budget. He knows every little bit counts, but let's be real here \$3,000 is not going to make or break this city and it isn't the lost revenue that concerns him at all. The main thing that concerns him is he didn't want the bus in the center of town. He thinks it is a traffic hazard period. His second concern was losing the three spots for access to City Hall. He doesn't want the bus downtown. He wants his motion free of any amendments. If people want to make motions after that, fine, but he put the motion out to vote on having the bus stop in front of City Hall.

Council Member Weiss said with prejudice the motion states that the bus company will pay the city its fair share as a private corporation the amount of \$300 a month.

Mayor Hooper called for a vote on the amendment. The vote was 2-4, motion died.

Council Member Golonka moved that the ordinance amendment would automatically expire on July 1, 2011. Council Member Weiss seconded the motion.

Council Member Golonka said he thinks there needs to be further discussion about this after a reasonable period of time, and this is giving them two years. He thinks that is a reasonable period of time to try this. They say this is temporary, and he agrees to that.

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

Council Member Sheridan said he wanted to thank Morgan for pointing out that this is not true public transportation. This is a private business making a profit.

Mayor Hooper called for a vote on the original motion as amended. The vote was 5-1, with Council Member Weiss voting against the motion.

Mayor Hooper said the Council has passed the second reading of the ordinance with an amendment that there be a condition we revisit this between now and July 2011.

09-212. Request for Council approval of an Application by the City to the US Department of Energy for funding for the Downtown District Energy System through the Recover Act: Community Renewable Energy Deployment Funding Opportunity. VA

Recommendation: Receive overview of the proposed District Energy Grant Application; discussion; approve the submission of the application and associated documents.

Gwen Hallsmith, Director of Planning and Community Development, said she mentioned this grant to the Council the last time they met. It is one of the possibilities that has become available because of the stimulus package, the American Recovery and Adjustment Act. It is quite a significant grant. There is \$22 million dollars available nationwide and they expect to make between one and four awards. The minimum they can apply for is \$5 million and it is very competitive because there are only four grants awarded across the country. There will be several hundred applications for this grant and we would be fortunate to receive the grant. Nonetheless, it is \$5 million subsidy for what is a very difficult project to build economically in this current oil price environment so she thought it was advisable to proceed. Because it is very competitive City Manager Fraser and she met with Jerry Myers who is the Commissioner of the Buildings and General Services for the State of Vermont to talk to him again about combining the city's and state's systems. For us to go forward with an extremely competitive grant like this separate from the state would not be a very competitive proposal. Given the grant guidelines if the city went in with the state and a private partner this would be very competitive application.

Planning and Development Director Hallsmith said they managed to convince Jerry Meyers that was a good idea and have been working with his engineers, Veolia who is our partner and with Burke to prepare the application. It is due September 3<sup>rd</sup>, which is before the Council's next meeting. Like every federal grant application process it is a nightmare to prepare. It is a huge amount of work and they will not have it done until September 2<sup>nd</sup>. She doesn't have the complete grant application with her tonight. She did ask Nancy Wasserman who is working on the grant for us to prepare a concept paper and that is in the Council packets.

Council Member Sheridan inquired if there was a match.

Planning & Development Director Hallsmith said it is easily a 50 percent match. This is for the construction of the plant. The feasibility study they did last year estimated that the cost of the plant for the construction would be somewhere in the \$22 million range. We have been proceeding with that plan without the idea of receiving a federal grant. We expect that the plant will be financed currently with a mix of a revenue bond by the city and commercial paper from Veolia through loans and financing from our private partner. Having the state as a partner also brings the state on as a potential cost share. They are presenting their existing plant in this grant application as part of the match for the program. The existence of this grant doesn't change our plans. It just gives us a \$5 million subsidy towards something we were going to have to pay for all by ourselves otherwise. We are going to ask for \$10 million and let them knock us back to the minimum of \$5 million.

She went on to say that with the state on board one of the obstacles that the state has is that they are a steam facility and the city is talking about building a hot water facility. Ideally,

we should think of a project that meets everybody's needs in an optimum way and try to design it for what is the best of all parties. The best solution for the state is for them to convert to a hot water system because steam is much more difficult to operate and the old steam pipes in some of their historic buildings are now tearing those buildings apart when they break. Unfortunately, it is also very expensive to convert. The conversion alone for the state would be another \$20 million, which is about a quarter of what their annual capital budget is, and that is just for the conversion. That is not for the actual plant expansion.

They have also been working concurrently with our delegation and had a very good meeting with the delegation yesterday to try to have a special program come from Washington for district energy in Vermont because we are not the only city right now that is pursuing this. We are pursuing district energy concurrently with the City of Burlington, the City of Brattleboro, the City of Middlebury and the Town of Randolph. There is a critical mass of communities here that are trying to do this. There are some serious capital shortfalls in all of the communities right now, including this piece at the state for the conversion from steam to hot water. They are hoping with all of the interest in renewable energy in Washington that they might be able to get an additional subsidy from the federal government to help close some of those gaps.

Mayor Hooper said the concept that has been before the City Council all along is for a \$20 million plant that we knew we needed to find some money for, and this is an effort to find half of that cost. We are going to ask for \$10 million.

Council Member Sheridan said if they are going to do it there is no real downside.

Planning & Development Director Hallsmith said it gets a lot of planning money. The fact that we have this very competitive grant to apply for gave them a reason to go and talk to the state again and say perhaps we could get some money if we worked together on this and that seemed to be enough to push them over the hump. We are finally working with the state in a really constructive way. That's worth the effort we are putting in on the grant alone, even if we don't get the grant we have made some very serious progress.

Motion was made by Council Member Sheridan, seconded by Council Member Sherman to authorize city staff to submit the application and associated documents to apply for funding for the Downtown Energy System through the Recovery Act: Community Renewable Energy Deployment Funding Opportunity. The vote was 6-0, motion carried unanimously.

#### 09-213. Update from City Council's Revenue Committee

Council Member Jarvis, Weiss and Hooper made up the City Council's Revenue Committee.

Council Member Jarvis said their charge, as they understood it, was to analyze the city's expense and revenue trends and make recommendations to the Council with an eye toward lowering the property tax burden borne by residential property owners. The report is divided up into two parts. The first part is decreasing expenses and increasing revenues. A copy of the report will be made a part of the record.

Council Member Jarvis reported to the Council that the committee had looked at things that were already going on and didn't really require the committee or the Council to do more on at this point. Ongoing efforts in terms of decreasing city expenses and just lowering the total city budget, and that is clearly an ongoing effort that gets reviewed in earnest every budget cycle. They reviewed refinancing or the consolidation of bonds. When they met with Finance Director Sandy Gallup she made it clear that this is always something she is looking to do and that she has done recently and has saved some significant money.

They had looked at employee benefits and/or wages and she noted that there is an employee led process that is going on that can continue on without Council direction. There is the concept of the regionalization of safety services, and that is ongoing with the Council's input. There were five things that we thought we as a Council should move forward on in terms of decreasing expenses. The first one is the idea of self insuring for property liability. Property liability is an area that is fairly foreseeable and constant and something we can really control with our ongoing maintenance efforts, so this is something the committee felt they should consider seriously.

The second one is a difficult one because it would inevitably be to probably eliminating some city positions, but it is the idea of outsourcing. It is the committee's recommendation that the city hire an outside consultant to do a citywide management study. The object of that would be to look at personnel, duplication or redundancies, separation of functions, and they would also be asked to look at the various departments with an eye towards which functions the departments currently do that could be outsourced. Some of the possible tasks that they had thought of in terms of outsourcing are payroll, accounts receivable, utility billing, tax collection, grant management, parking enforcement or maintenance, cleaning, meeting minute taking, waste water and water treatment plant operations, engineering, project management, and GSI services. She doesn't think any of them have any doubts about what our departments do every year in trying to hold back costs. She thinks everyone really looks at it in earnest, but it is really difficult to ask someone to look at themselves and ask if they are redundant or could my job be done by somebody else for less money. She thinks we owe it to the taxpayers to hire an outsider to come in and look at those costs.

The next recommendation they have is that we form a joint committee with the School Department for purposes of combined bidding, purchasing and looking for other areas that we might be able to combine efforts such as payroll, grounds maintenance, IT, etc. A separate idea that might make sense to talk to the School Department about would whether they would consider joining with us and doing a demographic study to help us predict city populations, school populations, impacts on housing, etc.

The fourth recommendation is the idea of reclassifying, discontinuing or changing to gravel roads, roads that serve few Montpelier residents. She thinks at this point it is clear to Public Works that this is something we want to know more about.

The last recommendation in the expense section is one she talked to Steve Twombly about, which is changing the way we administer the business property tax. Currently, there is quite a lot of paperwork involved for the individual businesses. Steve said when he first started on the job he was shocked to see the amount of paperwork and the amount of time it took Jane to deal with all of these different properties. This was really his idea, and one the committee adopted. Businesses with tangible assets up to a certain amount, i.e., \$50,000, instead of going through an inventory they just pay a flat fee for an exemption. Anyone over the amount would have to go through the paperwork. Of course, the difficulty would be when you have someone around the cutoff line. It seems like it is something that could really save a lot of time and effort for Jane and Steve and also make it easier for local property owners. We might also consider this as a revenue increase, and it could be that we could charge a little bit more because we are making things easier for businesses in a way, but they really put it in as an effort to decrease expenses. If it is a revenue increase, it is probably a very minor one.

The last section of the decreasing expense area is the issue of health care. We have this employee led process going on and they are looking at health care and they want to let that play out and let them do their own investigating and figure out what they would like to do. However, that being said, they feel pretty strongly that at some point we ought to consider

taking on the first layer of health insurance and then self insuring. The idea would be that there is no impact to the employees, but the city would look at the cost differential between what we are paying now for the deductibles versus what we would pay if we raised the deductibles. The difference in cost in what we would pay the insurance company would be what we would keep for ourselves and keep in a pool, and over time we could raise the deductible as the pool grows. Again, this is something they would need an outside consultant for. This is something they thought had a lot of potential but it isn't something we ought to jump on because we want to see what the employees do with their work.

The second part of the report is about increasing revenues and ongoing efforts they talked about in their committee are increasing pilot, encouraging potential growth in the city. They are doing that in ways such as supporting efforts to develop Sabin's Pasture. The biomass project which if it is a co-generation project could possibly be a revenue source for the city, and then the growth center.

The changes they are recommending that the Council agreed to recommend are as follows:

To actively push for growth in Montpelier. They think there is probably a lot more they could be doing as a Council. It is their thought that we ought to direct the Planning Department to make growth the top priority of the department, even at the expense of our records. Really, when we look at the property tax burden that the residential property owners pay the issue is that there are not enough property owners to share the burden and what we need to do is get more residents and more housing in Montpelier, and more commercial business as well.

The second change is to raise our business licensing fees. These have not been changed since 1988. They are quite low and should at least be looked at, if not changed.

To raise fees that are currently paid by businesses that sell alcohol and tobacco.

Raising fees for parades and special events and requiring event sponsors to pay the costs that are incurred by the police and public works.

Having an inventory done on city owned property and considering a sale of any of those properties to the private sector.

Instituting a fee for blighted or hazardous property in the town.

The last section are issues that need further consideration and/or input from the constituents because we couldn't agree on them all.

The idea of instituting a professional services fee, and that is something we might consider when we talk about our business licenses because we don't currently license special services.

Instituting daily fines for zoning violations.

Instituting vacancy fees for downtown properties.

Creating a readiness to serve fee.

Creating a city credit card.

Local options tax.

The last recommendation, regardless of what we do or don't do, is that it really makes sense to take a look at the charter in terms of the expenses and revenues and what could be changed or needs to be updated.

Council Member Sheridan said with regards to the local option taxes and the consideration of a possible service fee he heard on the news today that the state may talk about that in a year or two. They talk about what it would bring in statewide for lawyer services, and it was a huge figure.

Council Member Jarvis said when they started this her assumption was they were going to talk about all kinds of different things and come back to the Council and say we want local options taxes. She is sort of disappointed in herself that she is not ready to say that. It raises less money, and it is certainly not a panacea. She certainly worries about residential property owners, but she also worries about her commercial property owners and businesses in town. Quite a few are struggling. She doesn't really think instituting local options taxes would push any business over the edge, but it hurts our reputation in Montpelier. She really strongly believes that the most important thing we can do is promote growth in the city and a local options tax would really inhibit commercial growth.

Council Member Hooper said Sarah has done a tremendous job summarizing the committee's work. It was a very interesting process.

Council Member Sherman thanked the committee for their report. We have been here before, but it has never been quite so succinct, clear and had such strong participation and agreement. With regard to the health care proposal when they talk about self insurance and creating a pool, are you talking about something like health savings accounts?

Council Member Jarvis replied no.

Council Member Sherman said it would be a way to consolidate, reorganize and bring that down. That sounds really important.

Council Member Hooper said it would be kind of like one big HSA for the whole family. Everyone has a high deductible but they don't know it because the city is paying it from the money we saved in the cost of the health care insurance.

Council Member Golonka said they are only really insuring for major medical and emergency. The city is paying the day to day costs.

Council Member Jarvis said they didn't go into this trying to look at health care. They had this meeting with this incredibly knowledgeable and interesting person who knows all about insurance. General liability, he said basically don't touch it. Property liability we should do it. But the meat of this issue is to talk about health care. It really wasn't their intention to step on anybody's toes in terms of the employee process, but they were excited about this and wanted to share it with the Council.

Council Member Sherman said the growth of housing always comes up. We have so many buildings downtown that have vacant upper floors and it would be wonderful to make progress on that as well as Sabin's Pasture and somehow bring the school population up.

Council Member Sheridan said when they are talking about reviewing the city charter are they recommending the Council do it as a whole or another committee created for that?

Council Member Jarvis said it would probably have to be a committee she would imagine because it would be too cumbersome a process for the whole Council to do. They might be

able to put some of the less thorny issues on the agenda right away, such as the business license fees.

Council Member Golonka moved that the Council accept the report and direct staff to review the report, prioritize and come back with recommendations. The motion was seconded by Council Member Sherman.

Council Member Jarvis said the only concern they have as a committee is they don't necessarily want to give this job away but want to continue to own it. For instance, the issue of outsourcing is one that will naturally be repellant to city staff.

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

09-218. Carr Lot Update. *(possible voting action)*

DuBois & King staff will be providing Council with a memorandum/cost update.

Information about the environmental issues, costs and plans is now becoming very clear; EPA approved a corrective action plan, as well, which gives staff a much better handle on the next steps.

Recommendation: Receive, review and discuss the cost update; possible Executive Session in accordance with Title I, Section 313, Subsection (a) for the purpose of discussing a real estate acquisition.

City Manager Fraser said as we have talked about the Carr Lot over the years the Council has asked various questions and wanted updates. We have had the big unknown environmental reviews, requirements, costs, testing and that has finally reached finality. We have a cost estimate and it has been approved for a plan. One of the things the Council has been concerned about is the costs and what the project would cost in today's numbers. We retained Jeff Tucker from DuBois & King as Project Manager two or three years ago. The goal tonight is trying to address some of the questions that have been hanging out there for a long time and make sure we are ready to proceed because the next step is property acquisition.

Planning & Development Director Hallsmith said she is going to turn the meeting over to Jeff Tucker, but she wanted to make sure that the memo he prepared was in the packets.

Jeff Tucker said as Bill Fraser said, one of their early charges on this project was to go through and update some of the project costs that they have been developed over the past few years. The environmental assessment report that was prepared for the city back in 2005, some updated numbers from the City Manager's Office prepared in 2006, and here in 2009 this is still an economically viable project. He is going to provide the Council some specifics on that. They have summarized where they are to date and he wants to briefly go over this with the Council.

First of all, on the status of the cleanup, Bill Fraser, Gwen and he had met with representatives from the Regional Planning Commission and their consultant who had finalized a cleanup plan for the PCBs around the site. Two weeks ago they told us they had finally received approval from the EPA for the cleanup plan for the PCBs and they had prior approval of the cap from the State of Vermont Brownfields Restoration Program. Mr. Carr has all of the regulatory approvals he needs to move forward to clean up the site for use as an asphalt parking lot. One of the key things in the clean up plan is that it would also be

suitable for use as a higher occupancy such as a multi-modal transit welcome center. They have estimated the cost to clean up the site to be around \$300,000 with a caveat of approximately another \$100,000 to upgrade that for creation of a green space and the confluence park. The budget number they are looking at for the overall confluences is approximately \$400,000. They have not spoken with Mr. Carr so they don't know what his plans are for moving forward, but that is the update they received a couple weeks ago. That was a very important milestone.

Mr. Tucker went on to say they did confirm what the intended use of that parcel might be for the city for the use as a multi-modal transit welcoming facility. There was earlier discussion about whether some of the upper floors might be residential housing or perhaps office space. That makes a big difference in terms of the cleanup costs because if people are living there 24/7 it is different than if they are just coming for the day. That has been confirmed, that it would not be residential use and the upper floors would be some type of office space.

Jumping into project costs, he has provided some background on page 2. He just wanted to provide a comparison with some of the costs they have seen over the past few years. If you look at the bottom of the table you can see what they refer to as the present worth for bringing everything to today's dollars and it ranges anywhere from \$10,500,000 to \$11,500,000. He has tried to be conservative on the number of hours.

There are assumptions in there for the appraised value of acquiring the land. There is cleaned up and ready to use versus not. He believes the appraisal process is under way.

Mr. Tucker went on to say that while updating the costs, they conclude that the costs seem to be very consistent with the prior work that has been done. There were no surprises there. They then looked at potential project revenue. That is discussed at the bottom of page 3 and a little bit more on table 2. There are a number of different ways to recognize revenue. In this scenario they looked at the rental lease space of the ground floor which would be the transit lines, some retail and a visitor center. One of the key assumptions they made is the upper floors. The upper floors would be sold. That would be deferring or offsetting much of the cost for construction, but there would be no leasing revenue coming in. Then, there would be some dedicated parking spaces. There was a conceptual site plan that was prepared that showed the transit center building, confluence park with the bike path going through it and also showed 23 parking spaces. That was dedicated parking for Class A type office space. One could realistically see \$90 to \$100 a month of revenue for those spaces. We could probably use more parking space than that. That would generate just under \$60,000.

They did not include in this table the cost of a bond. If you may recall, back in 2002 the voters approved an \$800,000 bond, and we were assuming a 20-year 5 percent average on that, it would have meant a annual cost of between \$75,000 and \$80,000. That is not in this particular plan. They weren't sure how that would be applied, whether it should be tasked with paying that out of this project or if the bond would be paid for under general funds. One of the driving revenues for this project is the additional parking spaces, so the scenario was based upon how many more spaces would we need to put in the project to be able to cover the full cost of that.

They have also looked at the retaining wall and have that as a separate line item in the cost. The wall is old granite block; it's moving around; it's not going to last forever so there are going to be some costs associated with its repair and/or replacement. He has come up with an estimate of approximately \$400,000 to make needed repairs there.

Council Member Weiss asked Mr. Tucker if the \$100,000 assumes that all of the land upon which the wall is built is clean. Or, is there a possibility that some of that land is also contaminated?

Mr. Tucker said they discussed that very issue with the consulting engineer who has done the cleanup plan. There certainly is the potential they could encounter contaminated soils as they excavate to put in a new wall, and part of that \$100,000 would cover that.

Another important issue at play is the FONSI (the finding of no significant impact). There are two federal entities associated with this, the Federal Transit Administration and the Federal Highway Administration. They all have their process for doing things, and the bottom line is the FTA has approved their FONSI quite awhile ago. FHA has not. To be eligible to receive their funding we need them to issue that finding. The reason they have not is because they haven't seen enough information.

Mr. Tucker said he took a look at the schedule. It is his opinion that should the city elect to proceed there really should be no reason why we couldn't have occupancy by the end of 2011, a little over 2 ½ years from now. There is a lot of work obviously to be done. That would provide approximately a year to deal with the permitting, engineering, right-of-way acquisition and that would get you started with construction.

In summary, it's a great project. It certainly appears to remain viable. As he starts to get his arms around this project and speaking direct with people from Senator Leahy's Office all of the response he has received is that it sounds great and they are looking forward to it. They are glad to see this thing moving forward. There is much strong support at those different levels for the project.

Council Member Weiss said in Mr. Tucker's schedule it says design a contract, plan and preparation for November of this year. Is the assumption that the city will have that property free and clear at that time or the property will be developed privately? He had to have some factor he used to come up with November and he would like to know what that is.

Mr. Tucker said there is a certain amount of planned development process that goes forward prior to property acquisition and right-of-way acquisition. You develop preliminary plans and make sure all of the permitting issues are worked through. With those preliminary plans in place the federal process says you can move forward with the right-of-way. He has assumed approximately four to six months from the start time of September or October of this year to be able to advance the engineering plan and development process to deal with some of these issues and then another six months for right-of-way acquisition resulting in about a year to begin to advertise the project for construction. It's an aggressive step.

Planning & Development Director Hallsmith said they also prepared scenarios which the Council might like to see. It breaks it down into three possible paths. One is no upper floor construction and how the costs would work out. Another is upper floor construction that they sell. Thirdly is upper floor construction that the city rents. Interestingly enough, they all came out similar. You will notice in the scenarios he has adjusted the number of parking spaces that would be developed on the property to accommodate that so that some of the scenarios are made possible with more parking spaces developed.

City Manager Fraser said when they talked about how to cover the bond costs they can do that by putting more parking spaces in. He thinks they all agree those are marketable parking spaces. It depends on whether they want to make their commitment to some portion of it being open space or green space that is the bounds of how much parking we

have. The Council would have to make some policy decisions.

Mr. Tucker said as an engineer he is looking for equations. One of the key reasons is on Friday he is speaking with people from Senator Leahy's Office and the message he received is we should use all of the federal earmarked funds available. Some of the earlier estimates had left some of that money on the table. He has looked at different ways that would maximize the expense share of those federal funds and it has resulted positively for the city in terms of reducing the city's costs.

Scenario one is where the upper three floors are sold. Notwithstanding some potential tax revenue there is no lease revenue associated with those. The upper half of these pages is talking about potential revenue sources. The first page says that total estimated annual revenue is \$85,940. Under number 3 where it says dedicated parking he had 23 parking spaces, which was part of the original concept plan, and the variable would be how many additional spaces would be required to cover the costs including the cost of the bond. In this case it would be about another 23, so you would need upwards to 50 parking spaces under this particular scenario. The total cost is \$11.8 million, which is a little different from the earlier version. When you subtract out the different shares the total city cost is about \$755,000. Since that would fall within the \$800,000 bond that was approved back in 2002 there would be no additional financing required. The dedicated parking spaces would still be owned by the city and the people on the upper three floors would be paying a monthly fee to the City of Montpelier for those parking spots. He was attempting to get to a cost neutral scenario, that is your total revenue subtracted the total costs is essentially zero; in this case it is about \$463.

If you go to scenario two, one of the upper floors would be rented and the other two would be sold like condos. How might those numbers play out? If you come down to dedicated parking, in order to cover that additional cost we need to get 62 parking spaces. The federal government won't cost share in the upper floors. Under scenario one where all three floors are sold there is no cost on that to the city because presumably the people buying them will cover all of the costs. If you are renting one of the floors, then there is a cost for that and your share goes up accordingly and you will get some of that back in the lease, which they assumed at \$14 per square foot.

Lastly, under scenario three, what if there were no upper floors constructed? What if this was strictly the transit center, one story building then the costs come down pretty significantly. In this case you are paying 100 percent of the annual operations and maintenance costs. It makes more sense to build a multi-story building.

Council Member Weiss said he wasn't clear about scenario three. If only the first floor is occupied are we renting that to somebody?

Mr. Tucker replied yes. The top of the sheet is the ground floor leased space, and he assumes that is consistent throughout all of the scenarios and the city would be leasing about half of that space.

Mayor Hooper said in his assumptions about the leased rates for the Class A office space her thought is that Class A office space usually has parking associated with it and here we would be charging an additional amount.

Mr. Tucker said they have talked with Redstone Property Management who is familiar with that in Burlington and he said they pay per square foot for lease of their space and they pay additional for the dedicated parking space. The \$12 to \$16 per square foot would be reflective of that plus the additional revenue.

Mayor Hooper inquired what their zoning required. If we build 15,000 square feet of office space, how many parking spaces would we be required to build?

Planning & Development Director Hallsmith said it is in the CB-I District so there are waivers in that district for parking.

Mayor Hooper said her guess is they would need more parking.

Mr. Tucker said to have a viable Class A office space most people would want parking to go along with it, so the number they have suggested is 50 to 60 which would include some for users of the transit center itself as well as another 40 or so for people owning or leasing the upper floors. Sixty will fit on the site. The 23 parking space number is part of the concept plan that maintains approximately 45% of open green space, if you triple that number of parking it is going to come at that expense. There is a lot one can do with parking spaces on the weekends for a lot of different types of uses. The bike path still fits there. They aren't counting that as green space.

Council Member Weiss said on page 4, table 2, leased area is the square footage of this building approximately 2,200 feet?

Mr. Tucker replied the square footage is 5,000 square feet, so that would be 5,000 square feet per floor. They are not showing 5,000 square feet of leased space on the ground floor. Some of that would not be available to lease, and about half of it would be dedicated.

Planning & Development Director Hallsmith said in answer to the question about the parking requirements, approximately 33 of 35 would be required based on the office square footage in CB-I, but the Development Review Board may increase or decrease the standards if they deem it appropriate. For example, if a state occupant were in those upper floors, then there is parking the state owns right across the street and that wouldn't necessarily require them to develop all of that new parking for that office space. She doesn't think the zoning is going to drive the parking away.

Council Member Sherman said they saw some drawings of what this might look like a year ago. Are they still viable in this plan?

Mr. Tucker said the plan he has been working on is the conceptual plan. This has approximately 45% green space with a confluence park with 23 parking spaces. If you advance something with more than 23 parking spaces it is going to start to look differently.

Council Member Hooper asked if he knew how much long term parking is appropriate for a transit center for its customer usage.

Mr. Tucker said he didn't know. This plan had three bus parking spaces. You pull into the lot in front of the building and right on Taylor Street there was room for a bus to pull in and off.

City Manager Fraser said assuming that the numbers represent that the project is a "go" then site acquisition becomes the next critical piece. What we need to do first is to get an appraisal. Because there are two different federal transit and highway agencies with different acquisition rules, the key one is the federal transit will absolutely not spend federal money on buying a site that is contaminated. Even if we are successful in obtaining Brownfields funding to clean it up they are not going to allow the city to buy the property and clean it ourselves which means we would have to structure a deal with a potentially not friendly seller where he cleaned it and we bought it. The city is hoping we can show that we have the wherewithal to do the clean up. We need to sit down with both agencies together

and come up with an acquisition plan that is acceptable to them that meets all of their criteria so we are able to use their funding, or else make the decision that we are just going to buy the land with our own money and figure out how to pay us back. Then, we can get into the details of what offer we can make and what legal steps we need to take. They found out today that we need to get it straight with the federal agencies first before we can buy the land.

Planning & Development Director Hallsmith said they did an appraisal a couple of years ago when we were thinking about moving forward with the project. Now we have to redo it and it is an additional cost, because they won't accept that appraisal any longer. There is a review of the appraisal that has to be done by all of the people who are certified federal commercial appraisers which will take a month or so.

Council Member Sherman asked Gwen Hallsmith when they did the appraisal would they take into account the clean up costs.

Planning & Development Director Hallsmith said the appraisal the city is required to get for the FTA is an appraisal of the clean site. Again, this is because of this requirement that they won't buy contaminated property. That is the number we get and then it is up to the city to subtract the cleanup costs, which are estimated between \$300,000 and \$400,000 and the retaining wall repair which is another \$400,000.

City Manager Fraser said when they have done prior appraisals on the site, and we've done two now, it was with the assumption that it had contained no contaminants and was ready to build on.

Council Member Jarvis said this certainly is appealing to buy a clean site. She has a lot of faith in the testing that was done, but you never know until you start digging.

Planning & Development Director Hallsmith said she did not want to mislead them on the condition of that site once the cleanup is done. This site will never be a clean site. There will be significant amounts of lead in the soil after it is done. As she understands how the cleanup will work they will go through this process where they will bind the lead to the soil and store it on site and ship the PCBs off site.

Mayor Hooper said the city is protected from the liability for the contamination.

City Manager Fraser said sorting through the issues of what they have come to understand is that is one of the concerns of the present owner that he may have some future liability. Some of his reluctance to sell is by hanging on to the asset he is protecting himself against that future cost.

Mayor Hooper said they don't need to make any decision this evening in order for everyone to continue with their work.

City Manager Fraser said they are going to rapidly move into the next phase of the project so this is really a last chance to make changes.

09-214. Report by City Council:

Council Member Weiss asked if they do an exit interview on people who have resigned and have serve on commissions, committees and boards.

City Manager Fraser said he didn't know if they called it an exit interview but they do try to

find out what is going on and they are often apologetic.

Council Member Sheridan reported that September 3<sup>rd</sup> is the first disability meeting. The reason it has taken so long is because they only had five people and one dropped out immediately. One was gone the entire months of July and August and he didn't want to have their first meeting with one missing. The meeting is at 1:00 P.M. in the City Manager's Conference Room. He attended the Barre City Council meeting on tasers. There were four cops, one citizen and himself attending, and the citizen wasn't even from Barre. He got to see a demonstration. They reviewed their policy of what they are going to have. They were approved last night and they are carrying them right now. We have a chance to see how they work with Barre. He brought their policy back to give to Police Chief Facos.

Council Member Jarvis said she has received more complaints about the closing date of the pool than any other city issue and she would love to know the answer as to why it closes as early as it does. The staffing is her guess, but a lot of people didn't buy it.

Mayor Hooper said that would be a School Board issue.

Council Member Hooper said he is very excited about the citizens' survey.

09-215.

Mayor's Report:

At Shaw's Grand Opening she thought it was nice that Council Members Weiss, Sherman and Sheridan showed up. She wants to say a particular thank you to Council Member Jarvis who she called a month ago when they didn't have a quorum at a BCA meeting and she was feeding her children and she was just generally thinking how much time all of our members put in. Your dedication is remarkable. Thank each and every one of you for the work you do for the city.

Planning & Development Director Hallsmith mentioned the meeting planned with the folks around the state with district energy issues. She thinks that is exciting. The enthusiasm that Vermont could be a leader with this whole issue as we move forward with the District Energy Plan. If we are successful we are obviously going to be tearing up lots of things as we are connecting businesses and residential properties to the system. It's a wonderful opportunity to do some other infrastructure work. That might also be an opportunity to expand some on-street parking.

Mayor Hooper said John Snell is interested in energy issues and is a member of our Energy Team. He is asking for the Council to continue pressing ahead not just what the community is doing about energy conservation but what we can do with our own city properties. One of his real concerns is the amount of energy we use to remove snow from the apron in front of the Fire Department. She finally got John's point when he said that was the equivalent of having a window that big opened in your house; that is what you are heating. Let's renew our efforts with dealing with these energy costs.

When we do the discussions on the Carr Lot there are a lot of folks in the community who have this vision of a gorgeous park and we need to keep them informed of what is going to happen.

09-216.

Report by the City Clerk-Treasurer:

City Clerk & Treasurer Hoyt had nothing to report.

09-217.

Status Reports by the City Manager

City Manager Fraser reported that two more Maine communities have just taken on tasers, including the City of Portland. There was an interesting article in the paper they had an encounter with a guy who was hearing impaired. He was getting rough with people so the sergeant on duty wrote him a note saying he was carrying a taser and the guy put his hands up.

The Westboro Baptist Church, who is a particularly nasty protest group who were here in Montpelier in 2000 and are returning on September 1<sup>st</sup>, which is the day the Civil Marriage Law takes effect in Vermont. They say they are going to be at Montpelier High School at 7:20 A.M., which is when the kids arrive and then here at City Hall at the Clerk's Office by 8:30 A.M. The city is in contact with the schools and working out a plan and Mark Moody has been involved. The City staff is totally on top of it. He would urge people to realize how disgusting these folks are and to use good judgment as to how this is handled.

On a far less controversial note his office received a letter about Bliss Road and Murray Road about converting roads to gravel. He thinks they have already reached the conclusion that they need to do Bliss Road right now or sometime in the near future. Tom McArdle, Assistant Public Works Director is ready to go. One of the questions is whether we want to put it on an agenda to at least notify the residents and give them the opportunity to come and talk. There are only four or five city residents on that road. It is in such bad deterioration that the gravel will be better.

Council Member Weiss said he read in the paper there is going to be a 45-foot bus in front of the bookstore on Friday. They are going to bring in a CNN bus and do interviews in the bookstore.

Planning & Development Director Hallsmith said she has two quick updates. The growth center application is in its final stage of being reviewed by the state and it will be going before the Downtown Board on September 28<sup>th</sup>. She has until next Wednesday to get final comments and answer some more questions on the application. She doesn't think they have had a letter from the City Council with a strong endorsement. They voted to submit the application, but it might not be a bad idea at this point given that there is some opposition to it.

Planning & Development Director Hallsmith said she sent a meeting wizard notice around to all of the Council Members about when to schedule the prioritization meeting for the stakeholders in the enVision Montpelier process, and that meeting has been set for September 30<sup>th</sup>. They would like to hear their comments. It is going to be a meeting where people get together and talk about what the top priorities for the next 30 to 100 years will be.

#### Agenda Reports by the City Manager:

- 09-219. Executive Session in accordance with Title I, Section 313, Subsection (a) for the purpose of discussing a personnel issue (civil rights complaint).

After motion duly made and seconded by Council Members Sheridan and Sherman, the council went into executive session at 11:29 P.M., in accordance with Title I, Section 313, Subsection (a) to discuss a personnel issue (civil rights complaint) the vote was 6-0, motion carried unanimously.

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

After motion duly made and seconded by Council Member Sheridan and Sherman, the Council Members came out of executive session, in accordance with Title I, Section 313, Subsection (a) whereby they had discussed an personnel issue (civil rights complaint). The vote was 6-0, motion carried unanimously.

Adjournment:

After proper motion the council meeting was adjourned.

Transcribed by Joan Clack

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