

**Minutes of the Montpelier City Council Meeting
December 12, 2012
City Council Chambers, Montpelier City Hall**

In attendance: Mayor John Hollar (presiding), City Manager Bill Fraser, City Councilors Thierry Guerlain, Andy Hooper, Alan Weiss, Angela Timpone, Anne Watson, and Tom Golonka. City Clerk John Odum acted as Secretary of the Meeting.

The meeting was called to order by Mayor Hollar at 6:30 PM.

12-297. The City Clerk asked that the consent agenda include the 1st class liquor license application from the new sushi restaurant moving into the old Chittenden Bank building on State and Elm.

Councilor Guerlain ask that item (c) be removed for discussion

Councilor Weiss moved for approval of the consent agenda with the amendments. Councilor Watson seconded. Unanimously approved at 6:32 PM.

Councilor Guerlain asked for clarification on the timing of the auditor approval letter (consent agenda item (c)). Councilor Guerlain then moved its approval. Councilor Hooper seconded. The motion passed unanimously at 6:33.

12-299. Library Director Richard Bidnick briefed the Council on the library's budget proposal, to ask that it be put directly on the City Meeting ballot (by the Council) without collecting signatures.

Councilor Golonka expressed concern about the library's multi-town funding formula, which Director Bidnick had suggested was inadequate. Golonka asked about the possibility of a more per capita, usage-based buy-in from neighboring towns. The Director replied in part that the reality that Kellogg-Hubbard was in Montpelier meant funding would always be disproportionately impactful to Montpelier taxpayers, from a per capita usage standpoint.

Bidnick indicated that specific usage rates were now being tracked, and they had only been that specifically tracked in the new system since October, so comprehensive data was incomplete.

At questioning from the Mayor and Councilor Hooper, Director Bidnick indicated the Montpelier usage represented approximately 58% of the total usage, based on current measurables.

Councilor Timpone expressed concerns that the library budget was going up while the city was looking to level fund. Director Bidnick reminded the Council that the library had been level funded for the last 5 years. He did indicate that the library is planning to be open on Sundays soon, creating an increased service to the community.

Councilor Guerlain clarified the budget increase being asked for by the library, and Councilor Weiss asked why the exercise of coming before the Council mattered if the request was just going on the ballot regardless. Director Bidnick indicated he was hoping the Council would put it on the ballot themselves, so library resources could focus on ballot access in the other participating towns.

Director Bidnick further expressed concerns that the library's endowment could be impacted without the budget increase, which would in turn effect the amount the library can contribute to future budgets before going to the voters for additional support.

Councilor Guerlain noted that the library's planned funding request in Berlin amounted to an increase of 114%, and Director Bidnick indicated that he would make that pitch personally before that town's voters.

Councilor Watson asked about budgets beyond FY14. He reviewed steps being taken to minimize costs, such as outsourcing cataloging.

Councilor Timpone asked if there were opportunities to broaden participation from different towns. A brief discussion followed of the non-resident fees, the restrictions put on that pricing from the state, and whether those restrictions can be changed.

Councilor Golonka asked if the library wouldn't benefit financially if it stuck to the allowable per user fee for non-residents, rather than opt for the relatively small ballot buy-ins which are usually approved. Director Bidnick indicated that may be the case, but he was hesitant to draw any conclusions about how overall participation could be affected – and therefore overall income. Bidnick indicated that such a change would constitute a tremendous budgetary risk that would have to be accounted for in planning, resulting in scaled-down services.

Director Bidnick indicated he would not accept lower buy-ins from the neighboring towns than the requested amounts, as he believes it wouldn't be fair to Montpelier citizens.

Councilor Weiss advised that Director will need authorization at Berlin's town meeting to speak.

Councilor Guerlain spoke as the Council's representative on the library board, and indicated his support of the library, praising its efficiency. He detailed many of their improvements.

Mayor Hollar expressed concerns that the library was asking for an increase when the current city level-funding approach was working towards a goal that would be threatened by increasing the funding. He noted the other nonprofit ballot items had been level funded, and that this could open up the floodgates for more of such requests and expectations. He suggested that the Council

agree to put them on the ballot at the same request rate as last year, and if they want their full current request, that they should petition.

Councilor Weiss was concerned that any waiver of the petition requirement would set a bad precedent. Councilor Golonka concurred, but also indicated he would support waiving the requirement for a level budget request.

The Council took no action, and Director Bidnick left with the understanding that he would need to work through the ballot petition process.

- 12-300. The City Manager presented the proposed FY14 budget through a power point presentation, reviewing the goals of the process and the direction from the Council and proceeding to the specifics of the proposal.

At 7:26, Councilor Watson left the meeting. Councilor Timpone indicated she was not feeling well.

- 12-298. The Council paused on the budget conversation to discussions to allow for a return to item 4. Mia Moore discussed the activities of the Central Vermont Solid Waste Management District, including a new recycling station in Barre, the expanding “zero-waste schools program” which has collected food scraps from the schools and is expanding its activities, and others. She made special note of the reduction in per capita fees to towns. Moore then briefed the city on the work surrounding Act 148 implementation.

Councilor Weiss asked about the districts relationship with commercial waste haulers. Moore indicated they were working to expand that relationship. Weiss noted that the haulers do not communicate with the City Council, and that this will be necessary in regards to Act 148.

Mayor Hollar asked about implications of the possible closing of the Moretown landfill. Moore indicated she wasn’t certain, but would follow up with the Council with answers.

Councilor Guerlain praised Sweden’s handling of waste, suggesting we had a long way to go to reach that standard.

- 12-298. The Council returned to the discussion of the FY14 budget at 7:41 PM. Mayor Hollar asked the City Manager to highlight significant changes in the budget. Fraser referred to notations in the report.

Mayor Hollar questioned the City Manager about the extent to which longer-term planning (beyond this fiscal year) entered into crafting the FY14 proposal. He specifically asked about the implications of the Assistant City Manager position.

Councilor Hooper asked about the overtime implications of the proposed staff reductions. Fraser discussed the scheduling and overtime changes that are accounting for this.

Councilor Weiss asked if some of the financial benefits of the personnel reductions would be seen prior to the July 1st start of the fiscal year, and Fraser indicated that they have begun in some cases.

Councilor Guerlain had several questions looking for clarifications on budgetary numbers from the current fiscal year. At Councilor Golonka's request, Finance Director Sandy Gallup and the City Manager highlighted some of the budgetary documents. Golonka made a point of expressing his opinion that the 15% debt ceiling laid out in the policy was not ideal, and that the city should aspire for 8%. A discussion of the debt policy and debt projections (including the pension fund) followed.

Councilor Weiss suggested the elimination of unspecified "sacred cows" in the budget to achieve savings.

Councilor Golonka suggested looking into solutions such as outsourcing technology and police communications, but also assessing city assets that could be liquidated. Finance Director Gallup noted that the police communications included income that partially offset the expenditures.

Councilor Guerlain returned to the discussion of debt, challenging the City Managers characterization of the Council's decisions on sidewalk repair bonding and suggesting he had not adequately briefed the Council on non-bonding options. The City Manager replied that four specific proposals were put forward and the Councils recounted some of the comments at that time. Guerlain clarified that he thought the Council should revisit the discussion and take a serious look at proceeding with the maintenance within the budget over the coming years.

Councilor Weiss advised the Council to be cognizant of upcoming school bonding requests, especially in the context of potential statewide property tax increases.

Mayor Hollar identified the requested Senior Center increase (especially in the context of the broader, ongoing regional services discussion) as anomalous. The City Manager characterized the increases as symptomatic of the Senior Center's organizational transitions. Senior Center Janna Clar addressed the Council on the matter.

Clar indicated that the increased charges to non-residents (in accordance with the Council's preferences) have driven down overall revenues. The Senior Center is hoping to use greater resources to pursue more revenue directly from towns. Clar reviewed a typical day at the Center, encouraged Councilors to stop and visit, suggesting that they may not fully appreciate the level of activities.

She also indicated that the Center hoped to purchase a more specialized database system.

Councilor Timpone asked if the Senior Center had talked about resource sharing with the Recreation Center. Clar indicated they had not. Clar was dubious about the prospects, while Mayor Hollar thought it was something that could be investigated immediately under the current organizational structure. Mayor Hollar also indicated to Clar that he did not agree with the justification for the increased \$40,000 funding request, and asked more questions about the need for increased staffing.

Councilor Guerlain expressed the opinion that not every department may need to cut, and that since the Senior Center serves so many citizens, a Center budget increase that amounts to a small fraction of the overall budget may be appropriate.

At Councilor Timpone's request, Clar reviewed the Center's food service operations and anticipated changes in coming months.

Councilor Weiss advised Clar to coordinate efforts to encourage greater contributions from neighboring towns with other city services that are doing the same, such as the library.

Elizabeth Dodge (Senior Center board member) reminded the Council that the Center used to be under the Recreation Department (within the School budget), and that the City Council had brought it under the city budget.

Councilor Golonka had clarifying questions for Finance Director Sandy Gallup on the equipment revenue projections, Justice Center grant expectations, and ambulance call charges.

Gallup noted that the circulator bus supporters had inquired as to whether or not they would need to collect signatures for a city ballot line. The Council felt it would be appropriate for them to make a presentation to the Council.

At 9:29, Councilor Weiss moved that the Council state that circulator bus supporters will need to petition to receive the \$40,000 they need to operate. Golonka seconded. Councilor Timpone felt that no vote should be held until supporters have a chance to make their case. At 9:33, the motion failed with a 3-2 vote in favor (Golonka, Hooper and Weiss in favor, Guerlain and Timpone in opposition), as the 3 votes in favor did not constitute a majority of the full Council.

Councilor Guerlain asked for clarification on the impact to the projected tax rate if separate ballot funding items pass, and on comparisons with FY13's tax rate increase.

12-301. Councilor Hooper noted the Montpelier Alive holiday party tomorrow night.

12-302. The mayor reported there was a lot of interest in the bicycle advisory committee, and asked for the Council's explicit support of the committee.

At Councilor Weiss's suggestion, the Mayor indicated he would return to the committee to develop a specific charge that they could be accountable to.

12-303 The City Clerk noted that a Board of Abatement meeting was scheduled for December 20th at 5:30 in the council chambers. Finance Director Gallup reminded the Council that water and sewer payments were due Monday

Councilor Hooper asked the City Clerk about the progress of the licensing ordinance overhaul. The City Clerk indicated it was nearly complete.

12-304. At Councilor Weiss's reminder, he, Mayor Hollar and Councilor Golonka agreed to work on an evaluation process for the City Manager.

City Manager Fraser reflected on the difficult process of crafting the FY14 budget.

The Mayor asked the Council to what extent they wanted to hear from individual departments during the coming budget deliberations, and whether department heads needed to attend every meeting (as they were in attendance for this meeting). Councilor Guerlain questioned whether a testimonial process would create an inappropriate adversarial dynamic.

Councilor Timpone and City Manager Fraser noted that there may be questions, and that they may need to be available. The Mayor conceded the point.

Councilor Weiss indicated he would advocate eliminating funding for Montpelier Alive and the Police Department's School Resource Officer.

Councilor Guerlain moved that the meeting be adjourned. Councilor Hooper seconded. The motion passed unanimously at 9:50.