

**Minutes of the Montpelier City Council Meeting
March 14, 2012
City Council Chambers, Montpelier City Hall**

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

- 12-067. At 7:00 PM, Mayor Hollar called the meeting to order.
- 12-068. At 7:02 PM, the City Clerk swore in Council Members Weiss and Hooper to new terms.
- 12-069. At 7:03, the Mayor opened the nomination of Council officers. Councilor Jarvis moved that Tom Golonka be elected as president, Angela Timpone as Vice President, and Andy Hooper as parliamentarian. Councilor Weiss seconded. The motion was passed unanimously by voice vote.
- 12-074. At 7:06, the Council moved ahead on the agenda to Item 8 (General Business).
- State Representative Mary Hooper announced that she and State Representative Warren Kitzmiller were available to discuss the possibility of bringing state employees formerly housed in Waterbury's State Office Complex to Montpelier.
- Otto Kinzel submitted a petition signed by 40 residents near Hubbard Park (Hubbard Park Drive area) regarding the condition of roads in the neighborhood, asking the city to move the dates of repairing roads in the area up. He also voiced frustration that emails were not making it to Councilors. Sandy McManus spoke in support of the petition.
- 12-076. At 7:10, the Mayor asked the Council for freedom to move the meeting at his own pace and direction on the agenda. There were no objections.
- 12-077. At 7:11, the Mayor announced the Council would take up item 11 (District Energy). City Manager Fraser and Councilor Weiss noted the absence of the Energy Committee Chair.
- 12-074. Mayor Hollar turned instead to the issue of displaced state employees.
- Discussion followed. The Mayor, City Manager and Council were joined in the discussion by Rep. Hooper. City Manager Fraser noted the four options in a state report, which included the possibility of the Department of Labor building as a relocation site. Issues raised included flooding potential at and around the DOL building, concern over the appearance of profiting over Waterbury's struggles, the potential for enhanced PILOT payments, Barre City's effort to site 120 Department of Education workers, the longstanding issue of inadequate space for DOE employees at 120 State Street (and the increasing unlikelihood of realizing previously

discussed plans to renovate the building), and proposals to relocate 340 Agency of Natural Resources employees to the National Life building. Planning and Community Development Director Gwendolyn Hallsmith spoke basically to the implications of state development in the flood plain.

At 7:26, Councilor Weiss moved that the council “direct city staff to prepare a letter to the governor regarding our enthusiasm for their location in Montpelier, and how the site is appropriate, and that the timing is good because we’re engaging in this rezoning process.” Councilor Jarvis seconded. The motion was unanimously approved.

12-075. At 7:28 Councilor Guerlain moved that the consent agenda be accepted, including approval of minutes from previous meeting, renewal of tobacco and liquor licenses (included as addendum to minutes), and approval of catering permit requests, all as indicated in the agenda. Councilor Golonka noticed a technical typo in the list of licensees which was corrected, then noted he would recuse himself from voting due to a conflict of interest. Councilor Jarvis seconded the motion which passed unanimously.

12-077. At 7:32, City Manager Fraser noted that the Energy Committee Chair was in attendance. Mayor Hollar then returned to item 11, the District Heat project. The City Manager noted the projected cost overruns, and elaborated on the options he presented with the agenda. He noted that combining two approaches – cutting out the High School from the system, and bringing in commitments from private property owners to participate – would cover the shortfall. He noted this would deviate substantially from the plan as originally presented to the public.

Discussion followed. Key points included discussions on possible downtown partners (such as the Federal Building), whether the high school could be added later, and the fact that dropping Union Elementary school would not net any savings on the project. The City Manager clarified that the city had reached into grants for the project, but not bonds.

He noted that mid-April would be the point when the State would commit money to the project, and obligate the city financially – although that obligation could be deferred an extra year. The City Manager recommended the combined approach to address the shortfall.

Further discussion included concerns over the legality of changing the project without a public vote, concerns over depending on private customers, the possibility of further state help if new construction goes forward at the Department of Labor building site, and concerns over potential further cost overruns at future points in the project. Also, the possibility of starting the project from the high school and limiting buildings served on the other end was discussed.

Designer Bill Neuburger provided information on the basis of the initial estimates, indicating that the cost of steel (and by extension, oil) could cause further fluctuations from the original projections.

Dan Jones, Chair of the Energy Committee, urged that the project still move forward on behalf of the committee.

Downtown property owner Steve Everett stated his interest in connecting to the system. He indicated his commitment could be as high as \$400,000, depending on the particulars.

Harold Garabedian, disputed concerns raised by Councilor Golonka on whether downtown business owners would be willing to make the investments necessary to convert to the city system.

Ken Jones reported the School Board's motion encouraging the city to maintain the project. He said that the schools are still planning to be a customer, but won't commit until there is a price structure. Discussion of the need for a price structure followed.

Planning and Community Development Director Hallsmith indicated that there is a proposed rate structure in the plan she distributed the previous Friday. She also stated the business plan has a rate structure which was a highly conservative one. Hallsmith laid out possible approaches to building rate structures.

City Manager Fraser indicated he did not feel empowered to promote any specific rate structure without City Council approval.

Eve Jacobs-Carnahan urged the Council to keep the option of stopping the project entirely on the table.

Bill Brown of 33 Foster Street cited dependence on foreign oil, climate change, and warfare as reasons to support the project and back the City Manager's recommendation.

At 8:40, Councilor Hooper moved to table the subject until next meeting. Brief discussion followed. Councilor Jarvis seconded. The motion carried unanimously at 8:43.

City Manager Fraser stated that he had insufficient direction to be able to move forward.

At 8:45, Councilor Jarvis moved that the subject be taken off the table for further action. Councilor Timpone seconded. The motion passed unanimously without discussion.

At 8:48 Councilor Jarvis moved that the Council "allow staff to consider non-city buildings for presenting options for financial feasibility" on the District Heat project. Councilor Timpone seconded.

The motion passed 4-2. Councilors Jarvis, Timpone, Hooper and Guerlain voted in favor. Councilors Weiss and Golonka opposed.

- 12-070. Mayor Hollar opened Item 4 on the agenda, the renewal of the ethics policy. Councilor Jarvis moved that the policy be accepted, Councilor Timpone seconded. A discussion on the ramifications for electronic communication followed. The motion was passed unanimously.
- 12-071. Councilor Weiss moved the Council Rules of Procedure (Item 5) be re-adopted. Councilor Timpone seconded. Brief discussion followed (questions on punctuation) before motion was unanimously approved.
- 12-072. Mayor Hollar opened a discussion on updating the Council's Goals and Priorities (Item 6). A discussion followed on the merits of an open, public session (and inviting constituency groups) versus the value of a tighter, Council-centric one. Discussion leaned towards a two-part process: one session bringing in the public, one smaller scaled. Mayor Hollar and City Manager Fraser agreed they would meet at a later date to determine the details of a two-part session that would reach out to, and involve the public actively.
- 12-073. Item 7, Committee Assignments, was opened. The Mayor and Council moved down the list of committees to re-affirm commitments or make changes. It was agreed that Mary Hooper (who was no longer in attendance) would be approached to participate in the Transportation Committee. Liz Dodge, President of the Senior Center, spoke, indicating that a Councilor would be welcome on the Senior Center Committee.
- 12-078. At 9:25, the Council moved to Item 12 (Reports from the Councilors).
- Councilor Hooper had nothing to report.
- Councilor Guerlain indicated he was happy to be part of the Council.
- Councilor Weiss noted the upcoming High School "Celebration of Excellence" award, the opening of "Clean Slate" and the appreciation of the owners there for assistance in zoning from Audra Brown, and the upcoming Reapportionment Committee meeting.
- Councilor Timpone congratulated newly elected Councilor Guerlain and City Clerk Odum, before noting the upcoming Housing Task Force meeting.
- Councilor Jarvis noted the upcoming Green Mountain Film Festival, suggested opening a discussion of the City's communication strategy – in particular the web sites.
- Councilor Golonka referenced coming Regional Committee work before also welcoming the two newcomers (Guerlain, Odum).

12-079. Mayor Hollar reported he was pleased to be beginning the work of the office.

12-080. City Clerk Odum indicated he was happy to be participating and apologized for being ill.

City Manager Fraser welcomed everyone to the Council and the process.

12-082. Mayor Hollar directed the Council toward planned discussions on the effort to partner with other municipalities to support and manage some services. City Manager Fraser suggested that the remainder of the agenda be discussed in Executive Session.

At 9:30, Councilor Jarvis moved that the Council proceed to executive session (as per Title I §313) Councilor Timpone seconded. The motion was unanimously approved.

At 10:20, Councilor Weiss moved to come out of Executive Session. Councilor Jarvis seconded. Motion passed 6-0.

At 10:21, Councilor Weiss moved to adjourn; Councilor Jarvis seconded. Motion passed 6-0.

(Minutes prepared by City Clerk John Odum)

Attest: _____
John Odum, City Clerk