

**TOWN OF SHELBURNE
SELECTBOARD
MINUTES OF MEETING
February 28, 2017**

MEMBERS PRESENT: Gary von Stange (Chairman); Colleen Parker, Jerry Storey, John Kerr, Josh Dein.

ADMINISTRATION: Joe Colangelo, Town Manager; Peter Frankenburg, Finance Director; Dean Pierce, Planning Director; Ann Janda, Administration Director.

OTHERS PRESENT: Gail Henderson-King, Rick Brigham, Rep. Jessica Brumsted, Mark Sammut, Nora von Stange, Dorilee Leblanc, John Kohler, Rick Brigham, Don Stevens, Hope Johnson, Kathy Beyer, David Hall, Craig Bartlett, Michael Abrams, Heather McKim (Shelburne News).

1. CALL TO ORDER

Chairman Gary von Stange called the meeting to order at 7 PM.

2. APPROVE AGENDA

Amendments to the agenda:

- Remove Executive Session.

MOTION by Colleen Parker, SECOND by Jerry Storey, to approve the agenda as amended. VOTING: unanimous (5-0); motion carried.

3. APPROVE MINUTES

January 24, 2017

MOTION by Colleen Parker, SECOND by John Kerr, to approve the minutes of January 24, 2017 as written. VOTING: 4 ayes, one abstention (Jerry Storey); motion carried.

February 14, 2017

MOTION by Jerry Storey, SECOND by Colleen Parker, to approve the minutes of February 14, 2017 as written. VOTING: 3 ayes, 2 abstentions (John Kerr, Josh Dein); motion carried.

4. CITIZEN PARTICIPATION & PUBLIC COMMENT

None.

5. SELECTBOARD COMMENTS

- The Selectboard urged the voters to attend town meeting and vote on Election Day. The community dinner preceding town meeting was mentioned. The recipient of the Colleen Haag Public Service Award will be announced at town meeting.
- Positive comment was made on the campaign for openings on the Selectboard being very civil.

- Gary von Stange announced the federal court litigation on the railroad will be heard in Burlington on March 27th and 28th beginning at 9 AM. All are urged to read the January 12, 2017 decision and order by Judge Sessions.

6. TOWN MANAGER'S REPORT

Joe Colangelo highlighted the following from the manager's report posted online:

- Maintenance Technician position may be filled by April 1st. The work has been contracted out in the interim.
- There have been several inquiries into the town policy for removal of dead/diseased trees that present a hazard to neighboring property.
- There was a water line break on the section of water line on Spear Street that will be replaced. The break was fixed until the line is replaced.
- Staff has been busy preparing for town meeting.

7. STATE ECONOMIC INCENTIVE DEVELOPMENT OPTIONS

There was discussion of TIF funding to incentivize economic development and if this approach would work for Shelburne. Gary von Stange explained the resolution asks the legislature to provide municipalities with the option of pursuing economic development programs including TIF. The Selectboard needs to decide whether the Town Manager should give testimony before the legislature in support of TIF funding. Jerry Storey expressed concern about proportionality with a TIF in Shelburne. John Kerr said the approach of borrowing money and using potential development as a payback seems fiscally irresponsible.

Rep. Jessica Brumsted provided a copy of the House and Senate bills on TIF funding, and explained the House bill lifts the cap at least for Shelburne. The Senate bill for economic development lifts the cap and allows every county to have two or more towns to have TIFs as another tool to use. There is concern about impact on the Education Fund and that is why the cap is not totally lifted.

Following further discussion the consensus of the Selectboard is in support of economic incentives for economic development and in general support of tax increment financing districts as a tool that should be made available to Vermont municipalities as a way to generate economic development incentives and mutually beneficial public/private partnerships.

MOTON by Jerry Storey, SECOND by Colleen Parker, that the resolution from the Town of Shelburne encourages the state to provide Shelburne and other municipalities with more economic development incentive options including, but not necessarily limited to TIF, and to authorize the Town Manager to testify before the state legislature in support of the resolution. VOTING: unanimous (5-0); motion carried.

8. FY2016 FINANCIAL AUDIT

Joe Colangelo reported per the FY16 audit the town is in excellent financial health thanks to the Selectboard, Peter Frankenburg, and town staff. Sullivan Powers was chosen as

the audit firm due to their track record of being a good critic on how the municipality operates. The town has made significant headway on the recommendations in the audit. Peter Frankenburg added the goal is a clean audit that says the financials represent the true position of the town. Staff continues to work toward accomplishing the recommendations. Two significant recommendations are complete including separating all special funds and having an audit trail with the transfer of funds. Mr. Frankenburg said working with Sullivan Powers has been a positive experience.

Rick Brigham, Sullivan Powers, reported the following:

- The audit resulted in an unqualified opinion.
- The audit was difficult due to the Shelburne Finance Department being short staffed, but everyone worked hard and got the work done.
- The Management's Discussion and Analysis is a consolidation (outline) of the complete audit report.
- The Statement of Position (assets/liabilities) of the town with the water and sewer enterprise funds and Governmental Activities shows the unrestricted net assets in governmental Activities to be \$1,462,280 which is up \$63,000 from last year. Net investment in capital assets are also shown to realize there are investments in infrastructure and not just current assets.
- Unassigned fund balance is \$559,926 or approximately 8% of the budget.
- The balance sheet for water and sewer shows the unrestricted net assets in the Water Fund at \$39,000 which is tight and less than last year's amount of \$95,000. The Sewer Fund has a healthy fund balance. Consideration could be given to shifting some funds to the Water Fund to avoid increasing fees.
- The audit report also includes notes and schedules that provide more detailed information on items in the report.
- Budget Actuals show revenues over expenses at \$10,000.
- Findings in the report include:
 - Segregation of duties so the person who reconciles checks is different from the person who signs checks and the person who prepares journal entries is different from the person who reviews journal entries.
 - Monthly or quarterly review/comparison to the general ledger of recreation activities.
- The Management Letter includes the findings and recommendations from the audit.

The Selectboard made positive comment on the audit report (very informative and instructive) and the work of Peter Frankenburg as Finance Director. There was also mention of the pay down of \$1.3 million in debt, the figure for storm water that should be closer to \$10 million, and thanks to Paul Goodrich for his help this year.

MOTION by Colleen Parker, SECOND by Josh Dein, to accept the FY2016 Audit from Sullivan Powers. VOTING: unanimous (5-0); motion carried.

9. ZONING BYLAW AMENDMENTS

Dean Pierce, Planning Director, briefly reviewed proposed zoning bylaw amendments pertaining to sidewalks/paths, trailers and storage, sign lighting, setback from private rights-of-way pre- and post-1970, and excavation.

Josh Dein asked if there is an easy way to find out if a right-of-way is pre- or post-1970. Dean Pierce will investigate the matter.

Comment was made on the proficiency and professionalism of town staff, in particular Dean Pierce, in addressing situations that were problematic, and the effort by the town toward being open and transparent by having all the town boards communicate with each other.

Colleen Parker suggested the businesses in town be notified about the change pertaining to sign lighting. The annotated agenda for the public hearing could provide more information with key word identifiers and information could be published in the local newspaper.

MOTION by Jerry Storey, SECOND by Colleen Parker, to formally receive the proposed amendments to the zoning bylaws from the Planning Commission and schedule a public hearing on April 11, 2017. VOTING: unanimous (5-0); motion carried.

10. TREE MANAGEMENT PLAN

Gail Henderson-King and members of the Tree Advisory Committee were in attendance to request the Selectboard formally accept the Tree Management Plan that was done with a grant from the Vermont Urban Forestry Program in 2014 along with a tree inventory and tree management.

Hope Johnson, member of the Tree Advisory Committee, mentioned trees provide a great way to mitigate storm water runoff.

MOTION by Colleen Parker, SECOND by Jerry Storey, to officially accept the public street tree management plan. VOTING: unanimous (5-0); motion carried.

11. AGREEMENT WITH STATE FOR RAILROAD PARKING LOT LEASE

Gary von Stange said the terms of the lease with the state for the rail station parking lot are onerous. The town proposed including an opt-out provision. The state has not yet responded to the proposal.

MOTION by Colleen Parker, SECOND by Jerry Storey, to table action on the agreement for the railroad parking lot lease to March 14, 2017. VOTING: unanimous (5-0); motion carried.

12. HARRINGTON VILLAGE INFRASTRUCTURE

Ann Janda explained the amendment to the Irrevocable Offer of Dedication that removes the sewer lines from the Harrington Village infrastructure. The town had a storm water

consultant look at the infrastructure and one section needs to be addressed. Champlain Housing Trust is doing this and also doing a storm water permit agreement that outlines responsibilities by the town and Harrington Village. The town will become a co-permittee on the storm water permit. Harrington Village is responsible for renewing the permit and fees and the town is responsible for its percentage.

Jerry Storey asked if the sewer infrastructure will be acceptable to the town at some point in the future. Ann Janda said the town learned that having public infrastructure go through private infrastructure creates too many problems and will not take that route again.

There was mention of releasing the last 10% of the line of credit after the infrastructure is accepted.

MOTION by Colleen Parker, SECOND by Jerry Storey, to accept the following:

- **Harrington Village amendment to the 2013 Irrevocable Offer of Dedication with the revised associated warranty deeds;**
- **Make Harrington Avenue and associated storm water infrastructure public;**
- **Reduction of the 10% bond requirement as long as the town has an easement to the sewer infrastructure;**
- **An acceptable storm water maintenance agreement is negotiated;**
- **One storm drain is repaired;**
- **Responsibility for any future sewer appurtenances due to road maintenance is solely Harrington Village's;**
- **Water infrastructure is made public as long as the town gives all necessary easements for access.**

DISCUSSION: Gary von Stange clarified the reduction in the line of credit would be from 10% to zero.

VOTING: unanimous (5-0); motion carried.

13. BETTER ROADS PROGRAM GRANT APPLICATION

Ann Janda reported there is 485' of storm drain on Juniper Ridge Road that is failing. The grant will be used to repair the culvert before total failure which could result in pollution to Monroe Brook.

MOTION by Jerry Storey, SECOND by John Kerr, to authorize the Town of Shelburne's submission of an FY2018 Better Roads grant application in the amount of \$52,607 of which the town match is \$12,607 for replacement and upsizing of 485' of failing culvert on Juniper Ridge Road. VOTING: unanimous (5-0); motion carried.

14. PREPARATION FOR TOWN MEETING

Staff continues to prepare for town meeting. The Colleen Haag Public Service Award will be given at town meeting.

15. ADJOURNMENT

**MOTION by Colleen Parker, SECOND by Josh Dein, to adjourn the meeting.
VOTING: unanimous (5-0); motion carried.**

The meeting was adjourned at 8:39 PM.

RecScty: MERiordan