

Minutes

Town of Norwich Finance Committee Meeting Tuesday, August 10, 2010 Tracy Hall, Norwich, Vermont

Members present: Cheryl A. Lindberg (Chair), Robert Mitchell, Stephen Flanders (Secretary), Keith Moran (Vice Chair), James Dwinell (Left at 6:45), Ann Sargent (Arrived at 6:15).

Members absent: Jim Mackall

Also Present: Roberta Robinson (briefly), Neil Fulton (acting Town Manager), Carol Loveland, George Loveland, and Linda Cook

Chair Lindberg called the meeting to order at 5:05 PM.

Agenda Items Discussed

1. Review/Amendment of Agenda:

Flanders suggested adding consideration of whether to endorse the Greater Upper Valley Solid Waste Management District Article. Lindberg decided to consider it in place of the "Town Closeout" and "Other Topics" items on the agenda.

2. Review/Approval of June 15 July 27 Minutes:

Dwinell confirmed that the minutes reflected his point of view in Item 7.

Motion: Moran moved Dwinell seconded approval of June 15 minutes.

The motion passed unanimously.

Mitchell requested that the minutes include his exchange with Town Manager, Pete Webster, to the effect that, "Mitchell asked whether taking the property by eminent domain was a viable option at some future date. Webster said that he town had that option, but he personally would not favor such an approach."

Motion: Mitchell moved minutes of July 27 minutes be approved with inclusion of the eminent domain verbiage. Moran seconded approval.

The motion passed four in favor. Dwinell abstained.

3. 306 Main Street Acquisition/Bonding Level:

Lindberg asked for a summary of the two Selectboard meetings, soliciting input on the purchase of the property. Flanders reported that there had been strong attendance both Wednesdays. He reported that:

- There had been a briefing about the acquisition at the first meeting, but not at the second.
- There had been support for the purchase of the property, but reservations about limiting its use to a police station in the first meeting.

- In the second meeting people more strongly expressed concern about the impact on their property taxes and questioned the need for the acquisition.

A paper, entitled “Options for the Selectboard—Purchase of Parsonage,” prepared for the Norwich Selectboard by Pete Webster was distributed to the NFC at the meeting. It offers six options, regarding the purchase of the 306 Main Street property:

- *Option 1*—Bond the purchase of the property alone for \$545K.
- *Option 2*—Article 1. Bond the purchase of the property alone for \$545K. Article 2. Use \$25K from the undesignated fund balance to supplement the Long-Term Facility Study Designated Fund for professional studies of police and fire facility alternatives.
- *Option 3*—Article 1. Bond the purchase of the property plus some minor site improvements for \$580K. Article 2. Use \$25K from the undesignated fund balance to supplement the Long-Term Facility Study Designated Fund for professional studies of police and fire facility alternatives.
- *Option 4*—Bond the purchase and upgrade of the property for unspecified future municipal use for \$950K.
- *Option 5*—Article 1. Bond the purchase of the property plus some minor site improvements for \$580K. Article 2. Bond \$370K to upgrade the property for unspecified future municipal use.
- *Option 6*—Bond \$1.143M to purchase the property without renovation and build a \$600-K police facility on the current site.

Further discussion ensued:

- Fulton explained that the options were to provide the Selectboard with choices for the verbiage of the ballot to be held 14 September. He said that there would be a pre-town informational meeting Thursday, 9 September.
- Moran asked why would there be a need for \$35K. Fulton answered that the cost is consistent with the recent bids on engineering studies.
- Lindberg asked whether the Selectboard had the option of not approving the bond language. Fulton explained that the Select board was committed to a vote through the purchase and sales agreement.
- Lindberg reported that most people with whom she had spoken opposed the use of the building as a police station and few were in favor of purchasing it.
- Lindberg asked whether there might be hazardous materials or other issues with the soundness of the building. Fulton answered that an inspector has not reviewed asbestos or lead paint.
- Lindberg was concerned that the sale price was \$543K, while the buyer’s and seller’s appraisers placed the value near \$425K.
- Moran felt that the town should purchase and hold the building and fund a future study through income from renting the building.

Lindberg polled the members present on their recommendations for bonding.

- Flanders supported Option 2.
- Moran and Dwinell supported Option 1.
- Lindberg and Mitchell expressed opposition to the purchase, expressing concern about the price and whether the town needed the property at all.
- Fulton reported that the town manager supports the Option 4.
- Fulton said that he supported Option 3.

Motion: Flanders moved Dwinell seconded that the NFC support an article reading, “Shall general obligation bonds or notes of the Town of Norwich in an amount not to exceed Five Hundred Forty-Five Thousand Dollars, subject to reduction from available state and federal grants-in-aid and other financial assistance, be issued for the purpose of financing the acquisition of improved real estate located at 306 Main Street?”

The motion passed three to two. Lindberg and Mitchell opposed the motion.

(Sargent arrived at this point in the meeting.)

4. Norwich School District:

Lindberg reported that she and Sargent had attended the August 4 Norwich School Board meeting. At that meeting, several items that were not on the agenda were addressed:

- The NSD had a deficit of \$280K for FY 2009-2010. This included a loss of revenues of \$265K, which resulted from not receiving reimbursements from the state for anticipated services that turned out not to be needed, so the services were not rendered. The savings were held in Dresden, because Dresden School District received the anticipated funding through Norwich’s allotment of the net assessment.
- Vermont’s Governor Douglas wants Norwich to reduce budget by \$189K. The school board opposes this idea.
- The Marion Cross School Administration expects enrollment to be up from 282 to 310.
- As a result of a foreseen growth in kindergarten enrollment, the NSB voted to hire another teacher. This will cost approximately \$80K.

Lindberg then polled the NFC on a budgetary guideline for the Norwich School District in FY2011-2012. The proposals were:

- Moran: cut the net assessment by 3%.
- Dwinell, Lindberg Flanders 0% change of net assessment.
- Mitchell and Sargent passed on commenting.

5. Town FY 2009-10 Closeout:

Was not discussed.

6. Public Comments on Items Not on the Agenda:

None were offered.

7. Other Topics Discussed:

The Greater Upper Valley Solid Waste Management District Article was discussed briefly. Concern was expressed that the member towns became obligated to cover costs without a town vote.

Motion: Flanders moved and Moran seconded that the NFC support the Greater Upper Valley Solid Waste Management District Article, which reads: Shall general obligation bonds of the Greater Upper Valley Solid Waste Management District in an amount not to exceed Eight Hundred Seventy Five Thousand Dollars (\$875,000) be issued for the purpose of refunding a like amount of outstanding obligation previously issued to finance bridge and access improvements to the District's landfill in the Town of Hartland?.

The motion passed with five in favor and Sargent abstaining.

8. Summary of next agenda:

Was not discussed

9. Adjournment:

Motion: Flanders moved and Moran seconded that the NFC adjourn

The motion passed unanimously.

Adjournment: 7:00 PM

Tentative future meeting dates (5 PM in Tracy Hall):

Tuesday, September 7, 2010

Tuesday, October 19, 2010

Tuesday, November 16, 2010