

Minutes of the Selectboard Meeting of
Wednesday, October 9, 2019 at 6:30 pm

Members present: John Pepper, Chair; Claudette Brochu, Vice Chair; Roger Arnold; John Langhus; Mary Layton; Herb Durfee, Town Manager; Miranda Bergmeier, Assistant to the Town Manager.

There were about 25 people in the audience.

Also participating: Stuart Richards, Tom Candon, Police Chief Jennifer Frank, Linda Gray, Clara and Ava, Jack Cushman, Christopher Ashley, John McCabe, Gerry Tolman, Cheryl Lindberg, Scott Young, Norman Miller, Linda Cook, Wade Masure, Planning Director Rod Francis, and Jaci Allen.

1. Approval of Agenda. Selectboard (SB) members agreed to postpone discussion of agenda item 4 (Marion Cross Septic) to a future SB meeting. SB members also agreed to move item 7 (Financial Scam Update) to just before item 6 (Planning Commission Membership).

2. Public Comment. Stuart Richards spoke about school safety and expressed concern that prudent measures need to be taken to ensure students' safety. Richards thinks that school safety plans need to be added to a future SB agenda. Tom Candon, Chair of the Norwich School Board, said that school safety is being addressed by the school board and they are working with the Norwich Police Dept. continually. Candon gave an update about septic issues. They have gotten estimates regarding various options and have been doing tests to evaluate those options. They are considering the possibility of putting an article on the 2020 town meeting ballot. Police Chief Frank said there is a current active plan for safety at the school with specialized training conducted regularly. Arnold said that he attended a Prudential Committee meeting for the water district, per the SB's conversation at a prior SB meeting. He will continue to serve as the SB liaison to the Prudential Committee.

3. Consent Agenda. Langhus **moved** (2nd Layton) to approve the consent agenda. **Motion approved unanimously.** Langhus said that there is an error in the 9/25 minutes: he did not move for adjournment; Arnold did.

4. Marion Cross Septic. SB members agreed to postpone this item to a future meeting.

5. Climate Emergency Resolution. Linda Gray said that she was approached by a statewide group with a suggestion for a resolution to be passed by the SB. The town has been working hard on climate issues on various fronts. Three Marion Cross School 6th-graders spoke, saying that they and their schoolmates have been collecting signatures in support of the resolution at school. They said they wanted to participate in the resolution process because it is very important to take action now and if they don't do it now, then nobody will. Layton said that the term "just transition" as used in the resolution is appropriate because we need to transition to more sustainable forms of energy. Langhus agrees that the resolution language is appropriate. Jack Cushman said he worries that Montpelier is afraid that the state can't reach the stated energy goals. He said the IPCC has come out in favor of a just transition for some time; it means moving to greener jobs, for example. Christopher Ashley said this is an important action and we shouldn't underestimate its importance or impact. Years ago, Vermont towns issued an antinuclear message, and not long afterward, international action was taken. John McCabe said the young people are leading the way on this issue and there is no reason why the SB can't approve this resolution. Langhus **moved** (2nd Layton) to adopt the climate resolution as presented to the Selectboard. **Motion approved unanimously.**

7. A. Financial Scam Update. Pepper said that approximately \$249,000 were lost to the scam. Fortunately, Mascoma Bank was able to return approximately \$80,000. Pepper said that Mascoma staff are present at tonight's SB meeting. Gerry Tolman said he has read the SB's statement they

Norwich Selectboard Minutes – 10/9/2019 Mtg

released, and he thinks another town priority should be to lock down the town's financial systems to prevent future problems. Pepper and other SB members agreed. Cheryl Lindberg said that right after the August 28th SB meeting, she locked out any town staff from being able to access banking functions. Pepper said he wants to know if it's possible to have Mascoma require a 2-person process for certain payments. Scott Young, Mascoma staff person, said that there is a Mascoma product that will add another layer of security by requiring a 2nd person to authorize a transfer of funds. Tolman wanted to know if Mascoma has dual-factor authentication for the 2 people. Lindberg said that Mascoma does have 2-factor authentication. Tolman asked how high the town's insurance coverage for such scams is. Langhus said \$25,000, with a possibility of more coverage; an insurance attorney may be able to find more coverage in the policy. Tolman asked if there is a plan to initiate penetration testing. Durfee said we will be getting technical assistance to check for further infiltration. Also, we will be doing cybersecurity training for all staff and looking at new procedures to ensure better security. Pepper asked if the town is looking at cyber security services, as well; Durfee said that yes, we are. Young said that Mascoma does make suggestions for safety processes on a regular basis. John McCabe wondered about other Vermont towns going through this problem, and are they sharing what they've learned. Pepper said many towns around the country have fallen prey to these scams. Brochu said the town's attorney has hired an investigator and the SB is looking at doing an RCA (Root Cause Analysis). Norman Miller said he has been interested in this matter and believes the SB has responded very well to the issue. The town had a system failure and needs to put systems in place to prevent future harm. It's important to find all the contributing factors to this event/failure. Miller wants to hear about the policies and procedures that will prevent events like this. The town needs a long-term policy analysis. Linda Cook asked for the exact amount of money that was returned. Lindberg said it was \$79,765.00. Young said the bank receiving the stolen funds noticed the strange behavior and then contacted Mascoma to investigate.

7. B. Root Cause Analysis. Wade Masure, VLCT Loss Control Consultant, joined the SB via telephone. Brochu introduced Masure and said he can help the town with an investigation to determine what are best the practices for the town going forward. Masure recommended the SB wait until the current investigation is complete, so as not to duplicate any of the work. A root cause analysis, or Advice From Claims (AFC), as VLCT calls it, would involve a meeting of about a couple of hours, or however it takes to drill down to answer all of the why questions. The AFC report would be issued a couple of days following the meeting. Layton asked what form of documentation would result from the AFC. Masure said that VLCT would issue an action plan with recommendations for future actions. Arnold asked how VLCT handles the issue of blame. Masure said that VLCT doesn't assign blame; the AFC is not for that. Brochu asked about the timing of an AFC meeting. Masure said that October 22 could be a possibility. VLCT does not charge any fee for this service. Stuart Richards said he thanks Cheryl Lindberg for her work in uncovering the theft. Gerry Tolman said we need to step back regarding the blame issue; we are all to blame for trying to run the town's IT on a shoestring budget, which is inadequate. Langhus **moved** (2nd Layton) to appoint Mary Layton and Claudette Brochu as a subcommittee to conduct an RCA with the help of VLCT and to name John Pepper as an alternate member of the subcommittee. **Motion approved unanimously.**

6. Planning Commission (PC) Membership. SB members agreed they would like to know how it's going for the PC with nine members. Rod Francis and Jaci Allen appeared to speak on this matter. Francis said it's not uncommon to have as few as 6 members present at a meeting, and it's sometimes tricky to get a vote of 5. They haven't missed meetings so far for lack of quorum, but it's not easy sometimes to get enough people together. They think it's harder to recruit 9 people. Langhus asked if the workload is more easily spread out over 9 people. Allen said no, she doesn't see a difference over 7 people. Linda Cook said the PC is working well now at 9 members and cutting back would decrease opportunities for input. Brochu said she likes having 9 members because it's brought in new blood. She favors staying at 9 members while we have sufficient people

Norwich Selectboard Minutes – 10/9/2019 Mtg

to serve. SB members discussed the possibility of having PC members involved in recruiting for vacancies on the PC. Brochu **moved** (2nd Langhus) to ask the Town Manager to advertise a vacant position on the Planning Commission. **Motion passed unanimously.**

10. A. Financial Policies. SB members decided to address policies at this point in the meeting. Layton **moved** (2nd Langhus) to adopt the Town of Norwich Master Financial Policy as presented in this meeting and as it appears in the meeting packet. **Motion passed unanimously.** Brochu said she wants the SB immediate to start work on updating those policies where appropriate. Linda Cook asked if the SB members have seen the financial procedures, because she is concerned that they need to know what is in them. Tolman said that some procedures should be kept confidential because it would make it easier to would-be hackers if they know exactly what the procedures are.

10. B. Draft Cyber Security Policy. Layton said she did some research on cyber policies and asked how vague the publicly-available policy should be. Brochu asked if Tolman would be willing to work with Layton to develop a policy to present to the SB for approval. Layton and Tolman agreed to work on the policy together. Tolman offered suggestions to SB members. SB members agreed that Layton will work to develop a new draft policy.

10. C. Sexual Harassment Policy. Brochu **moved** (2nd Langhus) to conduct the 2nd reading of the Town of Norwich Sexual Harassment Policy, as presented and/or amended in this meeting. **Motion passed unanimously.** Lindberg asked why the SB doesn't include general harassment in the sexual harassment policy. Arnold said there is a state regulation requiring the town to have a stand-alone sexual harassment policy. SB members agreed that elsewhere in the personnel policies, regular harassment and bullying should be addressed. Brochu **moved** (2nd Langhus) to adopt the Town of Norwich Sexual Harassment Policy, as presented in this meeting packet. **Motion passed unanimously.**

10. D. Banner Policy. Langhus **moved** (2nd Layton) to conduct the 2nd reading of the Town of Norwich Policy for Use of Banners on Public Highways, as presented in this meeting packet. **Motion passed unanimously.** SB members discussed possible edits to the banner policy. SB members agreed to have Brochu and Arnold work on editing the policy to reflect the SB discussion and then bring the edited version back to the SB for consideration.

10. E. Social Media Policy. Langhus **moved** (2nd Layton) to conduct the 1st reading of the Town of Norwich Policy on Use of Social Media by Town Officials, as presented in this meeting packet. **Motion passed unanimously.** SB members discussed the draft policy and agreed to send written comments to Arnold and Brochu.

8. Town Manager Report. Durfee reported that FEMA final paperwork has been submitted, and union negotiations are back on track. Brochu asked when the Turnpike culvert will be replaced. Durfee said he will follow up with Larry Wiggins, DPW Director, and get back to Brochu on that.

9. A. Accounts Payable / Warrants. Langhus **moved** (2nd Layton) to approve check warrant #728 for ACH payments totaling \$10,013.32 from the General Fund; check warrant #725 for ACH payments totaling \$13,785.12 from the General Fund; check warrant #724 for ACH payments totaling \$13,442.61 from the General Fund; and warrant #20-08 for Highway Garage Fund in the amount of \$7,000, for Land Management Council in the amount of \$898.54, and General Fund in the amount of \$285,644.68.

Brochu **moved** (2nd Langhus) to divide, in order to vote on the warrant #20-08 separately from the ACH check warrants #728, #725, and #724. **Motion passed unanimously.**

Brochu **moved** (2nd Langhus) to approve warrant #20-08 for Highway Garage Fund in the amount of \$7,000, for Land Management Council in the amount of \$898.54, and General Fund in the amount of \$285,644.68. **Motion passed unanimously.**

Langhus **moved** (2nd Layton) to approve check warrant #728 for ACH payments totaling \$10,013.32 from the General Fund; check warrant #725 for ACH payments totaling \$13,785.12 from the General Fund; and check warrant #724 for ACH payments totaling \$13,442.61 from the General Fund. **Motion failed 2 to 3 (yes- Layton, Arnold; no- Brochu, Pepper, Langhus).**

7. C. Financial Investigation Update. Layton **moved** (2nd Langhus) that the Selectboard has made a specific finding that premature public knowledge of the matter being discussed would clearly place the Town of Norwich at a substantial disadvantage under 1 VSA § 313(a)(1)(E). **Motion approved unanimously.** Layton **moved** (2nd Langhus) to enter executive session to discuss a confidential town financial matter, and to possibly invite Herb Durfee, Jennifer Frank, and/or Cheryl Lindberg into the executive session. **Motion approved unanimously.**

The Selectboard moved into executive session at 10:10 pm. The SB did not invite anyone else into the SB executive session.

Layton **moved** (2nd Langhus) to enter public session. **Motion approved unanimously.**

The Selectboard moved into public session at 10:30 pm.

The SB did not take any action in public session, other than to adjourn.

14. Adjournment. At 10:33 pm, Langhus **moved** (2nd Layton) to adjourn. **Motion approved unanimously.**

Meeting adjourned at 10:33 pm.

By Miranda Bergmeier

Approved by the Selectboard on October 23, 2019

John Pepper
Selectboard Chair

Next Meetings – October 23, 2019 – Meeting at 6:30

PLEASE NOTE THAT CATV RECORDS ALL REGULAR MEETINGS OF THE NORWICH SELECTBOARD.