

**Regular Meeting of the Barre City Council
Held November 5, 2012**

The Regular Meeting of the Barre City Council was called to order at 7:00 PM by Mayor Thomas Lauzon. In attendance were: From Ward I, Councilors Charles Dindo and Paul Poirier; from Ward II, Councilors Michael Boutin and Michael Smith; and from Ward III, Councilors Anita Chadderton and Lucas Herring. Also in attendance were City Manager Steven Mackenzie and Clerk Carolyn Dawes.

Approval of Consent Agenda: Council approved the following consent agenda items as presented on motion of Councilor Herring, seconded by Councilor Smith. **Motion carried.**

- Minutes of the following meeting:
 - Regular Meeting of October 30, 2012
- City Warrants as presented.
- 2012 Licenses & Permits issued through the clerk's office:
 - Animal License for Maurice Perkins, 9 chickens, 11 Foster Street.

The City Clerk and Treasurer Report – Clerk Dawes made the following announcements:

- Early absentee ballot requests were accepted through November 5th for the November 6th general election. More than 900 ballot requests have been processed.
- Polls will be open at the Civic Center Auditorium on Tuesday, November 6th from 7:00 AM – 7:00 PM.
- 2nd quarter property taxes are due by November 15th.

Approval of Building Permits – NONE

Liquor Control Board – NONE

Visitors and Communications –

Mayor Lauzon said Veteran's Day ceremonies are scheduled for Friday, November 9th. The parade begins at 10:30 AM with ceremonies at the Youth Triumphant memorial at 11:00 AM. The Mayor said the Central Vermont Regional Planning Commission is holding an important meeting related to the regional bike path, and he will get information about the meeting to the Council.

City Manager's Report –

Manager Mackenzie reported on the following:

- The Transportation Advisory Committee (TAC) will be holding 2 more public meetings on the proposed Summer Street truck route; Wednesday, November 7th and Wednesday, November 14th, both evenings at 7:00 PM in City Hall.
- Green Mountain Transit Agency busses will be return to its regular routes beginning November 17th.
- There is a nor'easter headed our way, however, the effect on our region should be minimal.

Old Business –

A) City Place Project:

- 1. 9 Merchant St. – Authorization for Interim Property Purchase.**
- 2. 9 Merchant St. Purchase – Interim Funding Options and Authorization.**
- 3. City Place Properties – Master Lease Agreement with Barre City Place, LLC.**
- 4. City Place Properties – Purchase and Sales Agreement with Barre City Place, LLC.**

Manager Mackenzie said the closing for the purchase of 9 Merchant Street has been extended to the latter part of November. The Manager reviewed the issues associated with the contamination on the City Place site and said the City has submitted an application seeking funds to help with the remediation efforts of the contamination. The Manager reviewed the acquisition memo and said the City will be purchasing 9 Merchant Street for \$600,000 and hold it for less than a year before selling it to City Place developer DEW. He said the final form of the purchase & sales agreement and the master lease agreement documents will be in next week's Council

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packets. Mayor Lauzon said he would prefer that Council not take any action on the P&S or master lease agreement until seeing the final documents. Council concurred.

Clerk Dawes reviewed the funding options for the purchase of 9 Merchant Street, saying the City has the option of either borrowing the funds from a local financial institution or the Semprebond Fund. The Clerk said all carrying costs and interest associated with the loan will be covered by DEW as is indicated in the purchase and sales agreement, and she recommended the City borrow from the Semprebond Fund so as to maximize the investment earnings of the fund.

Audience member Greg McNaughton asked if the purchase of the property requires voter approval, and Mayor Lauzon said City charter give the Council authority to purchase land on behalf of the City. Mr. McNaughton asked about risk associated with the purchase of 9 Merchant Street, and Mayor Lauzon said DEW is financially stable and has already made significant investment in City Place. Mr. McNaughton asked about the extent of the contamination, and Manager Mackenzie said testing is being done and the results of those tests will be known before the closing on the property. He said the funds for purchasing the property from the City will be escrowed by DEW at the closing.

Barre City property owner Robert Chartier asked if the purchase will go forward if the costs of remediation exceed the grant funds available. Manager Mackenzie said the funding program offers up to \$200,000 per parcel, and there are multiple parcels involved. Mr. Chartier suggested the decision on the purchase of the property be held off until the extent of the contamination is known. Mayor Lauzon said that is the intention.

Councilor Dindo made the motion to use a third party financial institution for borrowing the funds needed to purchase 9 Merchant Street. The motion was seconded by Councilor Poirier.

There was discussion about the effect of borrowing on the City's financial position and recognition of any public concerns about borrowing from the Semprebond Fund. Councilor Herring said he wanted to speak against the motion, saying borrowing from the Semprebond Fund would allow the City to increase the amount of money available in the fund through increased investment income. Councilor Boutin said the City could borrow the money from the Semprebond Fund and replace it through 3rd party borrowing in the future if necessary. Councilor Dindo asked what effect borrowing from the Semprebond Fund would have on the Bike Path Committee's ability to apply for grants that require matching funds. Mayor Lauzon said borrowing would not affect the fund balance as the loan would be documented through a promissory note. Councilor Poirier said he wants to assure the public that the City would not be renegeing on its \$1.1 million commitment from the Semprebond Fund to the bike path.

The mover and seconder withdrew the motion.

Councilor Poirier made the motion to borrow the money for the purchase of 9 Merchant Street from the Semprebond Bequest Fund at an interest rate of 3.25%, and that all interest earned will go to the Semprebond Bequest Fund. The motion was seconded by Councilor Dindo.

Councilor Herring asked for clarification that the motion allows the Clerk to begin the borrowing process, but final authorization of the expenditure of funds will come before Council at a future meeting. Mayor Lauzon confirmed that is the process.

Council voted on the motion as presented. **Motion carried.**

Clerk Dawes said the finalized promissory note will come to Councilor for approval, and the expenditure for purchase of the property will come through warrant before the end of the month. Mayor Lauzon said Council will defer action on agenda items #1, 3 & 4 until review of the final documents, which should be sent to Councilors at least 48 hours before the next meeting.

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New Business - NONE

Round Table –

Councilor Poirier encouraged people to get out and vote on Tuesday.

Councilor Herring said he did a ride-along with Roland Bellavance from Bellavance Trucking to review the proposed Summer Street truck route. He said there are needs for moving stop bars and lowering curbs to accommodate the trucks. Manager Mackenzie said he is confident such changes could be made.

Councilor Smith encouraged people to get out and vote. He reminded people of tomorrow's TAC meeting, and the Veterans' Day ceremonies on November 9th.

Councilor Dindo said he also did a ride-along with Mr. Bellavance, and talked about the difficulties of trucks navigating the route. He said hunting season starts this weekend, and offered hunters good luck and be careful.

Mayor Lauzon reminded people to get out and vote, and to attend the Veterans' Day ceremonies.

Council went into executive session at 7:56 PM to discuss personnel issues on motion of Councilor Boutin, seconded by Councilor Smith. **Motion carried.**

Chief Tim Bombardier was invited into the executive session.

Council came out executive session at 9:03 PM on motion of Councilor Smith, seconded by Councilor Herring. **Motion carried.**

Council adjourned at 9:03 PM on motion of Councilor Smith, seconded by Councilor Herring. **Motion carried.**

An audio transcript of the meeting is available through the Clerk's Office.

Respectfully submitted,

Carolyn S. Dawes, City Clerk