

**CITY OF RUTLAND, VERMONT
BOARD OF ALDERMAN SPECIAL MEETING
WEDNESDAY, AUGUST 19, 2020**

Present (Tele-Conference): Mayor Allaire, President Whitcomb, Alderman Gorruso, Davis, Clifford, Depoy, Talbott, Etori, Gillam, Mattis, Humphrey, and Ryan. Treasurer Markowski, Attorney Bloomer, Superintendent Peters and Gordon Dritschilo, (Rutland Herald).

President Whitcomb called the meeting to order at 5:30PM. via Tele-conference.

Attorney Bloomer suggested the amount on the ballot should reflect the full amount the Board is asking the public to approve for Bond funds. Attorney Bloomer also asked Clerk Heck to explain how ballots will be distributed for the General Election as it will be different than a normal year given the circumstances this year and the City having a question on the November ballot as opposed to the local election.

Attorney Bloomer suggested the question should make some mention of the athletic gym and the fields so any voter who has not followed along or does not receive any marketing prior to the vote, they will have a sense of what portion of CSJ that the City is looking to purchase.

Clerk Heck gave an overview of how the ballots will be distributed to registered voters by the Secretary of State office for the November election due to the current COVID situation. Clerk Heck stated the best route for the City to take would be to authorize the resolution as presented by Bond Counsel to allow the Secretary of State office to distribute the ballots so every voter will have the opportunity to vote.

Attorney Bloomer stated that Mayor Allaire mentioned including a contingency amount in the amount requested to cover any additional expenses. For instance, new State law requires a storm water mitigation system for non-permeable surfaces greater than three acres. The City would likely be subject to this requirement. Attorney Bloomer referred to Superintendent Peters who stated the building is in good shape and she does not foresee any major amount needed for repairs immediately.

Alderman Gorruso asked Superintendent Peters to give an overview of the revenue generated at the facility. Superintendent Peters stated that between November, December and January roughly \$3,500 - \$4,000 was generated through membership dues. Superintendent Peters estimated that between April, May and June \$20,000 to \$30,000 could have been expected from AAU rental fees but given the COVID situation this was not allowed. Superintendent stated there were many opportunities for revenue and the facility has served the community well to date, but it will take two to three years to gain an understanding of what revenues will actually be.

Alderwoman Humphrey stated she understood the need for the resolution but wanted clarification on why the vote is necessary to take place in November as opposed to March. Mayor Allaire stated the City currently has a month to month lease with Heritage Credit Union for the facility and that will continue until a vote is taken, and he did not want to expend unnecessary funds through the winter months not knowing what the final outcome would be. Mayor Allaire stated he thought the sooner the question was brought to the voters, the better. Given the fact that the City was successful in securing money from the Northern Borders Grant towards the cost of the purchase and the City has been serving the community with child care during the COVID crisis he believes it is evident the facility is poised for multiple purposes and has a track record of serving the community pre-COVID and during COVID and there is a multitude of opportunities.

There was lengthy discussion regarding the question being placed on the November ballot as opposed to the March ballot.

Attorney Bloomer stated the letter of intent that was signed with Heritage specifically states the November election.

Treasurer Markowski presented different scenarios for cost depending on bond amount.

Alderman Etori stated he was not in favor of putting this question to the voters in November as last May the Board asked the administration for a comprehensive review of all properties and an overall strategy regarding City properties and that has yet to be presented. Alderman Etori also stated other revenue sources were considered at the time the Grant application was filed and those other options have yet to be discussed.

Alderman Gorruso asked for clarification regarding the bond amount. Mayor Allaire stated the board has the final say but it is his recommendation to fund the 1.8 million purchase price which was negotiated by the Board with Heritage using \$350,000.00 from the Northern Borders Grant and \$250,000.00 from the Zamias Fund leaving an amount of 1.2 million to bond for.

Alderwoman Mattis stated the annual payment on the 1.45 million bond will be \$98,000.00, an additional \$14.77 on a \$150,000.00 home and asked Treasurer Markowski to give the impact of a 1.2 million bond.

Treasurer Markowski stated the impact to taxpayers on a 1.2 million bond is \$81,555.00 annual payment with \$12.22 additional taxes on a \$150,000.00 home. Treasurer Markowski reminded the board that the City taxpayers benefited this year from the increased grand list adding the college and 2.5 million will be removed after the acquisition.

Alderwoman Mattis asked if the ballot question failed in November, could the question be placed on the March ballot.

Attorney Bloomer stated if the bond failed, the letter of intent states the City would vacate by December 31, 2020. The City and Heritage would have to re-negotiate any additional lease terms.

Alderwoman Davis asked the Treasurer if the bond passed, when payments would start. Treasurer Markowski stated the first payment would be FY2022. Alderwoman Davis stated the Alderman have heard from the public and business leaders that professionals looking to relocate to the area are looking for recreation opportunities not only for children but adults. Alderwoman Davis stated she is ready to pass the resolution and use \$250,000.00 from Zamias fund to offset the cost.

Alderman Gorruso agreed with Alderman Davis' comments and felt this was a great idea and made a motion to authorize the City Clerk to sign the resolution on behalf of the Board of Alderman At \$1.45 million. Alderman Depoy seconded. Alderman Davis stated a motion to suspend the rules was in order. Alderman Gorruso made a motion to suspend the rules. Depoy seconded. Motion passed.

Alderman Gorruso made a motion to authorize the City Clerk to sign on behalf of the Board of Alderman the resolution for the 1.45 million dollars for the ballot item supporting the purchase of the gym at The College of St. Joe. Gillam seconded.

Attorney Bloomer suggested for information purposes amending the resolution to add a description or the fact that it is the athletic gym, and if important to add the athletic fields and maybe undeveloped land as well. More specifically, Attorney Bloomer stated he would add after "together with buildings and improvements thereon", including athletic gymnasium and fields". Alderman Gorruso stated he was ok with the changes but could not amend his motion as he did not have the language for the resolution in front of him.

President Whitcomb asked Attorney Bloomer if it made sense to withdraw the original motion and put forth a new motion with what Attorney Bloomer stated. Attorney Bloomer stated it was up to the Board if that's what they want to put in. Attorney Bloomer stated there is no legal reason, he is just making the suggestion.

Alderwoman Davis made the suggestion that if the Board was in agreement and wanted to add those things, the Board could pass the resolution and have the final wording by the City Attorney. Alderwoman Davis also wanted to incorporate the \$250,000.00 from Zamias fund to offset the cost.

Attorney Bloomer stated because this is a bond related vote the Board should approve the exact language of the question.

Alderman Ettori stated he was in agreement adding the athletic facility and athletic field so people would know what they are voting on. Alderman Ettori stated he is in agreement with purchasing this facility for rec needs but people also want lower taxes and one way to get the amenities without the cost is to divest some of our properties and creative financing.

Alderman Gillam stated the Alderman need to be clear on what they are asking tax payers to vote on.

Attorney Bloomer stated the Board had the resolution created by Bond counsel and the two things that need to be decided are the dollar amount to be voted on and exact wording to highlight that it is the athletic facility and related fields

Alderwoman Mattis moved to amend the motion to include the language as follows after it says in the "whereas clause" the address of the property to include the phrase including the athletic complex and associated fields. Motion was seconded.

Attorney Bloomer suggested the change be made in both spots including Article 1. Alderwoman Mattis changed her motion to reflect that suggestion. Motion was seconded.

President Whitcomb stated there was an amendment to the original motion and that has been seconded. Motion passed.

Alderman Talbot asked Treasurer Markowski and Superintendent Peters if they could provide a net operating revenue versus the property staying on the tax rolls.

Superintendent Peters stated she did not have that number and it would be very hard to come up with given the COVID situation. Treasurer Markowski stated the City has incurred expenses of \$114,000.00 but she doesn't know what normal carrying cost will be for that building.

Alderwoman Davis added an amendment to decrease the 1.45 million cost by adding \$250,000.00 from Zamias to offset the bond and lower the amount. Motion was seconded.

President Whitcomb stated an amendment has been offered to add \$250,000.00 from Zamias to offset the cost. Alderman Davis withdrew her amendment.

Alderman Gorruso withdrew his motion.

Alderwoman Davis moved to approve the provided resolution certificate by replacing the 2 million with 1.45 and adding the following language after 71 Clement Road into two places including the athletic complex and related fields. Motion was seconded. No debate. President Whitcomb asked Clerk Heck to call roll.

Clerk Heck called roll:

Alderman Gorruso – Yes

Alderman Humphrey – No

Alderman Ryan – No

Alderman Etti – No

Alderman Talbot – No

Alderman Mattis – Yes

Alderman Gillam – Yes

Alderman Clifford – Yes

Alderman Depoy – Yes

Alderman Davis - Yes

Motion passes 6 – 4.

Alderwoman Davis made a motion to refer to the Finance Committee the use of the \$250,000.00 as a contingency for cost unknown for the College of Saint Joseph's. Motion passed.

Meeting adjourned at 6:51pm.

Respectively submitted,

Sara P. Magro
Assistant Clerk