CITY OF RUTLAND, VERMONT
Board of Aldermen Minutes
Monday, September 20, 2010

Members present: President Allaire, Aldermen Dress, Barrett, Notte, Tilden, Robinson, Sargeant, Coleman, DePoy, and Davis. City Attorney Costello and City Clerk Heck. Alderman Larson was absent.

President Allaire called the meeting to order at 7:00 PM

MINUTES OF PREVIOUS MEETING (Tuesday, September 7, 2010)
A motion was made and seconded (Davis, Robinson) to approve the minutes. Motion passed.

OUTSIDE THE RAIL

COMMUNICATIONS FROM THE MAYOR
Mayor Louras asked for a referral on the issue of the Diamond Run Mall/Gemini Realty/Zamias payment on the fact that the City has not received its 2009 $100,000 impact fee payment. A motion was made and seconded (Davis, Robinson) to refer the issue to Finance Committee. Motion passed.

At this time, the President asked the Board if it would move the Board of Sewer Commissioners to this time on the agenda. A motion was made and seconded (Davis, Robinson) to move into the Board of Sewer Commissioners. Motion passed.

BOARD OF SEWER COMMISSIONERS
Set 2011 Sewer Rate
President Allaire opened the issue of setting the 2011 sewer and water rates by giving a brief review on the committee level and making a motion that came out of committee to set the combined rate at 5%, and he so moved. Alderman DePoy seconded. Debate began and lasted for almost two hours. Debate centered around the fact that the combined tax rate needed to be 14.9 % increase to finance the budget that had been approved.

Mayor Louras reviewed the handout he presented to the Board. He gave an overview on how layoffs financially broke down; stating that laying off people did not solve the issue. The handout included several scenarios on cuts and he explained there effects on their departments. The Board questioned, even though layoffs in year one would not create significant financial gains, they wanted to know the financial effect for years two and three. The Mayor stated that he could respond with those figures but again reiterated the effects of laying off people would have on the City.

Engineer Pilachowski gave a brief review on water disinfection byproduct results. He explained that the EPA is very concerned with the City's test results. Evan stated that cuts to employees and cutting the finances for carbon may show the EPA that the City is not making its best effort on becoming compliant on disinfection byproduct levels. This in turn could lead to fines in excess of $30,000 per day until the City is compliant.

Mayor Louras presented the financial figures requested by Alderman Sargeant on years two and three. He stated that an example would be if year one saved $1, year two would save $2, and year three would save $3. The Mayor again stated that cuts to staff would "cripple" their various departments.

Commissioner Shelvey reviewed from the handout the various increases on the water budget. He stated that comparing 2010 to 2011 budgets the increases contained were Board approved and needed by the water department. He stated that a $310,000 increase included the sand at $250,000, a needed 2nd chemical delivery at $50,000 and an emergency generator at $10,000. The other increase included payment on the replacement roof at the water plant totaling $282,000. If you removed those issues the water treatment, distribution, and meter divisions saw a .9% increase on their 2011 budget.

At this point, President Allaire asked the large contingent outside the rail if anyone wanted to speak on the issue.

Michael Dick, resident of the City and a local dentist spoke on the issue of fluoridation and its importance of being in the water supply. He stated his concerns of overall health and relative low cost compared to increased health issues without fluoride in the water. He implored the Board to reconsider cutting fluoride out of the budget. President Allaire thanked Dr. Dick, and stated that never once did the Board consider cutting fluoride out of the budget.

Alderman Notte spoke on the fluoride issue and made a motion to refer it to Public Works Committee. Alderman Tilden seconded. Debate. Several Aldermen spoke on how they never asked for fluoride to be removed. They also questioned why send it to committee when voters have already voted to place fluoride in the water system. **Motion failed.**

Dr. Wheeler, a resident of the City, dentist, and plastic surgeon at the hospital also spoke on the effect of fluoride in the water. He presented the Board with signed petitions from over 90 physicians and health officials supporting fluoride in the water.

Dr. Judy Fisch distributed a packet with information and signed support from the City's dental offices supporting the use of fluoride in the City's water system.

The President moved discussion back inside the rail and stated that the original motion stands, to increase the combined rate at 5%. Debate continued. Alderman Sargeant made a "friendly" amendment to determine a rate after cuts are made on tier #1 and tier #2 but add in the $15,500 for fluoride. There was some confusion on the chairs part and after some input from the attorney he stated that the "friendly" amendment was set and seconded. Discussion continued as to the ramifications on the tier #1 & #2 cuts, specifically personal cuts, and what the actual blended rate increase would be. It was determined that the combined rate would then be 6.87%.

Debate continued, with discussion on the sewer rate being set in the Board of Sewer Commissioners, and the water rate being set as the Board of Aldermen. DPW Business Manager Maryann Dulli stated to the Board that the BOA had the ability to adjust surpluses from the sewer collection line of $91,000 and $47,000 in water. She stated that the Board had the ability to use that surplus to reduce the deficit and decrease the proposed rate increase by a fair amount. A motion was made and seconded (Sargeant, Coleman) to set the sewer rate at 2.53% at the tier two level. Several Aldermen questioned the figures that Mary Ann presented. The Board recessed at 8:45 PM to allow Mary Ann to work on those figures.

The Board reconvened at 8:50 PM. Alderman Davis asked for a roll call vote. President Allaire defined the sewer rate as a combination of wastewater treatment and wastewater collection, the combination of those two comprised the "sewer" rate. It was determined that each would needed to be voted on instead of the combined 2.53% sewer rate. Alderman Sargeant requested to amend his amended motion to stated, he moved to set the wastewater treatment rate at 6.00% and the wastewater collection rate at -11.00%. Motion was seconded by Alderman Davis. Alderman Davis recalled her roll call vote. The **motion passed**.

A motion was made and seconded (Davis, Robinson) to move **out** of the **Board of Sewer Commissioners. Motion passed**.
President Allaire stated that the Board now sat as the Board of Aldermen and could set the water rate.

A motion was made and seconded (Sargeant, Dress) to set the total water rate at 13.94%. This rate was set at the tier 2 rate but included $15,500 for fluoride. Alderman Sargeant stated that this rate along with the approved "sewer" rate of 2.53% would bring the combined water and sewer rate to 6.87%. Alderman Davis asked for a roll call vote. Alderman DePoy stated that Alderman Sargeants figure was not correct as he added the fluoride .28% in twice. After some debate it was determined that the water rate would be 13.91%.

President Allaire asked the Clerk to call the roll.

Alderman Dress	YES	
Alderman Barrett		NO
Alderman Notte		NO
Alderman Tilden		NO
Alderman Robinson		NO
Alderman Sargeant	YES	
Alderman Coleman	YES	
Alderman DePoy	YES	
Alderman Davis		NO

Motion failed.

Alderman Davis stated that the board could be here all night going 5-4, 4-5. She stated that the Board needed to really decide what was best for the rate payers for this year. With that, a motion was made and seconded (Davis, Tilden) to set the water rate at 24.5%. She stated that with the sewer increase of 2.53% and the water increase of 24.5% the combined increase would be 10.54% not the proposed 14.9%. Debate. Several aldermen stated their approval of the motion. A roll call vote was called by Alderman Sargeant.

The President asked the Clerk to call the roll.

Alderman Dress		NO
Alderman Barrett	YES	
Alderman Notte	YES	
Alderman Tilden	YES	
Alderman Robinson	YES	
Alderman Sargeant		NO
Alderman Coleman	YES	
Alderman DePoy		NO
Alderman Davis	YES	

Motion passes.

<u>**REPORTS AND LETTERS FROM DEPARTMENT HEADS AND OFFICIALS**</u>

<u>Chief Schlachter; Update on the Airport Fire Protection Agreement</u>

Chief Schlachter reviewed the contract and pointed out the updates. He also sought approval from the Board authorizing the Mayor to sign the new contract. A motion was made and seconded (Davis, Robinson) to suspend the rules. Motion passed. A motion was made and seconded (Robinson, Davis) to authorize the Mayor to sign. **Motion passed.**

<u>Evan Pilachowski; SFY 2011 Ecosystem Restoration Grant, Cottage St. Parking Lot</u>

A motion was made and seconded (Notte, Robinson) to suspend the rules. Motion passed.
A motion was made and seconded (Notte, Sargeant) to authorize DPW to sign a grant agreement and any other pertinent documents associated with a pervious pavement parking lot installation at the municipal parking lot at the corner of Cottage and West streets. Motion passed.

Jim Simonds; Request to carry over 37.5 Hours of Vacation Time (On Desk Monday)
A motion was made and seconded (Davis, Robinson) to suspend the rules. **Motion passed.**
A motion was made and seconded (Robinson, Davis) to approve the request to carry over 37.5 vacation hours. **Motion passed.**

REPORTS OF STANDING COMMITTEES
None to Report

REPORTS OF SELECT COMMITTEES
None to Report

REPORTS OF REPRESENTATIVES
William Notte; Representative, RRA
Alderman Notte, representative to the RRA stated that the Redevelopment Authority has been undergoing an internal examination of itself. The RRA is reviewing its Charter mandate. The RRA Board unanimously agreed that an executive director is needed. They are still trying to determine how the position will be paid. The RRA would like to meet with City representatives to determine how each entity can promote economic redevelopment and fight blight in the City. A motion was made and seconded (Notte, Robinson) to refer the issue to the Community and Economic Development Committee sometime after October,18th. **Motion passed.**

PETITIONS, LETTERS, MISCELLANEOUS COMMUNICATION
Hope Rogers; CVPS, Pole & Wire Request Forest Street
A motion was made and seconded (Davis, Robinson) to suspend the rules. Motion passed.
A motion was made and seconded (Davis, Robinson) to approve the request with the seven standard conditions. **Motion passed.**

BOARD OF CONTROL COMMISSIONERS
None to Report

UNFINISHED BUSINESS
None to Report

MISCELLANEOUS MOTIONS, RESOLUTIONS, NEW BUSINESS
Alderman Robinson; Request to discuss Comptroller
Alderman Robinson reported that his letter was in the packet and he gave a brief overview. He stated that the issue of a "Comptroller" is one that could help with issues within the audit. Alderman Robinson was looking for a letter of support from the Chair encouraging the Mayor to add $50,000 to the Treasurer's Budget allowing the Board time to investigate the need of a comptroller. Alderman Robinson stated that he was only looking to help resolve continued issues with the audit. A motion was made and seconded (Coleman, Davis) to refer the issue to the Finance Committee. **Motion passed.**

Alderman Sargeant; Request for Executive Session, Continued discussion of Real Property Rights.
At 9:35 PM a motion was made and seconded (Robinson, Sargeant) to enter into executive session for the consideration of the negotiating or securing of real-estate purchase options. **Motion passed.**
AT 9:51 PM a motion was made and seconded (Davis, Sargeant) to come out of executive session. **Motion passed.** At 9:52 PM a motion was made and seconded (Davis, Robinson) to adjourn. **Motion passed.**

Respectfully Submitted,

Henry A. Heck
Rutland City Clerk