

**TOWN OF UNDERHILL  
SELECTBOARD SPECIAL MEETING  
&  
PUBLIC INFORMATIONAL HEARING  
MINUTES  
Underhill Town Hall  
Tuesday, February 26, 2019 5:00 p.m.**

**Selectboard:** Kurt Johnson, Pat Sabalis and Dan Steinbauer

**Town Staff:** Sherri Morin

**Public:** Ruth Miller (MMCTV), Peter Bennett, Pamela Fecteau, Chris Goulette, Dean Haller, Ann Hawley, Rick Heh, Lisa Lavoie, Dan Manz, Larry Smith,

**5:00 p.m. Call to order, adjustments to agenda.** Meeting called to order by Chair. Adjustments to agenda: add request to post roads and Hunt request for a "*building permit*" extension to New Business.

**5:01 p.m. Public Comment Period.** None.

**5:02 p.m. New Business.**

**Melanie Poley, Interview for vacancy on the Underhill Recreation Committee (URC).** The Selectboard discussed Melanie Poley's interest in being appointed to the URC and the URC's recommendation of Ms. Poley. The vacant position is the one vacated by the recent resignation of Bernie Peine and expires March 2019. Notice made of email from Anton Kelsey (URC Chair) advising of that Committee's unanimous support for Ms. Poley who has indicated that she would be interested in being reappointed to serve a full term.

Kurt Johnson moved to appoint Melanie Poley to the Recreation Committee for the remainder of a 3 year term that position that expires March 2019. Pat Sabalis seconded and the motion passed 3-0.

Pat Sabalis noted that Bernie Peine has kept the URC going during years when the URC was not as well staffed and thanked him for his service to the Town as the URC Chair.

**Takeover of Tax Stabilization Agreement: Nief & Johnson/SO031.** Selectboard and staff discussed the Town Contract for property at 31 South Hill Drive, which has been sold and the new owners are interested in taking over the remainder of the contract to March 31, 2025.

Kurt Johnson moved that the Selectboard resolve to approve the takeover of the local Tax Stabilization Contract at 31 South Hill Drive. Pat Sabalis seconded. Because of questions whether the property was restricted in development for any reason, Kurt Johnson withdrew the motion, Pat Sabalis seconded the withdrawal and the motion to withdraw passed 3-0.

**Posting of Roads.** Nate Sullivan has asked for authorization to post weight limits on Town roads from March 1 to May 15, 2019, which is earlier than usual because of the possibility of an early mud season. Consensus of the Board is to authorize early posting.

**Hunt Permit Extension Request.** Mr. Hunt has requested an extension to a "*building permit*" at 68 Range Road. No building permit has been issued, only an access permit. Staff will contact Mr. Hunt to clarify his request and the Board will consider it at its next scheduled meeting (March 12).

**5:25 Old Business.**

**Health Reimbursement Arrangement (HRA).** The first draft of the 2019 HRA Plan had been reviewed and discussed at the January 29, 2019 Selectboard meeting. Requested changes to add 'Leased Employees' to exclusions have been made and documents returned by Northeast Benefits Management.

Chair moved the following adopting Resolution: Resolved, that the Town of Underhill HRA Plan effective 1/1/19, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan. Pat Sabalis seconded, the resolution passed 3-0, and the Chair signed the provided Certificate of Adopting Resolution.

**Green Lantern Group (GLG), Beartown Road Solar Array.** The Selectboard reviewed the revised Site Plan dated 02/22/2019 and the Road Foreman's input regarding relocation of utility poles and access road. Consensus of Selectboard is that GLG can proceed with the permitting process.

**5:28 p.m. Vermont League of Cities & Towns Property and Casualty Intermunicipal Fund (VLCT PACIF) Presentation.** Larry Smith, Member Relations Manager and Pam Fecteau, an Underwriter from VLCT PACIF discussed VLCT PACIF's coverage, offerings, etc. with the Selectboard. A contribution credit is based on an experience modification factor based on claims history over 3-5 years. A factor under 1.0 usually gets credits. Underhill's factor is 0.85 and the Town has received an average of \$3,000 credit over 3 years. Additional PACIF offerings include free inspections by the Loss Control Consultant, trainings and workshops, grants and scholarships for outside training, Human Resources/Employment Practices Liability assistance and an Employee Assistance Program.

**6:00 p.m. FY2018 Final Audit.** Lisa Lavoie and Chris Goulette of A.M. Peisch & Company, LLP, staff and Selectboard discussed the results of the most recent audit and suggestions about proceeding with the new Finance Officer position. Chair requested information regarding computation of surplus and reserve funds. A.M. Peisch is available to assist new finance officer with questions.

**6:30 Public Informational Hearing on Town Meeting Australian Ballot Items.**

The Chair called the hearing to order and noted that this was the hearing provided for in 17 V.S.A. §2680(g) to offer the opportunity for comments and questions pertaining to the Australian ballot items that were the subject of the hearing.

**Article 3      Shall the voters approve the general fund expenditures of \$1,222,801 of which \$879,826 shall be raised by taxes, \$342,975 by non-tax revenues, pursuant to 24 V.S.A . §2664?**

Chair explained that the general fund expenditures are actually \$1,132,801 or \$90,000 less than stated because \$90,000 for Town Contracts was included in general expenses. Similarly, the non-tax revenue should not include the \$90,000 for Town Contracts. As a result, there is no impact on the tax rate.

**Article 7** Shall the town assign from the 2018/19 surplus \$100,000 to the Highway Reserve Fund, \$30,000 to the Building Reserve Fund and \$50,000 to reduce taxes?

Chair explained the various funds and reason for surplus. No questions from the public.

**Article 8** Shall the voters approve the transfer of \$20,000 from the Generator Reserve Fund to the Building Reserve-Garage Fund?

Chair explained reason why generator reserve fund was not used. Rick Heh asked if there was mechanical method to raise the garage doors is there was no electricity. Selectboard will look into this question.

**Article 9** Shall the voters approve the transfer of \$10,000 from the Town Hall Roof Reserve Fund to the Building Reserve Fund?

Chair explained that Town had a surplus in Town Hall Roof Reserve after roof was replaced under budget and that transfer to building reserve fund would make \$10,000 available for repairs to Town Hall Great Room. No questions from the public.

**Article 10** Shall the voters authorize a loan in the amount not to exceed \$250,000 to be financed over a period not to exceed 20 years for the construction of the Corbett Road bridge?

Chair explained how the loan would fund the bridge construction without an impact on the tax rate as \$50,000 surplus would cover increased debt service in 2020 and in the future, debt service will be reduced after two current loans are paid off in 2020. No questions from the public.

**Article 11** Shall the voters authorize a loan in the amount not to exceed \$500,000 to be financed over a period not to exceed 20 years for the reconstruction of Town gravel roadbeds (1.5 miles of roadbed replacement on Poker Hill Road and Irish Settlement Road)?

Chair explained how this loan would fund the roadbed reconstruction without impact on tax rate as \$50,000 surplus would cover increased debt service in 2020 and in the future, debt service will be reduced after two current loans are paid off in 2020. Rick Heh asked about wisdom of incurring interest expense for the loans. Chair explained he would look into alternative funding sources instead of using bank loans for future projects.

**Article 12** Shall the voters exempt the property of the Underhill Jericho Fire Department from taxation for municipal and school purposes for a period of 5 years pursuant to 32 V.S.A. §3840?

Pat Sabalis explained the history of this exemption and its impact on the municipal tax rate and the lack of impact on the local education tax rate historically. The FY2019 municipal tax rate with the exemption is 0.5315 and without the exemption, it would be 0.529. She advised that there may be a question about the continued lack of impact on the education tax rate. The Selectboard has asked the Vermont Dept. of Taxes about this but has not heard back yet. No questions from the public.

**Article 13** Shall the town vote to give the Selectboard general authority to enter into Tax Stabilization Contracts with owners, lessees, bailees, or operators of agricultural

**or forest property, open space land, and alternative-energy generating plants,  
pursuant to 24 V.S.A. §2741(b)(1)?**

Pat Sabalis explained that the Tax Stabilization Contracts, or Town Contracts, affected the municipal taxes and the education tax. She noted that the FY2019 municipal tax rate with the Town Contracts is 0.5315 and without the Contracts, it would be 0.5244. Additionally, Underhill taxpayers pay an annual tax of 0.0220 to cover the education revenue that is reduced by the Town Contracts. No questions from the public.

**Article 14 Shall the voters authorize the expenditure of \$1,000 for the Jericho Farmer's Market?**

Chair explained that the Farmer's Market requested an appropriation from Underhill to help defray the costs of managing the Market and noted that Jericho contributes to the Market already. No questions or comments from the public.

**7:00 p.m.** No additional comments were provided. Chair informed the Board and other members of the public that the hearing would remain open for a few more minutes to allow other members of the public to attend in case they were running late.

**7:08 p.m.** Chair moved to close and adjourn the Public Informational Hearing. Pat Sabalis seconded and the motion passed by a vote of 3-0.

**7:25 p.m. Warrants and Minutes.** By consensus the Board reviewed and signed current warrants.

Kurt Johnson moved to approve the minutes of the February 12, 2019 Regular Meeting of the Selectboard. Pat Sabalis seconded. Minor typo noted and the motion passed by a vote of 3-0.

**7:28 p.m. Member Items, Correspondence, Announcements, Schedule.**

- **Member Items.** Request for hearing assistance for those needing it for Town Meeting and Selectboard meetings noted. Options to be obtained.

**Correspondence.** Selectboard acknowledged receipt of:

- Kurt Johnson's email of February 15, 2019 re: Article 3 and impact of error in categorization of the Local Agreement Tax.
- February 22, 2019 Email from Sam Carlson of Green Lantern Group to include revised Site Plan for Beartown Road solar array that incorporates Road Foreman input on revised access proposal.
- February 20 email from Assessing Clerk Amanda Bosley regarding State of Vermont reimbursement of lodging expense related to a 2-day course. Assessing Clerk paid for the lodging herself. The State of Vermont process is to reimburse the municipality. Consensus of Selectboard is to use the State reimbursement funds to reimburse Amanda Bosley for the \$115.00 expense she incurred.
- Notice of VLCT, Spring Selectboard Institute training opportunity on March 30, 2019.
- Copy of 2/21/19 Town Administrator memorandum to property owners who contract sap hauling seeking their assistance in having haulers comply with statutes and permits.

**Schedule.** Notice made that the next regular scheduled Selectboard date is March 12, 2019.

**7:42 p.m. Executive Session.**

Kurt Johnson moved that the Selectboard, staff and Consultant enter into Executive Session to discuss the appointment or employment or evaluation of a public officer or employee under the provisions of 1 VSA §313 (a)(3) of the Vermont Statutes. Pat Sabalis seconded and the motion passed 3-0.

At 8:53 p.m. the Chair moved to exit the Executive Session. Pat Sabalis seconded and the motion passed 3-0.

Selectboard will meet with Road Foreman.

**Takeover of Tax Stabilization Agreement: Nief & Johnson/SO031.** Selectboard and staff further discussed the Town Contract for property at 31 South Hill Drive. It is an existing 10-year contract proposed for continuation by the new owner of the remainder of the contract to March 31, 2025. The parcel is 16.68 acres in size and is in the Rural Residential District which has a minimum lot size of 3 acres.

Kurt Johnson moved that the Selectboard approve the takeover of the local Tax Stabilization Contract at 31 South Hill Drive. Pat Sabalis seconded and the motion passed 3-0.

**8:55 p.m. Adjournment.** On a motion made by Kurt Johnson and seconded by Pat Sabalis the Selectboard adjourned on a vote of 3-0.

Submitted by Pat Sabalis

Read and Approved as submitted/amended



Pat Sabalis, Chair