

Brandon Select Board Meeting
January 13, 2014

NOTE: These are unapproved minutes, subject to amendment and/or approval at the subsequent board meeting.

In Attendance: Devon Fuller, Maria Ammatuna, Ethan Swift, Blaine Cliver, Dave Atherton

Also in Attendance: Robin Bennett, Wayne Rausenberger, Kathleen Rausenberger, Richard Baker, Dick Kirby, Ray Counter, Cindy Bell, Tracy Wyman, Jim Leary, Gary Meffe, Nancy Meffe, Chris Brickell, Lee Kahrs, Phyllis Reed, Butch Shaw, Steve Carr, Bernie Carr, Peg Flory, Janet Coolidge, Linda Stewart, Bruce Edward, Heather Shea, Judy Bunde, Andrew Menkart, Eileen Simollardes, Randy Martin, Fran Bull, Calvin Mullin

1. Call to order

The meeting was called to order by Devon Fuller - Chair at 7:09PM.

a) Agenda Adoption – Motion by Blaine Cliver/Ethan Swift to adopt the agenda as presented. **The motion passed unanimously - 4 to zero.**

2. Consent Agenda

a) Approval of Minutes – December 23, 2013 – Select Board Meeting

Motion by Maria Ammatuna/Ethan Swift to approve the minutes of the December 23, 2013 Select Board meeting. **The motion passed unanimously – 4 to zero.**

3. Public Comments for Items not on the Agenda

Cindy Bell stated in August, there was discussion about overdue water and sewer taxes and Mr. Baker was going to send letters to these people. Devon Fuller stated the town does not have the authority over the water and the letters would be related to the delinquent sewer bills. Robin Bennett stated letters did go out and she will need to follow-up on the process.

Judy Bunde questioned the status of the grant application for the Churchill Bridge. Robin Bennett stated the application is active and it is anticipated a final decision will be received in January or February.

Richard Baker asked the status of the audit report. Robin Bennett has reached out to the auditor and it should be received any day.

4. Vermont Gas Presentation

Eileen Simollardes, Vice-President for Regulatory Affairs for Vermont Gas Systems provided a presentation on the proposed natural gas project. This project is evolving in phases with Phase 1 bringing the line down Route 7 to Middlebury and communities, Phase 2 will bring the line to International Paper in Ticonderoga and Phase 3 will bring the line to Rutland and communities along the way. International Paper is making a significant contribution to the project that will enable service to the areas sooner. Ms. Simollardes stressed that Phase 3 is early in the planning process and they want to obtain feedback on how best to engage the community. It is known where Phase 1 and 2 are going to end and it is known that Phase 3 will go south, but a route has not been determined. A PSB certificate has been received and it has been through the regulatory process. If all goes as planned, there will be gas service to Middlebury and Vergennes by the end of 2014. A letter of support from the entire Rutland legislative delegation has been received. Ms. Simollardes stated natural gas is half the price of fuel oil and propane, it is far cleaner burning and it is anticipated one million tons of carbon dioxide will be taken out of the air with the Ticonderoga project. Chittenden County has had natural gas since 1965. International Paper is critical to expanding to the Rutland area, as they are paying for a longer and larger pipe. They will fund \$45 million of the project, which will allow bringing natural gas further south 15 years sooner at a far lower cost. Ethan Swift stated there are concerns about natural gas with fracking. Ms. Simollardes stated when bringing the natural gas into the community, they are displacing fuel oil, which also comes from fracked resources. Maria Ammatuna asked if there is a separate charge in coming through a town. Ms. Simollardes stated when they come through a town, there is no charge associated. They will need a gate station, which is a small above ground structure that is around 75 to 100 foot square and there are pipes in the streets there would be a distribution maze, with smaller pipes running to individual residences. The cost comes in the conversion of existing systems, but there is no cost to getting the pipes to the residences, usually up to 200 feet from the edge of the road. Linda Stewart stated there is natural gas in Plattsburgh and asked why International Paper did not extend the service from there. She stated this is a rural community and she does not see bringing pipeline to all residences in the area. Ms. Simollardes stated Vermont Gas has a high saturation of use, but there is not a town in Vermont that has service to every home and business. The further aspects of the town may not get gas service initially. She cannot tell how many homes or businesses it would service and that would be part of the discussions. With regard to International Paper, the Phase 2 project is the least costly way to service them. Devon Fuller asked if Vermont Gas is going to be willing to get to Rutland without International Paper. When proposing this expansion, the funding mechanism was approved through 2031, as the long term vision is to get to Rutland. They want to make sure that they can do it in a manner that is competitive and with International Paper's funding; it reduced the timeframe by 15 years. Mr. Fuller asked if the project has to get all the way to Rutland before Brandon can get hooked to service. Ms. Simollardes stated the challenge is the infrastructure is very expensive and the market share is in the Rutland area and Omya. Wayne Rausenberger stated the Segment 6 road project will be going through Brandon and asked how this would impact that project. Ms. Simollardes stated natural gas projects and road projects co-exist well. They use horizontal directional drilling that goes under

roadways and would not require the tearing up of roadways. She does not think that anything that is being done now would change what they would do and they would work around it. Steve Carr stated the Rutland County delegation was very supportive of this idea. Rutland Economic Development is also supportive of the project. Omya spent \$13 million to convert their plant from diesel to liquefied gas and they project a 3 year payback. When this pipeline becomes available, they will be able to use the same infrastructure and it will cut their cost in half again. It has been important in looking at this as an economic development project. Omya is the second largest user of electricity in the state, only behind IBM in Essex. Gary Meffe stated it would presumably go through some private land and asked if they have eminent domain. Ms. Simollardes stated they seek an easement and compensate the landowners. If an agreement can't be reached, they do have the right to an eminent domain proceeding, however, in 23 years she has never been through an eminent domain procedure. Mr. Meffe asked how large the transmission pipe is and what is their safety history. Ms. Simollardes stated it would be a 12 inch transmission pipe made out of steel. The natural gas pipelines are the safest way to transport energy and Vermont Gas has an excellent safety record. She encouraged the community to talk to their peers who have natural gas.

Andrew Menkart read the following letter:

My name is Andrew Menkart and I am a property owner and a business owner in Brandon and I would like to speak against this proposed pipeline going through Brandon for the following reasons:

- 1) This project does not reflect a sound and sustainable energy policy for Brandon or for Vermont. Much of the gas supplied through the proposed pipeline will be obtained from hydraulic fracturing, commonly known as fracking. Fracking involves a huge volume of chemicals being pumped into the ground has caused numerous documented cases of ground water contamination. The Vermont legislature placed a moratorium on fracking in Vermont. We should not create a market for fuel from a process we wouldn't allow here.
- 2) The potential savings to customers that would connect to a proposed pipeline has been exaggerated and is not guaranteed. In most cases very few homes and business that are on the "transmission route" would be able to connect and would incur a high cost to connect and convert their current heating system. Additionally, gas prices are low now but there is no guarantee of future prices will stay low.
- 3) Personal property rights are likely to be violated by the proposed pipeline. There are many landowners in Addison County whose land is on the proposed route for phase 1 and phase 2 who don't want the pipeline and don't want to negotiate with Vermont Gas but face the risk of their land being taken by "eminent domain". The same is likely to happen in Brandon.
- 4) The Brandon Town plan on page 5 under the heading of "Vision" for the Energy section mentions "Encourage(ing) energy efficiency and recycling, as well as renewable and alternate power sources and fuel sources" That doesn't seem consistent with a non renewable fuel source like this.
- 5) Vermont Gas will tell you about their safety record, but do some research on the number of pipeline gas leaks that have occurred around the country and around the world. Will Brandon fire and rescue services have the necessary equipment and training to deal with a pipeline emergency? Do those safety concerns "promote the health, safety and welfare of the citizens" of Brandon as outlined in the town plan?
- 6) Beware of signing a MOU or "memorandum of understanding" with VT Gas. Do an online search for Vermont Gas MOU and you will find an article by a Monkton resident about how Monkton's MOU it effects him. Apparently the terms of the MOU can be altered after the fact to meet the needs of VT Gas.
- 7) Please be wary of the potential tax revenue from a proposed pipeline. The revenue is likely to be offset by reduction in property value of the land it passes over. ~~Would you want to live near a gas pipeline?~~ Additionally my understanding is that the payment to the towns reflects the pipeline being a depreciating asset and do not reflect the actual revenue that VT Gas receives from the pipeline.

In closing I would encourage the Brandon selectboard to oppose the pipeline.

Judy Bunde asked what the options would be for a route from International Paper to Rutland. Ms. Simollardes stated there is a timeline but no route has been selected at this point, but there are options such as the rail corridor or the VELCO corridor. They

need to get input from the communities to determine where the route will be. For Phase 3, it may make sense to do it in chunks along the way, but no planning has been done. It was questioned why Vermont Gas has asked the Civil Corps of Engineers to study wetlands between Middlebury and Rutland. It was noted there is a Corps of Engineers project for Phase 1, but nothing further south. For that phase, they obtained a Certificate of Public Goods, Wetland Permit, Stream Alteration Permit and an Army Corps of Engineers permit for wetlands. Phase 1 follows the VELCO Corridor and follows the Circ Highway. She stated it would make sense to look at the VELCO corridor as it goes through Omya, but it may make sense to review other routes that may be better for a variety of reasons. Ms. Simollardes stated Vermont Gas is owned by Gas Metro, a Canadian company. It is registered with the Vermont Secretary of State, is completely locally managed, has 120 Vermont employees and is a Vermont corporation. Randy Martin from Cornwall stated his property was on the proposed route and the route was changed, but is still on his property. Mr. Martin urged the Board to move very slowly and suggested the community study the project and talk with people in Cornwall and Monkton to find out how they have been treated. Ms. Simollardes wishes that everyone along the way could be happy and she feels bad for Mr. Martin. Maria Ammatuna asked what portion of the work is subcontracted and does it change by region. Ms. Simollardes stated all of the construction will be completed by subcontractors and the bulk will go out for competitive bid. This is not unique to this project, but is how Vermont Gas does pipeline construction. Gary Meffe asked why the Rutland legislative group is in support of this project. Peg Flory stated they were first approached a number of years ago to discuss this project, however, with the International Paper funding, Vermont Gas approached them a year ago to discuss the project that could be done much sooner. Many businesses have contacted the legislative group, such as Omya, General Electric and Rutland Regional Medical Center expressing interest in obtaining less expensive gas. The Rutland Chamber of Commerce and Rutland Economic Development Corporation have also expressed support for the project. To obtain a Certificate of Public Goods, it would require support from the legislative body and they have provided their support because of the number of businesses that have encouraged support for the project. They were advised that Vermont Gas would be contacting all of the towns to discuss the project and they are aware of the permitting that is required for the project. Senator Calvin Mullin stated they have talked to businesses and noted that General Electric has been asked by their corporate office to get their energy costs down. Mr. Mullin stated there are issues with all types of power and the question is what energy source has the least carbon and environmental footprint at the lowest cost. When looking at trying to keep the businesses and attract new businesses, this project will be a benefit to the region. Butch Shaw stated the decision to support the project was not taken lightly. It was over a year's process in reviewing and discussing the project with Vermont Gas. This is a culmination of studies and it is a project that could drive the economic engine. Omya has invested \$13 million to be competitive among their own plants and Omya Vermont has the highest energy cost of all of their plants in America. Ethan Swift asked if natural gas is similar to the electrical grid and questioned where their source of natural gas comes from. He stated groundwater has been destroyed and lost in other areas of the country. Ms. Simollardes agrees that protecting water resources is important. They get their natural gas from Canada. There is a lot of

information and misinformation about water resources. The industry and the states where hydraulic fracking is an issue need to work together. Fran Bull stated the question of where the gas comes from is crucial. She stated in Alberta Canada, there is devastation where the gas comes from. Ms. Bull suggested people educate themselves about where the gas is coming from. Dick Kirby stated power companies are complaining that solar power is cutting into their revenue and if another source is brought in, residents will be paying higher electric bills for less consumption. Ms. Simollardes stated the natural gas would not be displacing electric sources. She stated it is an additional choice for people and this project would introduce an additional fuel source for Rutland County. She agrees with the comments about educating the public and hopes this is the first of many discussions. Devon Fuller stated this process needs to be taken slowly.

5. DRB (Development Review Board) Appointments

Robin Bennett stated in collecting contact information, it was found that terms were not noted for the appointments to the DRB and for housekeeping purposes, Ms. Bennett suggested making two motions to appoint John Peterson for a term ending 6/30/16 and one for Erick LaRock to fill the remainder of a term.

Motion by Maria Ammatuna/Ethan Swift to appoint John Peterson to the DRB for a term ending June 30, 2016. **The motion passed unanimously – 4 to zero.**

Motion by Maria Ammatuna/Ethan Swift to appoint Eric LaRock to the DRB to fill a vacancy that will expire on June 30, 2014. **The motion passed unanimously – 4 to zero.**

Richard Baker stated Mr. Peterson was only willing to serve for one more year and should be consulted. Devon Fuller stated the statute requires a three year-term and should Mr. Peterson not wish to do the full three years, he can choose to resign at any point. Ethan Swift suggested appointing an alternate, as that position is also still vacant.

6. Annual Town Meeting

Robin Bennett stated the town needs to find a new moderator and encouraged anyone who is interested in this position to come forward. If there are any additional items that should be included in the town meeting warrant, they will need to be brought forward for approval at the next meeting.

Motion by Maria Ammatuna/Ethan Swift to add an article to town meeting eliminating the Town Auditor's position per statute. **The motion passed unanimously – 4 to zero.**

Motion by Maria Ammatuna/Ethan Swift to authorize the Town Manager to list an article to eliminate the Board of Listers; to be replaced by a town assessor. **The motion passed with one abstention.**

Instead of the Board of Listers, there will be a professional assessor that is state certified. The Select Board thinks the town will be better served and the grand list will be better maintained with this change. Richard Baker does not believe the town can do away with the Listers, as there is not a municipal charter. The Select Board is currently in discussion to find out who will legally be signing the grand list. Blaine Cliver questioned who people will contact when there is a grievance. Devon Fuller stated there will still be a grievance process in place. Ethan Swift asked if there is anything that can be done since Brandon is not a charter town. Robin Bennett stated it is a long process and ultimately the Select Board would have to appoint a Charter Committee and go through the process of adopting one. Devon Fuller stated the town should move forward with this process. Phyllis Reed requested clarification of the grievance process and it was noted that listers would be appointed for this purpose and the assessor would be a hired position. Maria Ammatuna asked if there are any other elected positions that should be changed. It was noted there is also a vacancy for the Town Constable. The Constable position is an elected position by Vermont statute and many Vermont towns do not give the position law enforcement duties and in many towns it is a figure position.

Motion by Maria Ammatuna/Ethan Swift to authorize the Town Manager to add an article to town meeting to change the First and Second Constable from an elected and to an appointed position according 24 VSA Chapter 117. **The motion passed unanimously – 4 to zero.**

Robin Bennett suggested changing the format for distributing the town report. Richard Baker stated this would also be an item to add to the articles and the Select Board was in agreement.

Motion by Ethan Swift/Maria Ammatuna to include an article that the annual town reports will no longer be mailed to all households and will be available on line; and in print upon request. **The motion passed unanimously – 4 to zero.**

7. Town Office Project

Robin Bennett stated in the last few weeks, there has been a workshop regarding the town office. The town has received notice from the Municipal Lease Corporation that it has access to \$500,000.00 to do renovations or a purchase with regard to the town office. Ms. Bennett requested direction from the Select Board regarding the loan. Devon Fuller has received information that the roof is still leaking and questioned if there are funds available to repair it. Robin Bennett agreed funds will need to be found as the repairs need to be done. Maria Ammatuna stated the loan would have an 8-year term and the payment would be about \$73,000.00 per year. It is Ms. Bennett's understanding that the funds could be drawn down as needed and she will verify this information.

Motion by Dave Atherton/Maria Ammatuna to authorize the Town Manager to move forward with obtaining a loan with Municipal Lease Corporation for the renovation of the town office. **The motion passed unanimously – 4 to zero.**

Cindy Bell asked the status of the \$160,000.00 for the town office renovations. Devon Fuller stated those funds are still available, but this project will require more funding. Ms. Bell also questioned the status of the town office move from the fire station. Robin Bennett stated the renovations will take place this week and a moving date is scheduled for January 23rd. The high security vault for records has been ordered and will be delivered January 22nd.

Motion by Blaine Cliver/Maria Ammatuna to request the Town Manager discuss a Memorandum of Agreement with the Learys with regard to sharing the space so that the town can apply for a grant to do work in that space. **The motion passed unanimously - 4 to zero.**

Ethan Swift asked if the agreement would be put into perpetuity, as it would likely have implications with the deed. Mr. Swift agrees with the intent and there needs to be a resolution as to how it will be addressed and what needs to be done legally.

Cindy Bell asked how the town is affording the rental of the new temporary town office. Devon Fuller stated the insurance company is paying for the temporary town office to allow the town to renovate the building. There will be repairs done to the Fire Station to compensate the Fire District's generosity in allowing the town to use the space. Robin Bennett stated the insurance company has approved the funds for the rental of a temporary space for a reasonable timeframe. The insurance company is aware the town had to move into a one-year agreement. Wayne Rausenberger stated the Select Board had agreed to refurbish the town building for a use, not necessarily for the town office. It was noted there is a temporary location for the town office, and the town office building will be renovated for a purpose.

8. Waterline/Segment 6/Bridge 114 Projects

Robin Bennett reported the waterline project is out to bid and the bids will be open on Friday at 2:00PM at the Fire Station. Cindy Bell asked how long after the bid is accepted will the project begin. Ray Counter stated the project will probably start sometime in March. There will be a meeting to discuss Bridge 114 on Thursday, January 16th @ 9:30AM at the town hall. An agenda for the meeting will be forwarded to the Select Board. In attendance will be representatives from the town, VHB, CLD and VTrans Historic Preservation. Devon Fuller asked about the appraisal contract and Ms. Bennett advised she has received the information, but has not had a chance to review it. Ms. Bennett reported she has passed along the information to VTrans regarding the tree issues with the right of way, but she has not received a response.

9. Town Manager's Report

Robin Bennett reported the main focus has been completing the budget. The budget will now be discussed with the Community Budget Committee beginning next Monday. The Sidewalk Sign ordinance will go through final revisions and will be discussed with the

Chamber of Commerce. This weekend there was some area flooding, with some minor issues.

With regard to repairs at the wastewater department, all the parts are in and they are waiting to hear from Champlain Construction. The Friends of the Town Hall have received notice that a \$14,000.00 historical preservation grant has been received and is 50% of the cost to rehabilitate the windows. The remaining 50% has been raised by the Friends of the Town Hall. Ms. Bennett distributed a list of upcoming meetings to the Select Board. All meetings are open to the public. The budget meetings will begin at 6:00PM at the town hall, except for Tuesday and that meeting will be held at the Stephen A. Douglas House. The budget approval will be on the agenda for the January 27th meeting. Devon Fuller stated it is recommended that a Select Board liaison be in attendance at the budget workshop. Mr. Fuller will initially attend all meetings and will be available for questions. Richard Baker asked if the Budget Committee will receive the draft budget prior to the meetings and it was noted it will be available tomorrow or Wednesday. Maria Ammatuna will also be attending the Budget Committee meetings.

10. Other Business

Ethan Swift stated the town needs to have the rock pile on Newton Road removed to allow the owners to use the land this spring and recommended doing planning with Markowski to remove the material before the roads are posted. Mr. Swift stated there is also an unfilled position on the Rutland Regional Planning Commission.

11. Fiscal

a) General Fund Warrant – January 13, 2014 - \$51, 904.88

Motion by Maria Ammatuna/Ethan Swift to approve the General Fund warrant of January 13, 2014 for an amount not to exceed \$51,904.88. **The motion passed unanimously – 4 to zero.**

b) Wastewater Fund Warrant – January 13, 2014 - \$9,572.06

Motion by Maria Ammatuna/Ethan Swift to approve the Wastewater Fund warrant for an amount not to exceed \$9,572.06. **The motion passed unanimously – 4 to zero.**

17. Executive Session 1 V.S.A.313 (a) (1)

There was no executive session held.

20. Adjournment

Motion by Blaine Cliver/Ethan Swift to adjourn the Select Board meeting at 9:21PM.
The motion passed unanimously - 4 to zero.

Respectfully submitted,

Charlene Bryant
Recording Secretary