

**Minutes of the Waterbury Select Board**  
**Monday August 21, 2023**  
**Steele Community Room, 28 North Main Street and via Zoom**

**Attendees:** Roger Clapp, Dani Kehlmann, Kane Sweeney, Alyssa Johnson, Katarina Lisaius, Lisa Scagliotti, Lisa Walton, Chris Viens, Cheryl Glore, Tom Glore, Valerie Rogers, Katya d'Angelo, Ken Belliveau, Theresa Wood, Tom Stevens, Gary Dillon

**Via Zoom:** Mike Bard, ORCA, Auditor, Mal Culbertson, Emily Heymann, Michelle, Amb3560

The meeting was called to order at 7:00 pm.

**Approve Agenda**

K. Sweeny made a motion to the approve the agenda with the removal of the minutes from the consent agenda. The motion was seconded by A. Johnson and passed unanimously.

**Consent Agenda Items**

- b.) 151 class license for **Mosaic Ventures (Craft Beer Cellar)**
- c.) Re-approve Request to Cater for **WYC LLC** -Annual Stowe Street Arts Fest Friday Night Block Party. Outdoor event with full perimeter fencing. Draft and can beer, canned wine/RTG cocktails in cans. We will have staff at each door wrist banding and floating security. This is a rescheduled event due to the flood.
- d.) Special Events Permit for Frost Beer Works. On August 25th, Frost Beer Works will serve 2oz samples to golfers during a tournament on the golf course contained on a tee box
- e.) Special Events Permit for **North Branch Vineyards LLC** for the Stowe Street Arts Festival
- f.) Outside Consumption Permit for **Salt & Rind Events**

A motion to approve the consent agenda was made by D. Kehlmann. The motion was seconded by K. Sweeney and passed unanimously.

**Public**

There was no public comment.

**Introduce Katarina Lisaius, Recreation Director**

K. Lisaius introduced herself and shared some of her background and interest in the recreation director role. She noted that her goal is define recreation very broadly, and be able to serve as many people as possible.

**Update on Bylaw Rewrite**

A. Johnson provided a brief update on the work on the Planning Commission on Phase 1 of the Unified Development Bylaw (zoning regulation) rewrite. The Commission is meeting weekly, and working with SE Group to develop clear and comprehensible information to share with the

public. The group reviewed a draft story map from SE group outlining the public engagement process for the zoning rewrite. There was additional discussion of the grant that is funding SE group's work. It was noted that the industrial zoning district, which does not currently allow housing, was one of the areas being considered for revisions by the Commission. It was clarified that short term rentals are defined in the new draft regulations, which would allow for regulation, but no changes are proposed as part of the rewrite, and it would be up to the Selectboard to advance further regulations on short term rentals.

### **Auditors Presentation**

Auditor provided an overview of the Town's audit. He reviewed the process and content of the audit report, and congratulated the Town and Board on receiving an unqualified opinion. There was additional discussion of best practices the town could implement, and review of areas for the Board to be aware of. There was discussion around potential next improvement steps, including increasing the Town's available fund balance. A fraud risk assessment was noted as a potential additional step for improvement, and it was noted that some of this work was conducted with the consultant hired previously.

### **Debrief on Flood Recovery**

T. Leitz noted that volunteer coordinator Tom Drake still has ongoing work, including with some new people who contacted Waterbury help who have water in basements. They are continuing to encourage people to reach out to FEMA and sharing that there are clean up kits and other help available. The state has hired a long term recovery director and Tom will be meeting with him. It was emphasized that this type of higher level coordination is crucial for regional issues, and avoiding a town-by-town approach.

The Board previously voted to have a flood preparedness committee. There was discussion of the additional clarification about the number of people on the committee and structure. K. Sweeney proposed a five member committee includes a select board liaison. There was additional discussion of meeting frequency, which may vary over time. Use the goals outlined in the proposal as a jumping off point, K. Sweeney will provide an update at the next meeting.

### **After action review**

D. Kehlmann provided an overview of the process and constituencies to be consulted for the after action review, including Board, town staff, volunteers, with special note of the public works and fire department. It was noted that the goal was to get feedback from as many people as possible to synthesize what went well, what was a challenge, and not rely on individual memories for future planning. D. Kehlmann has completed draft and will circulate it for broader input by mid-September. Public input was included in previous after action report, and can be included in this one as well.

### **Presentation of the charter**

T. Leitz provided an overview of the background of the conversation about the creation of a charter for the Town of Waterbury, and the proposed language for the charter, which has been

reviewed by Jim Barlow, an attorney who specializes in municipal law. The charter as proposed covers two major topics: 1) The authority of the municipal manager and 2) the ability to impose a local option tax.

The proposed language allows the municipal manager to hire, discipline and remove all town employees. Currently, because of a lack of a charter, a few positions can't be hired in this manner. This includes the Town's zoning administrator, which per state statute has to be recommended by the Planning Commission, even though in practice the position works most closely with the Development Review Board and reports to the manager day to day. The proposed language makes the hiring process cleaner and eliminates the need for the reappointments.

The proposed charter also includes authority for the municipal manager to set compensation and benefits within the range approved by the Select board as part of the budget. There was extended discussion with the Board and attendees regarding the process of salary ranges and adjustments practices. Vermont is a Latter-Mill state, which means if an employee is disciplined they have a right to appeal. It was noted that the recently updates employee handbook outlines these and other relevant procedures.

The charter would allow the manager to designate authority to department heads, especially for example, those who have been here a long time. The delegation could allow department head to take action more swiftly on employment matters if needed, without needing to go to the manager. It is not a requirement, so the manager could retain the hiring function. The charter also includes language requiring the manager check in with Selectboard before hiring a department head. The proposal doesn't specify the manner of this approval. It was noted that this has been a practice, but would be formalized through the charter.

The local option tax language is very straightforward, and identical to many other municipalities, including many neighboring municipalities. The language as proposed would be for all of the allowable categories (sales tax, alcohol tax, and rooms and meals tax). T. Leitz shared information on the potential revenue based on current tax receipts. It was noted that of a 1% local option tax, the Town would receive 70% of the proceeds. The other 30% helps fund PILOT payments in communities across the state, including Waterbury. It was noted that even if a charter were to be passed locally and through the legislature, it then takes additional time to fully implement the tax and have the town begin to receive revenue.

There was discussion around the proposed uses of the potential LOT revenue. There is not a specific spending plan outlined in the charter, but the intent is that the Select Board would approve and adopt such a policy. It was emphasized that with increasing costs, it is unlikely that costs to taxpayers will necessarily be reduced with the revenue given significant costs for a variety of services. The need for new vehicles in the fire department and inflation was one example given, as was the cost of large trucks. It was noted that local engineering for mitigation studies often require a match of 10%. There was additional discussion with the Board and attendees regarding the specifics of how the funding would be used and examples from other municipalities. The goal of the proposed charter language was to leave as much flexibility as

possible in the charter to avoid the need for subsequent revisions, but recognize the Select Board would allocate and prioritize the policy based on a set policy. It was noted that as with the ARPA funding distribution, this would be something taxpayers could weigh in on through the budget approval process and at Town Meeting. In some cases, ballot items have indicated that debt service would be funded with local option tax revenues. T. Leitz shared his overall perspective that it is competitive disadvantage to not have a local option tax.

By consensus, the Board agreed to continue to move forward with the charter process, which will require additional review and warning at subsequent meetings.

### **Review of quarterly budgets**

T. Leitz provided an overview of the second quarter budget, while noting that the third quarter report would be more substantial. Most paving will be completed in the next three weeks, and thus invoiced by the third quarter. There is the potential for a tax sale on a property. The town budgets conservatively for PILOT payments, and will likely receive more than was budgeted. Approximately half of service fees are in recreation. It was noted that as of now health insurance premiums are expected to increase 12-15%, and T. Leitz is looking into potential creative solutions. The ARPA funding allocated to EFUD and the emergency amount approved for the senior center kitchen has been transferred. The ARP funded bridge work has started, but not been fully invoiced. Some of the highway spending is FEMA reimbursable. There was discussion about the gravel budget and potential to overstock for the future from local sources. There was discussion about the cemetery budget. Maintenance costs have increased significantly, and there are long term structural challenges to the revenue sources. There was additional discussion of ongoing sidewalk and paving projects.

### **Future Agenda items**

Items discussed for future agenda items included: Schedule for charter vote date and first public meeting; policy for spending LOT; review of committee structure for Long Term Recovery; police contract.

A. Johnson made a motion to adjourn at 10:11 pm. The motion was seconded by D. Kehlmann and passed unanimously.

**Next Meeting of the Select Board: TUESDAY, September 5, 2023**