MINUTES
SPECIAL MEETING
JOINT SELECTBOARDS of
SWANTON, HIGHGATE, & FRANKLIN
Swanton Town Office Building
1 Academy Street, Swanton, VT 05488
MONDAY,OCTOBER 1, 2012 @ 7:00 p.m.

Present: John Lavoie, Chair of Swanton Selectboard; Daniel Billado, Vice Chair of Swanton Selectboard; Harold Garrett, Dick Thompson, and Joel Clark, Swanton Selectmen; Henry Rainville, Chair of Highgate Selectboard; Luke Choiniere, Highgate Selectman; Peter Magnant, Chair of Franklin Selectboard; Yvon Dandurand, Vice Chair of Franklin Selectboard; Wayne Laroche and Andrew Godin, Franklin Selectmen; David Jescavage, Swanton Town Administrator; Adam Paxman, Swanton Village Trustee; Don Collins, Jessie Forand, Paulette Tatro, Kim Gates, Kevin Thayer, Brian Spears, and Paul Kilbury.

1. Call to Order

Mr. Lavoie called the hearing to order at 7:00 p.m. The members of the three boards introduced themselves. Mr. Lavoie asked to elect a chair and a vice chair for the joint selectboard. Mr. Garrett made a motion to do so, until the process was ended. Mr. ? (Billado?) seconded. Motion carried.

ELECTION OF CHAIRMAN: Mr. Billado nominated Joel Clark for chair. Mr. Thompson seconded. Mr. Godin (?) nominated Yvon Dandurand for chair. Mr. ? seconded. Mr. Billado made a motion to close the nominations for chair. Mr. ? seconded. Mr. Garrett stated that the vote could be made by paper ballot or one of the nominees could withdraw. The nominees were asked if they had anything to say and Mr. Dandurand stated his intention to withdraw. Mr. Clark said he was prepared to accept.

ELECTION OF VICE-CHAIR: Mr. Magnant (?) nominated Mr. Dandurand for vice-chair. Mr. Laroche seconded. Mr. Clark made a motion to close nominations for vice-chair. Mr. Billado seconded. Motion carried. Having been made and seconded, the motion to elect Mr. Dandurand was also carried.

Mr. Lavoie turned over the meeting to Mr. Clark as the new chairman of the Tri-town Selectboard Committee

2. Discussion of Proposed Arena Renovation Options

Mr. Clark mentioned the presentation on 9/26/12 and asked if those present wanted to discuss all the arena options or if they were comfortable with the one that was presented. Mr. Clark noted that the previous meeting had mentioned an add-on to meet 200 feet, and Ms. Kim Gates stated that she had not estimated it yet; it would be expensive because the whole support would have to be restructured. Mr. Clark said that his understanding was that it would involve an extra $300,000 to $400,000. Ms. Gates estimated that the cost would actually be more than that, and said she could calculate the cost for sure if the Tri-town Selectboard Committee wanted more information on that option. Mr. Billado noted that it seemed they planned to go north with the addition, and that it would involve tearing down a weight-bearing wall, but what if they went the other way; was there enough space to move it out toward the road? Mr. Clark and others agreed that that would involve the same problem.

Mr. Clark stated that it would be good to know the possibilities of meeting the 200 feet, since a great deal of money was already going to be spent on the project. Mr. Thompson mentioned that MAHA had been practicing on that rink for years and that the voters would be unlikely to approve an extra million or half a million dollars just to have a regulation rink. Mr. Rainville asked if the feasibility study showed any advantages if the

rink went to regulation size. Ms. Gates said that there were no significant advantages and that it would also increase the expense of maintenance for a larger rink.

Mr. Rainville asked whether a decision not to expand to a regulation-size rink could "haunt" the towns 20 years down the road, and Mr. Lavoie said he believed that 185 feet was still considered "legal" for a game and that the cost to expand the rink size could be "astronomical." Mr. Lavoie's question was how much room was between the boards and the wall. Mr. Clark estimated about 10 feet, and Mr. Lavoie agreed that it therefore did not make sense to expand from within.

Mr. Lavoie said it was worth entertaining the price. Mr. Clark said that they should get the price of expanding to a regulation-size rink and to get a list of the arenas at which MAHA played, in order to make comparisons.

Mr. Laroche said perhaps they could "back into" this. First, the ownership should be discussed, then the money should be discussed (how much to spend, how to raise the money). Still, if the architect should be asked to come up with a figure, it might be best to do so sooner rather than later, but it was perhaps wiser to discuss other things first. Mr. Clark agreed. Mr. Laroche said that if the board decided that it would not go over a certain price, and the ballpark cost of the add-on exceeded that price, then there might be no need for calculating figures. Mr. Clark said he assumed that the estimate would not be difficult to calculate.

Mr. Rainville said he wanted to know what people on the board were thinking overall. Mr. Lavoie asked if the option that the Tri-town Recreation Committee recommended (Option 3) was still recommended. Mr. Clark asked Ms. Gates, who replied that the real difference between Options 2 and 3 was the inclusion of an addition with Option 3, allowing for expanded weight room, more locker rooms, and so on. Mr. Garrett mentioned that there was a difference of 2 locker rooms between Options 3 and 4; Mr. Billado agreed that Option 4 was "giving up locker rooms for seating." Ms. Gates replied that if Option 3 was taken, it was modified slightly to expand the seating. Mr. Clark said that his opinion was that, if the money should be spent, the rink might as well be brought up to regulation size. Mr. Rainville said he liked the possibility of Option 3 with the addition to bring it up to regulation size, if the addition was "a reasonable cost." Mr. Laroche said he had no axe to grind, but his main concerns were proper ownership and being able to pay back the debt.

Mr. Garrett said that the board should stick with one option. The Tri-town Recreation Committee had recommended Option 3 with the possibility of an addition, and that it what the board would agree to stick with. Mr. Clark cautioned that there was still not a full design and that time could change some prices. Mr. Garrett asked how much extra the board would agree to pay for regulation ice size and how much would be considered excessive. Mr. Billado replied that they already knew that the 20 feet extra and moving the wall would cost more than $400,000. Mr. Magnant said that they should know the estimated price of the addition and how it would be reflected in taxes.

Paul Kilbury said that a $4 or $5 million project should be reflected in the interior. Ms. Gates said that the interior would be secondary to exterior and structural renovation.

3. Discussion of Anticipated Arena Renovation Tax Impacts for Swanton, Highgate, & Franklin

Mr. Clark said that the sheet of figures presented at the 9/26/12 meeting was based on a $4,148,433 bond, with a 20-year term limit; that would be $29 per year per $100,000, so all three towns had essentially the same tax rate. It would be slightly higher if another $500,000 were added to that, so it would be perhaps less than $35 per year per $100,000. Depending on the ownership option, a lawyer would have to draw up a contract and there had to be an approval process, and that would incur its own cost in legal fees. The legal fees should be figured into the tax rate. He said he felt that some of the revenues were a little optimistic and were worth further discussion. He also brought up the possibility that unforeseen contingencies could impact the financial responsibilities of taxpayers in the town.

Mr. Clark said he had been talked to members of the community and a lot of them were

unaware of the project. Some were hesitant to give an opinion, some were not in favor of it, and some were in favor of it. Mr. Rainville said that perhaps it would be helpful to explain the project to the public as an increase of $29 to $35 per year, rather than a large figure in the millions for the entire project. Mr. Rainville added his frustration was to get the public involved, because he needed feedback in order to accurately represent the public. Mr. Garrett agreed that it was important that the public be informed so that they could have a chance to vote. Mr. Rainville said perhaps the vote should be taken on town meeting day. Mr. Lavoie said he thought some of the taxpayers' concern was how many people the proposed project would impact directly, and whether it was a "major renovation or a 'fix 'er up.'" Mr. Billado said the biggest issue in general was the money, which scared people, so it was important to inform the community of the facility's present situation and how the money would improve the facility. He agreed that the board should think ahead, do it right the first time, and put out the estimated figures to see if the voters would approve the recommendation or not.

Mr. Clark said that he understood that Franklin and Highgate would have the matter on the ballot for Town Meeting Day, but that Swanton had the possibility of voting in November. Mr. Billado said he thought all three towns had to do it at the same time. Mr. Clark said that that was just a recommendation and would be discussed. Mr. Clark summed up that the key figure, just to do repairs to the building, based on Option 3, would be $29 to $35 based on assessed home value.

Mr. Rainville said it might be helpful to know what was included in Option 3. Mr. Billado agreed. It would include "renovating the existing facility to address necessary code and safety issues, including structural integrity, dehumidification issues, and a failing ice system. The option was developed as a way to include some of the new program space that is desired, but constructed in a way that minimized renovation of the existing space, by keeping the existing ice sheet size and location the same as existing, and building only a minimal shed addition on the north side. The project does not need to include the large structural bends and high-volume spaces that are required for the increased size." He summed up that the 20 extra feet, per square foot, was "a high-dollar value." It would also include refrigeration, dehumidification, removal of the ceiling, reinforcement of the structure, installation of grease traps, insulation and piping, new valves for showers, heating system, a new electrical entrance, fire alarm, automatic sprinkler system, new exit signs, new roofing built over the exits, reworking of the plumbing in lockers, replacement of light fixtures over ice sheet and spectator seating, lighting and adjustments in parking lot, and 200' x 20' addition to add locker rooms, and more. Mr. Lavoie asked if a new well would need to be drilled and Mr. Rainville agreed that that was also part of the project. Mr. ? asked if the zamboni would need to be replaced. Mr. Rainville said that the project did not include a zamboni.

4. Discussion of Proposed Arena Ownership Structures

Mr. Clark said that Mr. Jim Barlow gave a presentation that proposed two main ownership options. One was called an interlocal contract, which would be a contract amongst the three municipalities and have its own government; the other was a union municipal district, similar to a school district, where the residents would have a separate district and would vote on the articles. The report recommended "the creation of a union municipal district for joint ownership and operation for the Highgate Ice Arena was a better option," along with reasons for the recommendation.

Mr. ?? asked if it would be voted on by the public or the Selectboard. Mr. Clark said he thought it should go to a public vote. Mr. Laroche said he was leery of the idea of a municipal district, because the legislature had to approve it, so that it had the same standing of a town, and that was a loss of control for the towns regarding matters that still affected the town tax rates. Mr. Thompson said they should consolidate services, and he would like to see Swanton Town and Village merge.

Mr. Clark said that it seemed unanimous that they should go with the interlocal contract.

5. Any Other Business

Mr. Clark said it seemed that the item would be presented before the voters in the spring. Mr. Garrett said that there was a minimum of 12 to 18 months for the interlocal contract to come together, and much of it hinged on whether Highgate would give up ownership of the building. Mr. Rainville stated that his original intention was consider the matter in October and that the selectboards were advised by the VLCT not to ask a vague question; so it would be helpful to agree on how the Tri-town Selectboard should move forward and present the ownership options to the voters, with a yes or no answer required. The main concern was ensuring that it was a valid article, so that there was no confusion. Mr. Billado asked to know the time frame for doing all that, because before the tri-town board could do anything, they needed an answer to the Highgate question. Mr. Garrett summed up:

Does the law require that the voters improve an interlocal contract? No. And the interlocal contract would be approved by the selectboard of each town participating in the contract. 24 V.S.A. §4901(a). However, if Highgate conveys the ice arena property, the Highgate selectboard would be required to follow the requirements of 24 V.S.A. §1061, which could require a public vote.

Mr. Clark would agree that he would want to ensure that Swanton got part ownership. Mr. Garrett said it was all contingent on whether Highgate wanted to convey ownership of the arena to Franklin, Highgate, and Swanton. Mr. ?? added that that would be subject to a successful vote on the project. Mr. ?? said that there was no sense in asking the voters if they want to relinquish ownership unless they are agreed to do the project.

Mr. Billado said that he understood that Swanton's share of the cost would be 56%, Highgate's would be 33%, and Franklin would be 11%; the voters of Highgate should be asked if they would be willing to give Swanton 56% of the project, and so on. Mr. ?? asked whether solid numbers would be wanted, since populations change. Mr. Clark said that the contract could include possibility of adjustments for population. Mr. Billado added that it could be adjusted per capita as well, and reminded that the town voters should be asked if they wanted those percentages. Mr. ? asked if there could be one vote. Mr. Garrett said he agreed that there should be one vote, together, and also mentioned that there had been discussion that if one town opted out of the project, the other two towns could continue. Mr. ?? said that his understanding was that a town could not back out once they were tied into a contract. Mr. Clark mentioned that the selectboard could enter into the contract, with or without a public vote; the public vote was necessary for Highgate, to determine if they wanted to relinquish some ownership.

Mr. Garrett asked, if the funds do not get appropriated to bring the building up to code, would the towns be required to continue with the project? Mr. ? said that the contract would specify if a town wanted to opt out down the road. Mr. Clark stated that the matter would be contingent upon Highgate's approval of the change in ownership and the Tri-town Selectboard's approval of the contract; the voters would still have to approve the bond itself. Mr. ?? said that he felt that the Selectboards should be the "salesmen" for their towns and that the public needed to understand the full issue; otherwise they would vote "no" to be safe. The three towns needed to vote on how to structure the agreement, and to lay out what needed to be accomplished and the required steps to make that happen, so that the voters would make informed decisions. Mr. Clark said that if each of the three selectboards were entering into a contract, it was at the selectboard level, not necessarily the public level.

Mr. Laroche said that the Highgate voters had to agree to share ownership, then the Selectboard had the authority to decide whether or not to enter into an agreement. Then each town would independently vote on the financial side of things. Mr. Lavoie said that everything was contingent on whether the Highgate voters were willing to share the arena with Swanton and Franklin to enter into a contract for building renovations. The next step after approval would require a full cost estimate to be presented at the March meeting. Whichever town approved it could move forward, then the contract would have to be approved by the Selectboards. Mr. Clark said that if the contract was begun in March after the vote, it might not be finalized until September 2014 or so. Mr. ? said that he did not want to invest too much money into the contract unless the project was sure to go forward. Mr. Dandurand asked to know the possibilities of Highgate voting in the coming election. Ms. Gates said that Highgate could not do an Australian ballot; that

it had to be a town vote. Paulette Tatro mentioned the question on the paperwork concerning the interlocal contract:

Can multiple towns own or lease property for a recreational facility? An interlocal contract may provide "for the acquisition and maintenance of property, forces and services which the municipalities participating in the contract are authorized by law to perform and maintain." 24 V.S.A. §4902(b)(5).

Ms. Tatro asked about the possibility of entering a 30-year lease. Mr. Billado said that he was not in favor of a lease, because after putting money into the property for decades, Highgate would still own the property. Mr. Thompson agreed.

Mr. Laroche said that the towns need to draft the language and the "talking points" in order to inform the towns. Mr. ? said that Highgate had an upcoming meeting but that the issue was not warned for that meeting and that VLCT was strongly recommending that there should be a definite yes-or-no question asked. Mr. Clark said that structure would be through the contract, so if the Highgate residents were agreeable, the three towns would enter into a contract to run the facility. Mr. ?? said that Highgate did no Australian ballots, but voting was done on the floor; a special town meeting would have to be warned to solicit votes on the matter.

Peter Magnant said that the advantage of having an on-floor vote was that there was more chance of discussion. Mr. Billado said that if it were done between now and the 45-day deadline for the March meetings, Franklin and Swanton could have the item on their ballot for a vote; he stressed that the ball was in Highgate's court. Mr. Rainville said that his biggest concern was ensuring that the voters understood the entirety of the issue, and he felt that Highgate didn't have enough information yet to make a presentation. Mr. Clark said that he felt there was enough information—the need for sharing of ownership, the need for a contract, and the general estimates of cost. Mr. Lavoie said that he felt most of Highgate knew about the rink's condition and needs.

Mr. Rainville said that it would be a pre-vote, because if the voters did not want the project to go forward, they would say "no" to the ownership option in the beginning. Ms. Tatro asked if the voters would be asked to partially relinquish ownership of the building only or the property as well. Mr. Clark said the property should be included. Ms. Tatro said that the land involved sporting activities that are run by various groups. Mr. Garrett said that the ownership would only involve the land that the building was sitting on. Mr. Clark said that that should be stipulated in the contract.

Mr. Laroche said that Highgate's investment into the land should be assessed and that if Swanton or Franklin in the future decided that they were done with the project, the contract should include an outline of how to divide up the assets considering the various investments made. Mr. Lavoie agreed that the building had worth and said that the contract should be clear about town ownership details. Mr. Clark asked if the Town of Swanton would have to pay for 56% of the property's value. Mr. Laroche said that Highgate had an initial investment in the property, and it was assumed that Swanton would take 56% of it, but if, in 20 years, the three towns decided to divide the assets amongst themselves, Highgate would have something left over from the initial investment, aside from the investment made over the course of those 20 years. Mr. Garrett said that the building was paid for by revenue sharing money and the land was donated. The building has been maintained over the years, but revenue has also been made from it. Mr. Clark said that that could be worked into the contract, whether to start Highgate at zero or whether Highgate should get some money "taken off the top" for the value going into it.

Mr. Clark summed up that Highgate needed a floor vote on ownership, preferably 45 to 60 days before the March elections. If the matter moved forward, money would need to be raised for legal fees for writing up the contract. Mr. Billado asked if the money for donations for the building help to pay for the legal fees. Mr. ?? said that he felt the board had been very forthcoming and felt that the money was going to be put toward the whole project. Mr. Garrett said they did not even know how much money would be needed. Mr. Lavoie said some contingency costs should be figured into the estimated costs.

Mr. Billado said that if the shared ownership was approved, then they could get an estimate of the contract cost from a lawyer. Ms. Gates stated that Jim Barlow had said that he would meet with the Tri-town Selectboard and that he could help with direction and timeline, for a $400 fee.

Mr. Laroche felt that he did not have all the information to present a valid, well-rounded question. Mr. Clark asked if there was anything they could do to help with that. Mr. Billado said he felt that there were enough answers. Mr. Laroche said that there was no consensus about the structure of the ownership contract. Mr. Clark said that the ownership would be divided by population amongst the three municipalities, and the contract would assign some type of board of directors would need to be in charge of the project. Mr. Thompson said that the question was not really about the method, but about whether it was wanted at all.

Mr. Rainville said he felt that the question as it stood now was like asking someone to come on vacation with him, without stating what he was planning to do there. Mr. Laroche said it was more like asking if someone would be interested in going on the vacation at all; he said that the voters still had the option to back out if they disliked the cost or other factors. Mr. Clark said that not all the details are going to be available up front, and asked whether it was a binding decision or whether it would be revisited down the road. Mr. Thompson said that, if shared ownership were approved by the Highgate voters, the selectboard could sign a document so stating. Ms. Tatro suggested contacting Paul Guiliani regarding the contract, since he had experience with that sort of thing, and that he could possibly give Highgate some "pre-information" to help get the wording for the ballot. Mr. Clark agreed, stating that that was Highgate's responsibility but that he would help in any way he could.

Mr. Garrett said it was necessary to know Highgate's decision by the first of January, so that if the project were approved, the towns could build the costs into their budget. The Tri-Town Selectboard discussed the upcoming deadline for the grant, which was in 2014. Mr. Clark noted that there would be no agreement on a contract until September 2014, so construction would not be begun until after that. Mr. Garrett added that there would not even be a full year of revenue ($230,000) under that first construction year, so that would have to be factored into the costs. Mr. Clark mentioned that it would be 12 to 18 months before the ownership contract could be finalized, and then the money for the design fees would have to factored in as well, with a 4 to 6 month design time frame; should the voters be asked for all the money up front in 2013 or should the voters be asked at each stage of the process? Ms. Tatro said it should all be one and Mr. Lavoie agreed. Mr. Clark asked when the money should be asked for, since the contract would not be written until 2014. Mr. Laroche said that, at the vote, the money could be approved with the expenditure contingent upon the signing of the contract. Mr. Clark said that the design would not start until fall 2014 and construction wouldn't begin until 2015.

Adam Paxman asked if there would be a line item on the ballot every year. Mr. Clark said there should not be if the revenues were graded in expenditures. Mr. Garrett said that a contingency plan should be made in the case of a shortfall, and each town should be aware of its responsibility.

Ms. Gates said she was concerned that the next step was to have Highgate vote on the ownership, but she hoped the discussion would continue without having to wait for a definite answer. Ms. Tatro mentioned that the board should meet regularly in order to avoid rehashing old questions already brought up in previous meetings because no one quite remembered the outcome from the last meeting.

Mr. Clark agreed, but said that they would not get too far without understanding what was going on. Mr. Garrett made a motion to meet in November and ask Mr. Jim Barlow attend, and that the meetings should rotate amongst the three towns, which would locate the November meeting in either Highgate or Franklin. Discussion: Mr. Thompson added to the motion, to ask Ms. Tatro and Ms. Gates to get copies of interlocal contracts from Paul Guiliani for review. Mr. Dandurand seconded the motion. Further discussion: Mr. Garrett mentioned that the November meeting should hinge on Mr. Barlow's presence. Mr. Laroche said that there was no official motion in Highgate to pay for Mr.

Barlow to come, but that an offer to that effect had been made. Mr. Billado asked if there would be no meeting if there was no quorum. The board members estimated that a quorum would consist of seven people. Motion carried.

6. Executive Session—No executive session.

7. Adjournment

Mr. Garrett made a motion to adjourn. Mr. Billado seconded. Motion carried. The hearing adjourned at 8:51 p.m.

Typed on October 2, 2012
Minutes by Yaasha Wheeler
Received and filed by:

_____ _____
Cathy Fournier, Swanton Town Clerk Date