

**Select Board Members**

Peter Hood, Chair  
 Liz, Scharf, Vice Chair  
 Randy Drury  
 Vic Dwire  
 Jeff Pryce

**MIDDLESEX SELECT BOARD**  
**Tuesday, January 9, 2023**  
**Middlesex Town Hall and via Zoom\***  
**Middlesex Town Clerk's Office**  
**5 Church Street**  
**Middlesex, Vermont 05602**  
**(802) 223-5915**

**MINUTES**

**PRESENT:** Chair Peter Hood\* and Vice Chair Liz Scharf. Select Board members, Vic Dwire, Randy Drury (who is also a member of the Budget Committee) and Jeff Pryce. Treasurer Dorinda Crowell. Road Foreman and MVFD Chief Eric Metivier. Budget Committee members Mark Harris\*, George Longenecker and Zara Vincent. Charlie Cook\*. MCC Chair Adrienne Magida and Phil Hyjek. Lister Shelly Desjardin. EMC Coordinator Stephen Dennis. Select Board Assistant Sarah Merriman took the minutes, and the meeting was recorded by ORCA. (\*indicates attended via Zoom)

**Call to Order, Welcoming Guests, Approving Minutes and Agenda**

With the Chair's permission, Liz chaired the meeting and called it to order at 5:00 PM.

**MOTION:** Vic moved, and Randy seconded, approving the December 19, 2023, Select Board meeting minutes. The motion passed and those present signed the minutes.

**MOTION:** Vic moved to approve the agenda for January 9, 2024, Select Board Meeting; Randy seconded. The motion passed.

**Appointing Jeff Pryce as Interim Select Board Member**

Liz noted that Select Board member Brigid Browning needs to step off the Board due to medical issues; the Board posted notices of a vacancy on December 19, 2023, and invited voters to apply to serve in Brigid's place for the next few weeks. Jeffrey Pryce and George Longenecker submitted letters of interest. Liz invited the candidates to speak.

Jeff said he grew up in Middlesex and returned in 2002 when he and his wife built a home on Culver Hill Road and sent their children to the WCUUSD school system. He said he's complained about Town issues he wasn't super happy with and, therefore, thought he should step in and help. He said he would consider running for office at the March 5, 2024, Town Meeting.

George said he's been on the Budget Committee twice. He moved here in 2011 and before that was on Marshfield's Select Board for 7 years. He is currently a member on the Conservation Commission and is the Middlesex representative on the Wrightsville Recreation Board. He said he could step in and be up to speed with the budget, though he's not planning to run for Select Board since he's also on the ballot for Budget Committee.

Liz explained that the appointee would serve until the next Town Meeting. The appointed term ends March 5. The term remaining is for two years out of three. Liz asked if anyone in the audience was interested.

Zara said she is running for the term vacated by Brigid and would be interested in the interim position. She's lived in Middlesex for 20 years and grew up in Waterbury. She said she recently got involved in local politics and is currently on the Budget Committee, for which she'll appear on the March 5 ballot. She is in television and radio sales. George spoke in favor of her and said she's a valuable member of the Budget Committee.

Liz opened the discussion and said since George isn't interested in running at the March town meeting, Zara and Jeff might be the most viable candidates. She said they are equally qualified in different ways, noting Board members come from diverse backgrounds. Peter said it's nice there are three people interested in the short term and two of them in the long term. Vic wanted to clarify that regardless of who's appointed tonight, anyone can still run for the Board. He also applauded the interest of younger people.

Randy said he came from Jeff's perspective, and noted you get a different perspective when you serve on this side of the Board. He said he'd be interested in supporting someone who's interested in the long term. He applauded all three for stepping forward. Zara said she's traveling in February and March of this year. She can Zoom in, but not attend in person.

**MOTION:** Randy moved to formally accept Brigid Browning's resignation from the Select Board; Vic seconded. The motion passed.

**MOTION:** Vic moved, and Peter seconded appointing Jeff Pryce to the Select Board.

**MOTION:** Liz moved, and Randy seconded appointing Zara Vincent.

Vic said whomever is not appointed is still welcome to come to the next meetings and run for office.

Vic, Randy and Peter voted for Jeff and Liz voted for Zara. Jeff Pryce won, signed his oath of office, and joined the Board for the rest of the meeting.

**The Town Will Pay the Childcare Payroll Tax**

Dorinda said the Vermont childcare tax would impose a tax of .44% on the payroll of non-elected Town employees. The Town can absorb the entire .44% or allocate .33% to the Town and .11% to the employee. Alternatively, employees can pay the entire tax. Since the Town payroll averages \$300,000 annually, if the Board chose to shift the .44% to the Town instead of the employees, that would come to just under \$2,000. Dorinda said most towns are absorbing the .44%. Peter asked if the Town could reconsider every year since his concern is that this number is going to ratchet up. He said he thinks the Town should pay the tax. Jeff and Randy agreed.

**MOTION:** Peter moved, and Vic seconded the Town paying for the childcare payroll tax of 0.44% starting July 1, 2024. The motion passed.

**FY 25 Budget Discussion**

Mark submitted the Budget Committee's suggested list of cuts to the proposed FY25 budget that would reduce the budget increase to under 10% (before including special articles). The total cuts would amount to \$42,500 and include reducing the annual contribution to the Town Building Fund by \$10,000 down to \$30,000, most of which would be earmarked for elevator repairs if voters don't approve of going forward with a Town Hall renovation. Other proposed cuts include reducing consultants' fees for Listers and eliminating \$10,000 designated for email migration. The cost of road gravel could be paid for from ARPA funds.

Dorinda said cutting \$10,000 from the email is problematic since her email does not work correctly and hasn't been working correctly for six months. She suggested cutting \$10,000 allocated for the new server instead.

As for the Listers' consultant fees, she noted the Listers had originally proposed allocating 200 hours for consultation at \$150/hour. Dorinda cut that to 100 hours before presenting the FY budget. Shelly said the Listers would be fine with 70 hours.

As for the road gravel, Dorinda said there is not a dime available from ARPA money. She said she does not want the town to be in the position where there is no cushion for unbudgeted expenses. The reason the Town had to borrow only \$1.5 million to pay for emergency flood repairs costing \$2.1, is because there was a cushion. Because there was a cushion, the Town was able to buy a rescue truck last summer without going into debt.

The Board discussed indebtedness incurred due to flood repair. Dorinda said she was applying for a low-interest VT Bond Bank loan that would terminate in 7 years. However, under the conditions of the Bond Bank loan, it must be used to pay off the \$1.5 million line of credit taken out from Community Bank first. Then all FEMA monies received must go toward paying off the VT Bond Bank before the Town can be reimbursed for its costs from the flood. The Town has borrowed \$1.5 of the \$3 million line of credit.

Randy asked about "inter-fund" loans. Dorinda doubted borrowing from the fund balance would be considered a "loan," but maybe borrowing from the ARPA funds would be. Vic asked about the \$2.6 million in permanent road repairs that still need to be made and that, ultimately, will be reimbursed by FEMA at 75%.

George said maybe the Budget Committee is trying too hard to get under 10%. Dorinda said she admires the Budget Committee's efforts, but they need to look at the bigger picture. Mark said he thought the money for the flood would be separated from the operating costs. The flood recovery is a one-up, not an annual budget cost. If the Town has to take out a loan to pay for roads, then that's what the Town would do.

Liz questioned how to present this to the voters. Peter said, the elephant in the room is the unknown about road-repair reimbursements. Randy said the issue is that the Town had to use general fund and ARPA funds to pay for road repairs. And there are two school payments coming up that are going to be \$1.8 million. Do we even have enough tax money coming in to cover the expenses we know are coming our way? The line of credit is due in October, at which time Community Bank will address whether to extend or request a new loan. The Community Bank loan is at 3.99% interest.

Liz argued for including in the FY25 budget interest on loans the Town will have to take out to pay for road repairs that will (hopefully) be reimbursed by FEMA and the State of Vermont. The budget proposal listed \$30,000 in interest payments based on the line of credit from Community Bank.

Townpeople need to understand there is a cost to this flood and that FEMA will not reimburse interest.

Randy said the Town should be planning for the worst and hoping for the best and not worried about bringing the budget increase below an arbitrary level. Peter said people need to understand that in order to have roads that are safe and passable, money needs to be allocated. In case of the flood repairs, keep the principal separate.

Randy suggested placing a line item in the budget for one year of interest for the full \$4.8 million in flood recover efforts. The Town has spent \$2.2 million, though only borrowed \$1.5 million from the Community Bank loan. Dorinda said FEMA is beginning to reimburse, albeit slowly. So far, approximately \$6,000 has been promised to pay back the Town for Dumpster costs. Brook Road has been approved and the \$250,000 bill has been

submitted for review in Washington, D.C. Overall, \$2.1 million in emergency repairs has been submitted to FEMA. The Board settled on including a line item of \$60,000 in interest. The Board will continue working on the budget at its next meeting on January 16, 2024,

#### **Treasurer Report**

Dorinda said she received the report of the FY23 audit this morning with no surprises. The Board will review and decide whether to accept the audit at its January 23 meeting.

Since Bob Butler withdrew a proposal to handle the Town's IT needs, the Board agreed to keep looking for other providers. Randy said he has a list of five referrals and will contact them.

#### **Highway Report**

Eric said the new truck has been at the dealer for the past month since the dealer is short-staffed due to COVID. The Freightliner is back on the road and the International will get suspension work done. Eric said the wear and tear is due to rough roads. Liz asked about grading. Is it possible to grade a mud road that's frozen? Eric and Vic said you can't. Vic said in the past, you didn't run the grader all year, so that's been hard on the warranty. Eric said lately it's been used for plowing. Vic said the Town might want to consider a quicker replacement schedule. Also, Eric said maybe instead of trading in a truck, one should be kept as backup. Vic said Eric's been repairing and maintaining trucks instead of sending them out which is a tremendous help. Two trucks are on the road.

Vic mentioned Shady Rill potholes which cannot be repaired this time of year since the cold patch gets ripped up. The Board discussed possible signage alerting motorists.

#### **OTHER BUSINESS**

All orders were signed.

**The Emergency Watershed Program:** The USDA offers this program to help landowners shore up their riverbanks and/or remove debris from stream and other protective measures, Adrienne said. It's administered through the Town. It pays 100% of the engineering costs and 75% of the construction costs with the landowners chipping in 25%. Brigid had offered to lead the program with help from the Conservation Commission, but then she had to step down. The state engineer visited 29 properties that applied and approved ten owners in Middlesex. Monies are released from the federal government to the State which then releases them to the Town on a reimbursement basis, Adrienne said.

The cost for all ten projects is \$418,000. The Town would have to front 75% of that cost before being reimbursed. A Select Board member must be a point person with signatory authority. Adrienne said the Board can approve going forward with the application with no commitment; the Town can withdraw from the program at any time. The ten landowners would have stream banks that are more secure, and that will help the roads. The Town is not obligated to put up any money now. Adrienne said the state engineer has assured her reimbursement will come in 30 days.

Peter said his biggest concern is the ten projects who qualify and asked if there's any sense of how many are willing to put up the 25% .

Adrienne said she spoke with eight out of the ten landowners. All but one assured her they could pay the costs, though another asked if a payment plan were available. That said, she wasn't sure if when push comes to shove, they'll be able to pay the 25%.

Phil, who is one of the ten, said two thirds of landowners in Middlesex who applied did not qualify. He said the real focus of the program are stream banks and many roads run along streams. The real focus is to protect homes, to not have floods that wipe out houses. Phil said he lost about 12' of stream bank. And while his home was not flooded, water did encroach on his leach field. The next flood event could make his home unlivable if that continues. Up Brook Road, meanwhile, river could impact the Town's electrical infrastructure by taking down utility poles. The expiration date on the EWP is 1/9/25.

Randy asked if the property owners could borrow the funds and then be reimbursed by the Town so the Town wouldn't be on the hook. Phil and Adrienne said the 25% costs might be substantial for some of the homeowners and they wouldn't be in the position to do that. Dorinda expressed concern about the paperwork burden this will place on the Town, noting FEMA reimbursements have taken hours and hours and hours.

Liz spoke in favor of applying for the grant knowing that lots of issues have yet to be resolved and that the Conservation Commission has to take the lead. Liz said she supports the program for several reasons – preserving the roads and insuring houses are not destroyed being two key motivators. She offered to be the point person on the Select Board.

**MOTION:** Peter moved to sign the Emergency Watershed Program application and authorize Liz to sign the documents; Vic seconded. The motion passed and Liz signed the application materials.

**CORRESPONDENCE:** Liz discussed an email exchange she had with Vermont Integrated Architects regarding a possible special article on the March 5, 2024 Town Meeting Warning asking voters to approve a certain sum to pay for the design phase of a possible Town Hall renovation and a construction manager. The design phase would cost \$50,000 and a construction manager would cost \$10,000. Therefore, the special article should request \$60,000.

The Board discussed its upcoming meeting schedule since the Town Meeting Warning cannot be approved until after the deadline for special articles on January 18<sup>th</sup>. The Board agreed to meet on January 16<sup>th</sup> – just to work on the budget – and to hold another special meeting on January 23 to approve the Warning.

The Board adjourned at 7:30 PM.

Respectfully submitted by Sarah Merriman, Select Board Assistant

THE ABOVE MINUTES WERE APPROVED AS A WARNED AGENDA ITEM AT A REGULARLY SCHEDULED MEETING OF THE MIDDLESEX SELECT BOARD ON JANUARY 16, 2024.

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PETER O. HOOD, CHAIR

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ELIZABETH SCHARF, VICE CHAIR

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RANDY DRURY

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VIC DWIRE

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JEFF PRYCE