



Select Board

Town of Hinesburg
10632 Route 116 Hinesburg VT 05461
802.482.2281 | hinesburg.org

Meeting Minutes – July 15, 2020

- Draft -

Attending the Meeting: Phil Pouech, Merrily Lovell, Jeff French, Mike Loner, Renae Marshall, Joy Dubin Grossman, Scooter MacMillan, Andrea Morgante, Dee Dee Erb, Mike Anthony, Caleb Casco, Anthony Cambridge, Erik Bailey

Meeting called to order at 7:01 p.m. via Zoom remote meeting platform.

Deletions/Additions and Public Comment

Renae said the Board should discuss the possibility of adding an extra meeting in July. This will be addressed in the Town Administrator report.

There was no public comment.

Phil advised Jeff Tobrocke is not able to attend the meeting. Phil contacted him for input on items on the agenda. Jeff said he was positive on the masks and the highway paving project.

Town Administrator Report

- Renae has been working on reviewing the solar proposals with the Energy Committee and suggests a meeting on July 29 to review the recommendations. The Board agreed to hold this extra meeting.
- Working on grant funding for the Wastewater project.
- Continuing advertising for the two open positions for Highway Maintainer.

Select Board Forum/Correspondence

Merrily reported on her meeting with regarding the North Lake Champlain Tactical Basin Plan. The plan has been completed. She hopes to give a more detailed report at the next meeting. She added the CCRPC will be the clean water advisor.

Andrea Morgante added this will identify problem areas.

Phil said he met with Mike Anthony and talked about the challenges the Highway Department faces with only two employees. He toured the facility and said he was proud to see how well organized and clean it was. He said Mike suggested to take another look at Pond Brook Road and Texas Hill Road in regard to doing some paving to help the road condition.

He is working on the annual review for Renae.

Phil said he has received several emails regarding the face mask question and wanted to be sure all correspondence received by Board members are forwarded to Renae.

Phil also received an email from the State Auditor concerning looking for wastewater treatment plants to control phosphorus run off into Lake Champlain is perhaps not the best investment.

Consider Enacting a Mandatory Mask/Facial Covering Policy for Public Building in Hinesburg

Renae said this is something other communities are doing. She provided examples for the Board to review.

Merrily said she received an email from Heather Kendall against this policy in which she gave a lot of research and information. She feels the Select Board should mandate face masks to show support for local businesses.

Mike agrees with Merrily, he said most comments received were in support of face masks. He supports a mandate and recognizes the difficulty in enforcement.

Jeff agrees and is in favor.

Phil said science shows it is good. What would enforcement look like? He feels the majority of people in Town would support this.

Action Item – Phil suggests to put together a draft ordinance and talk to store owners to get their input and Chief Cambridge.

Dee Dee Erb said in some cases customers are questioning other customers on why they are not wearing a mask. She has encountered some unpleasant situations because of this.

Merrily said she read the ordinances from other towns which do not address enforcement and is not in favor of enforcement. She feels it is about education and some people have reasons for not wearing masks.

Jeff suggested the possibility of shopping alternative for those who have a problem wearing masks such as what was done for high-risk individuals.

Andrea feels the enforcement piece is important to consider. You enact an ordinance because you intend to enforce it. What does it mean to the business owners that we want to support them? She feels it is very important for any individual that represents the Town be a responsible member of the community and wear a mask all the time.

Renae added the ordinance process is a longer process so most communities have opted for a resolution. The enforcement piece is the challenge, there is not staffing to effectively enforce.

Val Spadaccini, feels it is important to somehow include wording regarding medical reasons if you are not able to wear one.

Mike said most ordinances include a face shield.

Joy said she has seen wording being face covering which is a bit broader and may help.

Review FY 20 Budget Status Report

Renae said FY 20 ended in a good place, there will be a few items that will still be billed.

Consider Approving FY21 Employee Pay Increases

Phil said the Board approved to budget a 2% increase for non-union and non-police staff and was presented to the Town.

Renae said looking at the new fiscal year is challenging on how the raises might be implemented.

Phil proposed the Board to approve the budgeted amount in dollars and allow Renae the flexibility on how that would be distributed to reflect the work being done and fairness of pay.

Mike said there was a letter to the Board addressing the economy and if it is appropriate to be doing this now. He feels if we do not give the raises we will not attract new employees and we are then not an attractive Town to work for. He agrees with Phil on the flexibility.

Jeff and Merrily also agree with that plan.

Phil moved to approve a 2% payroll increase, as budgeted, for non-union and non-police staff and allow Renae to apply fairly and appropriately. Second by Mike and approved with 4 yes votes.

Consider Setting the FY 21 Tax Rate

Renae worked up three options. The Board agreed on the option to not use the fund balance and take advantage of the savings on the ambulance contract and highway garage project coming in under budget. This will continue to give us a strong fund balance moving forward.

Merrily moved to approve the FY21 municipal tax rate of \$0.5450 as presented. Second by Mike and approved with 4 yes votes.

Joy to appreciate Renae for putting out these options and thinking about the whole Town.

Consider Revised FY 21 Highway Paving Bid

Mike Anthony presented a modified approach for the paving to save on paving cost. The plan is for shim coat for 1 mile of Richmond Road for a cost of \$67,620.33.

Mike noted he applied for a grant to do work on the large box culvert on Richmond Road near Iroquois Manufacturing. The State has not decided if they will be awarding grants this year. It is possible he will be back to the Board looking at using Town funds as the work needs to be done.

Phil moved to approve the revised paving plan and to provide the option to move ahead in the spring or not. Second by Merrily and approved with 4 yes votes.

Consider Adopting the Resolution for Highway Equipment Borrowing

Jeff moved to approve adopting the Resolution for Highway Equipment Borrowing as presented. Second by Mike and approved with 4 yes votes. (copy of resolution attached)

Consider Approving Lease Financing with Community Bank N.A. for the 2020 Massey Ferguson Tractor

Jeff moved to approve the financing of the 2020 Massey Ferguson Tractor with a five-year Highway Equipment note in the amount of \$110,210.00 with Community Bank N.A. Second by Mike and approved with 4 yes votes.

Consider Approval of Certification of Compliance for Highway Road and Bridge Standards

Renae said the Board approved this and this is the certification that they did so.

Mike brought up the point that the Town has said in the past we would write our own standards.

Andrea Morgante offered to work with Mike or a committee to come up with standards for Hinesburg which could address the challenges in Hinesburg.

Phil moved to approve the Certification of Compliance for Highway Road and Bridge Standards, second by Merrily and approved with 4 yes votes.

Update on Creation of Community Advisory Group

Mike reported he, Jeff T, Renae and Joy met as a group to discuss next steps to take. They would like to see a work group be put together that can gather community comments and do some initial work on a strategic plan.

Consider Approving Annual Allocation Pool Designation – Appendix E

Erik Bailey said the allocation for water is in good shape. Phil suggested getting input from Alex and bring that back to the Board so they can work on assigning amounts to each category.

Review Minutes from June 24, 2020

Merrily move to approve the minutes from June 24, 2020 as amended. Second by Mike and approved with 4 yes votes.

Merrily noted her concern in getting information out about the ambulance service.

Consider Approving Warrants

Phil moved to approve the warrants, including payroll, as submitted by the Town Treasurer. Second by Merrily and approved with 4 yes votes.

Consider Acceptance of 2020 CPOS Grant

Merrily asked about extending the deadline.

August 9 is the date the decision need to be made by.

Merrily said it seems even if we did not have all the demonstrations and anger toward police. She does not see any reason to have anything but appreciation for Hinesburg Police. Given the discussion about budget cutting she does not feel it is the time to make this expenditure and also given the political climate toward police.

Caleb said the opportunity to extend was for hiring someone. He noted if we need to add an officer political climate does not change that. Caleb addressed the safety issue of not having staffing to allow for two officers responding to calls.

Anthony said the Town is growing. Do we want this now and it is paid for and we need it or in future years when it is not paid for.

Jeff said the Board agreed to apply for the grant and his concern is if we say no now chances of getting one again are not good. There are lots of examples of Hinesburg Police doing good community work. He sees this as an opportunity to fill a need.

Mike said if you have staffing needs and a funding opportunity that will cost more in year 4, how will we account for that in the budget going forward. Mike asked Anthony about the training and hiring process. Anthony said training in Vermont is well ahead of other states regarding racial bias. They currently have a part-time officer that is ready to go for more training and move into the position.

Phil feels he can support this but agrees the budget is a concern. He proposed to continue at the next meeting.

Merrily asked if a decision on July 29 allows enough time for the necessary paperwork. Caleb said he has not submitted a grant before and he will make it work if approved. She asked where the 25% of the salary for this year will come from. Caleb said the first year can be covered and the next two years less of the salary will come from the grant.

Andrea commented that with a COPS grant the salary is the only part covered. There are other expenses associated with hiring another officer such as cars and all the equipment needed. She wants to support partnering with Howard Mental Health. We need to move towards addressing the true needs of our community and hire appropriate skills needed.

Anthony said they will not need another vehicle.

Mike moved to adjourn at 9:35 p.m., second by Jeff and approved with 4 yes votes.

Respectfully submitted,
Valerie Spadaccini, Clerk of the Board

Note No. 1 of 1

\$110,210

TOWN OF HINESBURG
HIGHWAY EQUIPMENT NOTE

Town of Hinesburg, Vermont

July 17, 2020

For value received, the Town of Hinesburg (the "Town") promises to pay to Community Bank, N.A., or registered assign the principal sum of:

ONE HUNDRED TEN THOUSAND TWO HUNDRED TEN AND 00/100 DOLLARS
(\$110,210.00)

with interest at the rate of 2.00% per annum, calculated on the basis of an actual 365 day year from the date of original delivery of this note, with principal and interest payable in lawful money of the United States at the Main Office of Community Bank, N.A., in the city of Olean, New York. Principal and interest may be prepaid in whole or in part prior to the above maturity date.

The Town will pay this loan in five (5) equal annual principal installments of \$22,042 each plus interest on the annual balance calculated at the above rate. Town's first annual principal payment is due July 16, 2021, and subsequent principal payments are due every twelve (12) months thereafter through July 16, 2025. Town will pay all accrued unpaid interest due as of each principal payment date, beginning July 16, 2021, with all subsequent interest payments to be due on the same principal payment date thereafter, with final payment due July 16, 2025, at which time there will be due and payable all principal and all accrued interest not yet paid.

This note issued for money to acquire necessary highway maintenance equipment pursuant to a resolution adopted by the Selectboard of the Town of Hinesburg at a meeting thereof duly noticed, called and held on July 15, 2020.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this note have been done, have happened and have been performed in regular and due form as required by law and that the full faith and credit of the said Town of Hinesburg are hereby irrevocably pledged for the payment of this note.

TOWN OF HINESBURG

By: _____

Treasurer

Selectboard or a Majority Thereof

RESOLUTION
HIGHWAY EQUIPMENT BORROWING

WHEREAS, the Selectboard is duly authorized and empowered to borrow money on the credit of the Town of Hinesburg to defray the cost of acquiring necessary highway maintenance equipment; and

WHEREAS, it is hereby found and determined that in order to carry out the responsibilities placed upon the Town of Hinesburg by law, it is necessary and expedient for the Selectboard to borrow the sum of \$110,210 to purchase highway equipment in order to maintain public highways; and

WHEREAS, current funds are not available to pay for said equipment and it is necessary for the Selectboard to borrow money on the credit of the Town of Hinesburg to defray the cost of said equipment repairs; and

WHEREAS, the Town of Hinesburg has been and is now providing essential governmental services and funds are needed to defray the cost of acquiring equipment necessary to continue the delivery of services; and

WHEREAS, in order to have funds available to defray the cost of equipment as aforesaid, the Town of Hinesburg has arranged to borrow \$110,210 from Community Bank, N.A. with such borrowing evidenced by a single Highway Equipment Note (the "Note"), which Note does not refund and replace any obligation previously issued for the same purpose.

THEREFORE, BE IT RESOLVED, that the Selectboard and the Treasurer proceed forthwith to complete said transaction and issue said evidence of indebtedness to cover the same; and

BE IT FURTHER RESOLVED, that said evidence of debt when issued and delivered pursuant to this Resolution shall be a valid and binding general obligation of the Town of Hinesburg, payable according to the terms and tenor thereof from unlimited ad valorem taxes duly assessed on the grand list of taxable property in said Town of Hinesburg as established by law; and

BE IT FURTHER RESOLVED, that all acts and things heretofore done by the lawfully constituted officers of Town of Hinesburg and its Selectboard in, about, or concerning the expenditure of proceeds of the note evidencing the borrowing and the issuance thereof are hereby ratified and confirmed; and

We, the undersigned Selectboard and Treasurer, hereby certify that we as such officers have signed the Note, numbered 1 dated July 17, 2020, due July 16, 2025, with an interest rate of 2.00%, payable as therein set forth and further certify that the Note is issued under and pursuant to this Resolution adopted at a duly noticed and warned meeting of the Selectboard of the Town of Hinesburg held on July 15, 2020.

We the said Selectboard and Treasurer of the Town of Hinesburg hereby certify that we are the duly chosen, qualified and acting officers as undersigned, that the Note is issued pursuant to authority, that no proceeding relating thereto has been taken other than as shown in the foregoing recital, that no such authority or action has been amended or repealed, and that there is no litigation threatened or pending in any state or federal court of competent jurisdiction seeking to enjoin either the issuance of the above-described Note or the expenditures being financed by the proceeds of the same.

We also certify that there has been full and timely compliance with all public procurement, solicitation and bidding laws, ordinances and regulations with respect to each of the transactions embodied in this Resolution.

We certify also that no litigation is pending or threatened affecting the validity of the Note or the apportionment and assessment of taxes, if necessary, to pay the same when due, that neither the corporate existence nor the boundaries of the Town of Hinesburg nor the title of any of us to our respective offices, is being questioned or contested.

Further, we hereby certify to and covenant with Community Bank, N.A., its successors and assigns, including specifically the transferees, assigns, holders and owners of the Note that:

1. No proceeds of the Note (including investment proceeds thereof) will be used (directly or indirectly) in any trade or business carried on by any person other than the Town of Hinesburg nor used to make or finance loans to any person.

2. During the current calendar year, the Town of Hinesburg will not issue debt of any sort aggregating \$10,000,000.00 or more.

3. The Town of Hinesburg will file when and as required with the Treasury Department or Internal Revenue Service information returns relating to the issuance of this Note and all other obligations of the Town of Hinesburg.

4. The Town of Hinesburg will comply with, perform, maintain and keep each and every covenant, representation, certification and undertaking in the accompanying Tax Certificate, execution and delivery of which is hereby authorized.

Dated: July 15, 2020

TOWN OF HINESBURG

Treasurer

By: _____

ATTEST:

Clerk

Selectboard or a Majority Thereof

TOWN OF HINESBURG
TAX CERTIFICATE
HIGHWAY EQUIPMENT BORROWING

We, the Treasurer and at least a majority of the Selectboard of the Town of Hinesburg, Vermont (the "Issuer"), hereby certify and represent as follows with respect to the \$110,210 Highway Equipment Note numbered 1, of the Issuer (the "Note"), which Note is dated July 17, 2020 and is payable as therein set forth:

1. The Issuer is issuing and delivering the Note simultaneously with the delivery of this Certificate.
2. We are the officers of the Issuer charged by law with the responsibility for issuing the Note.
3. The Note is being issued for the purpose of acquiring necessary highway maintenance equipment.
4. The entire amount borrowed by the issuance of the Note, together with all of such, if any, amounts previously raised or borrowed for the same purpose, does not exceed the total cost of such current expenses less all other funds available for the purpose, and all of the proceeds of the Note have been or are expected to be needed and expended for such expenses within three (3) years from the date of the first borrowing for these expenses.
5. A substantial binding obligation to pay the expenses being financed by the Note has been made. Payment of the expenses financed by the Note is expected to proceed hereafter with due diligence.
6. The Note is not being issued to refund Note previously issued for the same purpose described in paragraph (3).
7. Any real and personal property, acquisition of which has been financed by the Note, has not been and is not expected during the life of the Note to be sold or otherwise disposed of for consideration.
8. It is expected that any earnings or net profit derived from investment or deposit of the proceeds of the Note, including transferred proceeds, any accrued interest received upon the sale of the Note and any premium received on the delivery thereof, will be expended for current expense payment purposes within the period stated in paragraph (4) above to the extent such funds are not commingled for accounting purposes in the general funds of the Issuer with tax and other substantial operating revenues.
9. The Issuer has not created and does not expect to create or establish any debt service fund, bond payment reserve, sinking fund, or other similar fund pledged to the payment of the Note or from which it is expected that payment of the Note would be made.
10. The Issuer has not been notified of any action by the Commissioner of Internal Revenue to disqualify it as an issuer whose arbitrage certificates may be relied upon.
11. No part of the proceeds derived from the issuance and sale of the Note nor the expenditures financed by the proceeds of the Note, shall be:
 - a. Used, loaned or otherwise made available to any person or other entity, other than the Issuer or a governmental body, so as to cause the Note to be classified as private activity bonds or arbitrage bonds, as those terms are defined under the

- b. Internal Revenue Code of 1986;
Used directly or indirectly in a trade or business by any person other than the Issuer or another municipal entity;
- c. Loaned to any person directly or indirectly other than the Issuer;
- d. The subject of any contract, lease or agreement of any sort having a term of one year or more and calling for the payment by the Issuer of consideration other than a flat fee;
- e. Expended to finance the construction, alteration or renovation of any improvement the use, occupancy, availability or beneficial enjoyment of which shall be restricted among public users thereof or for which preferential, different or unique fees, rates, assessments or charges shall be levied;
- f. Invested in such a manner or for such a period or at a yield to result in the rebate of interest earnings thereon to the United States under any public law now or hereafter in effect.

12. The Issuer shall furnish to the United States, or any agency, department or instrumentality thereof, in a timely fashion, such information as may be required by law with respect to all evidences of debt now or hereafter issued by the Issuer, a copy of which is appended as Exhibit A.

13. Neither the proceeds of the Note, nor any earnings derived from the investment thereof, shall be expended for the purpose of paying any costs associated with the issuance of the Note.

14. The Note will not be refunded or otherwise paid, defeased or secured by the proceeds of any form of debt issued by the Issuer, if the manner of such payment, refunding or security, results in the Note being classified as a “private activity bond” or an “arbitrage bond” within the meaning of Sections 141 and 148 of the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder by the U. S. Treasury (collectively, the “Code”).

15. The proceeds of the Note will not be used in a manner that will cause the Note to be an “arbitrage bond” or “private activity bond” within the meaning of Sections 103(c), 141 and 148 of the Code.

16. The Note is declared to be a “qualified obligation” under Section 265 of the Code.

17. The Municipality hereby adopts the Tax-Exempt Obligation Post-Issuance Compliance Procedures appended hereto as Exhibit B.

This Certificate is executed and is being delivered pursuant to Section 1.148(b)(2)(i) of the Regulations promulgated under Section 148 of the Code.

July 17, 2020

TOWN OF HINESBURG

By: _____

Treasurer

Selectboard or a Majority Thereof

No. R-1

TOWN OF HINESBURG \$110,210
HIGHWAY EQUIPMENT NOTE
DATED JULY 17, 2020

CERTIFICATE OF REGISTRATION

It is hereby certified that this note is fully registered, principal and interest payable only to the holder of record as appears of record in the office of the Treasurer of the Town of Hinesburg. This note may be transferred by presentation of the same with an assignment in writing signed and acknowledged by the registered holder at the office of the Treasurer of the Town who shall enter such transfer in the records of the Town and on the note. The name and address of the original registered owner of this note is Community Bank, N.A., Olean, New York.

Dated as of July 17, 2020.

Treasurer

EXHIBIT B

TAX EXEMPT OBLIGATION POST-ISSUANCE COMPLIANCE PROCEDURES

The following procedures have been adopted by the Issuer, effective as of the date of issue of the Note. These procedures shall be implemented immediately and shall relate to the Note and all currently outstanding and future debt obligations and financing leases. These procedures are intended to assist the Issuer in complying with those provisions of the Internal Revenue Code of 1986, as amended and the regulations promulgated by the U.S. Treasury thereunder (the “Code”) relating to (a) the qualified use of proceeds of the Issuer’s tax-exempt and other tax advantaged bonds and notes and improvements financed by such proceeds; (b) arbitrage yield restrictions and rebate; (c) remediation of the effects of “deliberate action” of the Issuer which results in the disposition, abandonment or other change in use of property financed by the Issuer’s debt obligations and (d) the resolution of matters raised in connection with an audit or examination of the Issuer’s tax-exempt or tax-advantaged obligations. These procedures are intended to furnish guidance in matters of Code compliance, and are subject to revision, modifications and enlargement from time to time.

- (1) The Issuer official or employee possessing the statutory or contractual powers, functions and responsibilities of a Chief Financial Officer (to the extent the same are not exercised by the Issuer’s Treasurer) shall be responsible for monitoring tax exempt obligations post-issuance compliance (the “Compliance Official”).
- (2) The Compliance Official shall review and implement these procedures in the manner necessary to ensure ongoing compliance with the provisions of the Tax Certificate. In connection therewith such official will become knowledgeable or consult an advisor experienced in post issuance compliance and will review and monitor notices, advice and directives as may be received by the Issuer from its bond counsel, accountants, financial advisors, and governmental sources. At least once annually the Compliance Official will verify that it is in compliance with the terms of the Tax Certificate, including this Exhibit B.
- (3) On or before the first day of June in each year, the Compliance Official shall confirm that all Issuer property financed by the proceeds of the Issuer’s obligations continues to be used in the same manner as existed when such property was first placed into service. Such conformation shall be based upon a visual inspection and representations of the public officials under whose care, custody and control the property is placed.
- (4) For so long as the proceeds of any debt obligation of the Issuer remain unexpended, the Compliance Official shall confirm on the first day of June and the first day of December in each year that such proceeds are deposited or invested for a “temporary period” as established under Section 148 of the Code. Such confirmation shall be deemed to have occurred for so long as any proceeds of the Issuer’s tax exempt or tax advantaged obligation are in the custody of a trustee, paying agent, or disbursing agent pending expenditures upon requisition thereof. Following the third anniversary of the issuance of an obligation by the Issuer, all unexpended proceeds shall be invested so as to generate a yield no greater than the yield on the corresponding obligation.
- (5) The Compliance Official shall confirm, at least annually while there are unexpended proceeds, that the proceeds of each obligation of the Issuer shall be expended in such amounts, at such frequency, and in such intervals to ensure that the Issuer avails itself of one or more arbitrage rebate exception allowed under Section 148 of the code. Alternatively, if rebate is due, the Compliance Official will engage a consultant to prepare a report to determine any rebate due.
- (6) With respect to the acquisition and construction of capital improvements financed with the proceeds of the Issuer’s debt obligations, the Issuer hereby declares that such proceeds shall be allocated to acquisition and construction expenditures prior to the expenditure and application of funds from any other public or private source. A final expenditure report accounting for the use of all proceeds and earnings of Issuer’s debt obligations shall be completed no later than 18 months after the improvements financed by the Issuer’s debt obligation is placed in service.
- (7) In the event there is a change of use, abandonment or disposition of property financed by the proceeds of a debt obligation of the Issuer, the Compliance Official shall immediately consult with

the Issuer's bond counsel and accountants regarding remedial action. The Issuer thereafter shall endeavor to call and redeem all or a portion of outstanding debt obligations, the proceeds of which were expended to finance such property. The proceeds derived from the sale or other disposition of the financed property shall not be commingled with other funds of the Issuer, but shall be used to effect the redemption of obligations, if necessary, the proceeds of which financed such property. Pending redemption as called for in this section, such proceeds shall be invested at a yield no greater than the yield on the obligations to be redeemed.

- (8) The Compliance Official shall create and preserve records for the term of the Issuer's debt obligations and any refunding thereof plus three years documenting the procedures incident to the authorization and issuance and identifying the proceeds of each issue of the Issuer's obligations, the deposit and investment thereof, the income derived from such deposit and investment, the expenditure of such proceeds and investment income (containing at a minimum the date, amount and recipient of each expenditure), payment requisitions, and all rate, fee, charge and assessment schedules relating to property financed by the Issuer's obligations. Such records shall include copies of loan agreements, escrow agreements, tax certificates, project bid documents, construction and acquisition contracts, project invoices, project-related bank statements, and documents related to anticipatory bond financing.
- (9) The Compliance Official shall retain all contracts or arrangements with non-governmental persons relating to the use, control and management of the improvements financed by the Issuer's debt obligation.
- (10) In the event there remain on hand any excess proceeds from an Issuer debt obligation, following acquisition or completion of the improvements for which such obligation was issued, the Compliance Official shall consult with the Issuer's bond counsel regarding the use of such proceeds.