



Memorandum

To: Village Board of Trustees, Town Selectboard, Evan Teich (Unified Manager)
Cc: Marguerite Ladd, Assistant Manager
Brad Luck (Village Co-Interim Manager)
From: Gregory Duggan, Deputy Manager
Re: *Discussion and potential action on tentative agreements about shared services between Town of Essex and Village/City of Essex Junction
Date: January 18, 2022

Issue

The issue is for the Selectboard and Trustees to discuss and possibly amend or approve agreements for sharing services between the Town of Essex and the Village of Essex Junction/an independent City of Essex Junction, and whether the Selectboard and/or Trustees enter into executive session to discuss contracts.

Discussion

The Selectboard and Trustees have reached tentative agreements on many shared service agreements between the Town and an independent City of Essex Junction, including a memorandum of understanding regarding agreements for shared services, delinquent taxes, information technology, police, reappraisal and assessor services, right of first refusal on 81 Main St., and stormwater.

The boards have expressed a desire to reach agreements on so-called Tier 2 agreements, as well. The Trustees on January 11 reviewed and approved draft agreements for the following services, copies of which are attached:

- Clerk/Treasurer
- Finance
- Recreation, Indian Brook, Senior Center and Senior Bus.

An attached memo from Brad Luck ("Agreements & Shared Boards", dated January 18, 2022) provides some additional context, as well as information about shared boards, commissions, and committees.

In order to have a complete and thorough discussion about this topic, an executive session may be necessary because the premature disclosure of the information may put the Selectboard/Trustees and the Town/Village at a substantial disadvantage. Contracts can be protected discussions.

Following discussion, the Selectboard and/or Trustees may choose to approve or amend any or all of the agreements; or direct staff to provide additional information.

Cost

n/a

Recommendation

The Selectboard/Trustees may approve or amend tentative agreements for Clerk/Treasurer; Finance; and/or Recreation, Indian Brook, Senior Center and Senior Bus.

If the Selectboard/Trustees wish to enter executive session, the following motions are recommended:

Motion #1

"I move that the Selectboard/Trustees make the specific finding that general public knowledge of contracts would place the Town/Village at a substantial disadvantage."

Motion #2

"I move that the Selectboard/Trustees enter into executive session to discuss contracts, pursuant to 1 V.S.A. § 313(a)(1)(A) ."

Attachments:

1. Joint Meeting Memo 1.18
2. ClerkTreasurer Agreement 1-6-22
3. Finance Contract 1-11-22
4. Recreation IB Senior Center Senior Bus Agreement 01-11-22

Memo

To: Village Trustees & Selectboard

From: Brad Luck, Essex Junction Recreation & Parks

Date: January 18, 2022

Re: Agreements & Shared Boards

In the packet for discussion are three draft agreements for finance, clerk/treasurer, and recreation/Indian Brook/Senior Center & vans. Please note that the finance and clerk/treasurer's agreements are relevant now and are draft agreements between the Town and Village (not Town and City).

In regards to shared boards, commissions, and committees, at the last joint meeting on December 13, this was recorded in the minutes:

“The boards indicated an interest in exploring the possibility of sharing the Essex BEST Committee, Committee on Equity for Essex, the Economic Development Commission, and the Housing Commission. This idea will be brought back to the boards and commissions for further review.”

Below is a message from the Essex Energy Committee Chair Will Dodge. We have reached out to the Economic Development Commission and Joint Housing Commission for them to consider and provide feedback of what to do in separation. Essex BEST will also be coming forward with recommended next steps.

From Will Dodge, Chair, Essex Energy Committee

Dear Andy and Andrew:

I apologize this email is arriving a little later than expected. Members of the Town Energy Committee understand that you seek input on how to proceed, given the pending possibility of Village separation from the Town of Essex.

We met last Wednesday and discussed the dilemma of whether to continue to work town-wide or move to supporting only the TOV (new Town). Points raised at the meeting included the following:

- Energy challenges are the same in both parts of Essex, it being impossible to keep electrons (or for that matter greenhouse gases associated with transportation and heating) within municipal boundaries.

- We have an Energy Plan that has been duly adopted by both Town and Village, with neither a need nor a desire to “start over.” Doing otherwise would require new calculations and an overhaul of all the combined goals.
- We know how challenging it can be to fill committee vacancies with volunteers, and are blessed by the fact that we have volunteers today from both Town and Junction.
- We see no benefit to splitting up, and believe we can work productively with municipal officials in separate entities.

For those reasons, we believe it's in everyone's best interests to continue working as a single “municipality-wide” committee.

To that end, a motion was made, seconded and passed unanimously, that the Energy Committee feels it best to operate as a single Town and Village / City Committee.

Thank you for your work on behalf of all Essex residents -- please let us know if you have any questions.

Clerk/Treasurer Agreement

THIS AGREEMENT, (“Agreement”) made this ____ day of _____, 2022, by and between the Town of Essex, a Vermont municipality located in Chittenden County, (“Essex” or the “Town”) and the Village of Essex Junction, a Vermont municipality located in Chittenden County, (“Essex Junction” or the “Village” and together the Village and Town are collectively referred to herein as the “Municipalities” or the “Parties”).

WHEREAS, the duly elected Town Selectboard and Village Trustees have general supervisory authority over affairs of their respective Municipalities;

WHEREAS, the Municipalities each desire to ultimately have independent Offices of the Clerk/Treasurer (“Clerk/Treasurer’s Office”) but desire to set forth terms for working together from the date of the execution of this agreement until the end of the fiscal year following the establishment of an independent City of Essex Junction or five (5) years from the date of this Agreement, if the City of Essex Junction is not established;

WHEREAS, until the termination of this Agreement, the Municipalities shall continue to share the Clerk/Treasurer’s Office;

WHEREAS, the Village shall employ one employee and the Town shall employ two employees of the Clerk/Treasurer’s Office and the Town shall compensate the Village for the shared services;

WHEREAS, the Clerk/Treasurer’s office will operate from 81 Main Street during the term of this Agreement; and

WHEREAS, the Municipalities desire that the Office of the Clerk/Treasurer shall serve the needs of each municipality and, if the City of Essex Junction is established, will continue to serve each municipality, distinguishing business by municipality as needed and required, and work to prepare the Office to operate as two independent offices, one for each municipality;

NOW THEREFORE, based on the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Town and the Village hereby agree as follows:

1. Term.

The term of this Agreement shall be from the date of the execution of this Agreement until the end of the fiscal year following the establishment of the City of Essex Junction, or five (5) years from the date of this Agreement, if the City of Essex Junction is not established.

2. Office of the Clerk/Treasurer.

The Village shall employ one employee and the Town shall employ two employees of the Clerk/Treasurer's Office. The Town shall compensate the Village Fifty Thousand Dollars per year (\$50,000.00) payable in four equal payments at the end of each quarter of the fiscal year.

The Office of the Clerk/Treasurer shall operate from 81 Main Street during the term of this Agreement. The Office of the Clerk/Treasurer shall perform the work customarily required of this office to serve both municipalities. If the City of Essex Junction is established, staff shall continue to serve both municipalities, providing all of the necessary services at 81 Main Street, yet distinguishing business by municipality as needed and required. At the conclusion of the fiscal year following the establishment of the City, both offices shall function independently, at their respective City and Town offices.

3. Necessary Actions.

The Town and the Village hereby agree to take or cause to be taken such further actions, if any, and to execute, deliver and record, or cause to be executed, delivered and recorded, such further documents and instruments that may be reasonably necessary to fully effectuate the purposes, terms and conditions of this Agreement.

4. Termination.

This Agreement terminates at the end of the fiscal year following the establishment of the independent City of Essex Junction or five (5) years from the date of this Agreement, if the City of Essex Junction is not established or it may also automatically terminate upon any of the following events:

- a. The dissolution or insolvency of either of the Municipalities; or
- b. The Parties enter into a new written agreement which expressly supersedes this Agreement.

5. Amendment.

This Agreement may be amended or modified by mutual written agreement of the Parties.

6. Notice.

Any notice required to be given under this Agreement shall be in writing and mailed to the addresses listed below (or such other address as a party may

designate) or hand delivered to the other party at a duly warned meeting of the Town Selectboard or the Village Trustees.

To the Town of Essex: Town of Essex Selectboard
81 Main Street
Essex Junction, VT 05452-3209

To Village of Essex Junction: Village of Essex Junction Trustees
2 Lincoln Street
Essex Junction, VT 05452

7. Governing Law; Severability

This Agreement shall be governed by the laws of the State of Vermont. All rights and remedies provided by this Agreement or by law or in equity or by statute shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy now or hereafter existing to enforce this Agreement. If any provision of this Agreement shall be deemed to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law.

8. Disputes.

In the event of any dispute arising out of this Agreement, the Municipalities shall first agree to mediate the dispute. The Municipalities may also agree to submit any dispute not resolved in mediation to binding arbitration. Otherwise all disputes arising out of or related to this Agreement shall be heard in the Vermont Superior Court, Chittenden Civil Division.

9. Entire Agreement.

This Agreement represents the entire agreement between the Parties. All prior agreements, offers, negotiations and representations not herein expressly contained shall be of no force and effect.

10. Assignment; Binding Agreement.

Neither party shall assign this Agreement or any interest hereunder without the written approval of all of the Parties. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Should the Village of Essex Junction become the City of Essex Junction at any time prior to the expiration of this Agreement, this Agreement shall remain in effect between the City of Essex Junction and Town of Essex.

11. No Waiver.

No failure by either party to insist upon the strict performance of any term hereunder or to exercise any right, power, or remedy consequent upon a breach thereof shall constitute a waiver of any breach of any such term. No waiver of any breach shall affect or alter this Agreement, which shall continue in full force and effect, or the rights of either party with respect to any other existing or subsequent breach.

12. Captions.

The captions or marginal words are inserted only as a matter of convenience and reference and in no way define, limit, or describe the scope of this Agreement nor the intent of any provisions hereof.

DATED this ____ day of _____, 2022.

TOWN OF ESSEX

By: _____
Its Duly Authorized Agent

VILLAGE OF ESSEX JUNCTION

By: _____
Its Duly Authorized Agent

Shared Financial Services Agreement

THIS AGREEMENT, (“Agreement”) made this ____ day of _____, 2022, by and between the Town of Essex, a Vermont municipality located in Chittenden County, (“Essex” or the “Town”) and the Village of Essex Junction, a Vermont municipality located in Chittenden County, (“Essex Junction” or the “Village” and together the Village and Town are collectively referred to herein as the “Municipalities” or the “Parties”).

WHEREAS, the duly elected Town Selectboard and Village Trustees have general supervisory authority over affairs of their respective Municipalities;

WHEREAS, the Municipalities each desire to ultimately have independent finance departments (“Finance Departments”);

WHEREAS, until the Finance Departments are independent, the Municipalities may continue to have shared finance non-personnel related expenses, and the Town and Village shall each be responsible for the costs of those shared finance non-personnel related expenses based on the nature of the expenses as agreed upon by the finance directors;

WHEREAS, each municipality shall employ and manage its own Finance Department personnel, and fund its Finance Department’s budget;

WHEREAS, the Finance Departments will each operate from 81 Main Street during the term of this Agreement;

WHEREAS, the Municipalities desire that the Finance Departments shall work together, helping to accomplish the finance needs of each municipality, as determined by the finance director for each municipality;

WHEREAS, during the term of this Agreement, the Finance Departments shall work together to separate the currently shared finances to create independent finance departments for each municipality;

NOW THEREFORE, based on the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Town and the Village hereby agree as follows:

1. Term.

This Agreement shall expire on June 30, 2025, unless earlier terminated pursuant to Section 6 herein. If this contract requires an extension, the Parties shall not unreasonably deny the extension.

2. Finance Departments

Each municipality shall employ its own Finance Department and the Finance Departments shall both operate from 81 Main Street during the term of this Agreement. The Finance Departments shall work together, helping to accomplish the finance needs of both municipalities, as determined by the finance director for each municipality. The Finance Departments shall work toward separating the currently shared finances to ultimately create independent finance departments for each municipality.

3. Cost and Payment.

Each municipality shall pay all costs associated with its respective Finance Department. If there are shared finance non-personnel related expenses, each municipality is responsible for its portion of the costs, which shall be allocated based on the nature of the expense as agreed upon by the finance directors (i.e. number of users, number of FTEs, amount of time, number of invoices, etc.). Examples of expenses that may be addressed in this matter include: Questica, ReadSoft, NEMRC, professional services fees (NEMRC custom programming or tax billing assistance), office supplies, group trainings, copier rental and usage, and printing and mailing costs. In the event the finance directors cannot reach agreement as to the expense allocation, the Town Manager and Village Manager shall work together to reach agreement. If the Managers cannot reach agreement, the issue will be brought before the Town Selectboard and the Village Trustees. Should the Town Selectboard and Village Trustees not come to an agreement, the dispute will be addressed pursuant to Section 10 of this Agreement.

4. Personnel Management

Each municipality shall employ and manage its own Finance Department personnel, and fund its Finance Department's budget.

5. Necessary Actions.

The Town and the Village hereby agree to take or cause to be taken such further actions, if any, and to execute, deliver and record, or cause to be executed, delivered and recorded, such further documents and instruments that may be reasonably necessary to fully effectuate the purposes, terms and conditions of this Agreement.

6. Termination.

In the event the finance directors for both municipalities identify that the Finance Departments are able to operate independently prior to the expiration date of this agreement identified in Section 1 herein, the finance directors shall inform their respective municipal managers. The finance directors and municipal managers shall set out a timeline for the transition of the Village finance department out of 81 Main Street and a date for termination of this Agreement. The Town Selectboard and the Village Trustees shall review and consider the transition timeline. If each board approves, the boards shall execute a written agreement terminating this Agreement.

This Agreement may also automatically terminate upon any of the following events:

- a. The dissolution or insolvency of either of the Municipalities; or
- b. The Parties enter into a new written agreement which expressly supersedes this Agreement.

7. Amendment.

This Agreement may be amended or modified by mutual written agreement of the Parties.

8. Notice.

Any notice required to be given under this Agreement shall be in writing and mailed to the addresses listed below (or such other address as a party may designate) or hand delivered to the other party at a duly warned meeting of the Town Selectboard or the Village Trustees.

To the Town of Essex: Town of Essex Selectboard
81 Main Street
Essex Junction, VT 05452-3209

To Village of Essex Junction: Village of Essex Junction Trustees
2 Lincoln Street
Essex Junction, VT 05452

9. Governing Law; Severability

This Agreement shall be governed by the laws of the State of Vermont. All rights and remedies provided by this Agreement or by law or in equity or by statute shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy now or hereafter existing to enforce this Agreement. If any provision of this Agreement shall be deemed to be invalid or unenforceable by a

court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law.

10. Disputes.

In the event of any dispute arising out of this Agreement, the Municipalities shall first agree to mediate the dispute. The Municipalities may also agree to submit any dispute not resolved in mediation to binding arbitration. Otherwise all disputes arising out of or related to this Agreement shall be heard in the Vermont Superior Court, Chittenden Civil Division.

11. Entire Agreement.

This Agreement represents the entire agreement between the Parties. All prior agreements, offers, negotiations and representations not herein expressly contained shall be of no force and effect.

12. Assignment; Binding Agreement.

Neither party shall assign this Agreement or any interest hereunder without the written approval of all of the Parties. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Shall the Village of Essex Junction become the City of Essex Junction at any time prior to the expiration of this agreement, this agreement shall remain in effect between the City of Essex Junction and Town of Essex.

13. No Waiver.

No failure by either party to insist upon the strict performance of any term hereunder or to exercise any right, power, or remedy consequent upon a breach thereof shall constitute a waiver of any breach of any such term. No waiver of any breach shall affect or alter this Agreement, which shall continue in full force and effect, or the rights of either party with respect to any other existing or subsequent breach.

14. Captions.

The captions or marginal words are inserted only as a matter of convenience and reference and in no way define, limit, or describe the scope of this Agreement nor the intent of any provisions hereof.

DATED this ____ day of _____, 2022.

TOWN OF ESSEX

By: _____
Its Duly Authorized Agent

VILLAGE OF ESSEX JUNCTION

By: _____
Its Duly Authorized Agent

Recreation, Indian Brook, Senior Center, and Senior Bus Agreement

THIS AGREEMENT, (“Agreement”) made this ____ day of _____, 2022, by and between the Town of Essex, a Vermont municipality located in Chittenden County, (“Essex” or the “Town”) and the City of Essex Junction, a Vermont municipality located in Chittenden County, (“Essex Junction” or the “City” and together the City and Town are collectively referred to herein as the “Municipalities” or the “Parties”).

WHEREAS, the duly elected Town Selectboard and City Council have general supervisory authority over affairs of their respective Municipalities;

WHEREAS, the Municipalities value the current access residents have to services, facilities, and parks that enhance their quality of life;

WHEREAS, each Municipality desires to continue to share certain services, parks, and facilities;

WHEREAS, the residents of each Municipality shall be treated equally with respect to the recreation programs of Essex Junction Recreation & Parks and Essex Parks & Recreation, access to Indian Brook, access and membership to the Essex Area Senior Center, and eligibility to ride the Senior Bus;

WHEREAS, the residents of each Municipality shall have the same access, be charged the same fees, and have the same ability to register for programs for the recreation programs of Essex Junction Recreation & Parks and Essex Parks & Recreation, access to Indian Brook, access and membership to the Essex Area Senior Center, and eligibility to ride the Senior Bus;

WHEREAS, the Municipalities will not share equal access to Essex Junction Recreation & Parks Preschool, or the Maple Street and Sandhill public outdoor pools and their programs, or for park and facility rentals, for which the Municipality in which each is located may create its own residency requirements, fees, or other requirements; and

WHEREAS, the Town shall employ the employees of the Essex Senior Center and the Senior Bus, and the City shall share in these expenses on a per capita basis at such time as the residents of the City are not paying Town taxes and provide space for the Senior Center at 2 Lincoln Street;

NOW THEREFORE, based on the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Town and the City hereby agree as follows:

1. Essex Junction Recreation & Parks and Essex Parks & Recreation.

City and Town residents shall share equal access to the recreation programs of Essex Junction Recreation & Parks and Essex Parks & Recreation, with the limited exceptions provided herein. City and Town residents shall be charged the same fees for use, and have the ability to register at the same time for recreation programs.

The City and Town will not share equal access to Essex Junction Recreation & Parks Preschool, or the Maple Street and Sandhill public outdoor pools, or for park and facility rentals. The Municipality controlling these programs and facilities may create its own residency requirements, fees, or other requirements for usage.

2. Indian Brook.

City and Town residents shall share equal access, be charged the same fees for use, and have the same ability to use Indian Brook.

3. Senior Center and Senior Bus.

City and Town residents shall share the same access, be charged the same fees, and have the ability to register at the same time for programming for the Senior Center and the Senior Bus.

The Town shall employ the employees of, manage and fund the Senior Center and the Senior Bus. The City shall share in these expenses on a per capita basis at such time when the City residents no longer pay Town taxes and shall provide space at 2 Lincoln Street for the Senior Center.

4. Necessary Actions.

The Town and the City hereby agree to take or cause to be taken such further actions, if any, and to execute, deliver and record, or cause to be executed, delivered and recorded, such further documents and instruments that may be reasonably necessary to fully effectuate the purposes, terms and conditions of this Agreement.

5. Termination.

The Agreement shall terminate on June 30, 2025 unless extended by mutual agreement of the Parties or in the following events:

- a. The dissolution or insolvency of either of the Municipalities; or

- b. The Parties enter into a new written agreement which expressly supersedes this Agreement, and which agreement may include some or all of the services and amenities addressed in this Agreement.

6. Amendment.

This Agreement may be amended or modified by mutual written agreement of the Parties.

7. Notice.

Any notice required to be given under this Agreement shall be in writing and mailed to the addresses listed below (or such other address as a party may designate) or hand delivered to the other party at a duly warned meeting of the Town Selectboard or the City Council.

To the Town of Essex: Town of Essex Selectboard
81 Main Street
Essex Junction, VT 05452-3209

To City of Essex Junction: City of Essex Junction City Council
2 Lincoln Street
Essex Junction, VT 05452

8. Governing Law; Severability

This Agreement shall be governed by the laws of the State of Vermont. All rights and remedies provided by this Agreement or by law or in equity or by statute shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy now or hereafter existing to enforce this Agreement. If any provision of this Agreement shall be deemed to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law.

9. Disputes.

In the event of any dispute arising out of this Agreement, the Municipalities shall first agree to mediate the dispute. The Municipalities may also agree to submit any dispute not resolved in mediation to binding arbitration. Otherwise all disputes arising out of or related to this Agreement shall be heard in the Vermont Superior Court, Chittenden Civil Division.

10. Entire Agreement.

This Agreement represents the entire agreement between the Parties. All prior agreements, offers, negotiations and representations not herein expressly contained shall be of no force and effect.

11. Assignment; Binding Agreement.

Neither party shall assign this Agreement or any interest hereunder without the written approval of all of the Parties. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

12. No Waiver.

No failure by either party to insist upon the strict performance of any term hereunder or to exercise any right, power, or remedy consequent upon a breach thereof shall constitute a waiver of any breach of any such term. No waiver of any breach shall affect or alter this Agreement, which shall continue in full force and effect, or the rights of either party with respect to any other existing or subsequent breach.

13. Captions.

The captions or marginal words are inserted only as a matter of convenience and reference and in no way define, limit, or describe the scope of this Agreement nor the intent of any provisions hereof.

DATED this ____ day of _____, 2022.

TOWN OF ESSEX

By: _____
Its Duly Authorized Agent

CITY OF ESSEX JUNCTION

By: _____

Its Duly Authorized Agent



Memorandum

To: Village Trustees, Town Selectboard, Evan Teich, Unified Manager
Cc: Gregory Duggan, Deputy Manager
Marguerite Ladd, Assistant Manager
Brad Luck
Interim Co-Manager
Wendy Hysko
Interim Co-Manager
From: Tammy Getchell, Assistant to the Manager
Re: Consider approval of upcoming joint meeting schedule
Date: December 30, 2021

Issue

The issue is for the Selectboard and the Trustees to approve a 2022 Joint Board meeting schedule.

Discussion

The Trustees and the Selectboard do not have any joint meetings scheduled for 2022. The boards may wish to approve a schedule based on the current schedule of the 4th Monday of each month.

Proposed Selectboard & Trustee meeting schedule for 2022

*All meetings would start at 6:30 pm.

Tuesday, February 15 (to accommodate Town Annual Meeting on 2/28 and observance of President's Day on 2/21)
Monday, March 28
Monday, April 25
Monday, May 23
Monday, June 27
Monday, July 25
Monday, August 22
Monday, September 26
Monday, October 24
Monday, November 28
Tuesday, December 27 (to accommodate observance of the Christmas holiday on 12/26)

Cost

N/A

Recommendation

Staff recommends the Trustees and Selectboard approve the 2022 meeting schedule for joint board meetings.

Attachments: None

From: Andrew Brown <abrown@essexjunction.org>
Sent: Friday, January 21, 2022 1:53 PM
To: Gregory Duggan <gduggan@ESSEX.ORG>; Brad Luck <bluck@ejrp.org>; Marguerite Ladd <mladd@ESSEX.ORG>; Tammy Getchell <tgetchell@essexjunction.org>
Cc: Evan Teich <eteich@essex.org>; Courtney Bushey <CBushey@essex.org>
Subject: Re: Finance Director costs
Importance: High

Hi All,

Based on the updated numbers attached is a new spreadsheet. Please have this email and spreadsheet added to our 1/24/22 joint agenda for this topic.

The overall rationale for this request is that Village of Essex Junction property taxes have been budgeted for FY22 to support services from the Finance Director which will not be received and as such the Village of Essex Junction is requesting a refund in the amount of \$17,670.88.

In the enclosed spreadsheet, the data for "Total Cost" and "Spent in FY22" came from Town staff. "Total Cost" represents 100% of the budgeted cost for the services of the Town Finance Director for the fiscal year. "Remaining in FY22" is a subtraction of "Spent in FY22" from "Total Cost".

The \$10,841.03 represents the amount which has been budgeted to be transferred from the Village's water/sewer enterprise funds to the Town and should be refunded to the Village rate payers.

With consolidation of the Finance Department, the Finance Director's position (salary and benefits) had no Village general fund contribution. As such, the Finance Director was overseeing the Village's finances with payment from the Village through Village property owner's portion of Town property taxes - with the Village's grand list of 42% of the Town's grand list, Village property owners pay 42% of the Town's general fund budget. That is the basis for the calculation found in the "Village Taxes" column - 42% of "Remaining in FY22". The Town Finance Director was anticipated to spend approximately 50% of their time on Village financial operations. Thus, 50% of how much Village property owners paid in taxes were paid to support the Finance Director's efforts on Village operations and will not be received. This is the basis for the calculation found in the "Village Operations" column - 50% of "Village Taxes". It is this additional \$6,829.85 the Village Trustees are seeking be paid back to the Village.

START DATE = Feb 7, 2022

Days remaining in FY22 144

	Total Cost	Spent in FY22	Remaining in FY22	Village Taxes	Village Operations	Due to Village
Village Water/Sewer	\$ 27,479.00	\$ 16,637.97	\$ 10,841.03			\$ 10,841.03
Town Taxes	\$ 82,437.00	\$ 49,913.91	\$ 32,523.09	\$ 13,659.70	\$ 6,829.85	\$ 6,829.85
Town Water/Sewer	\$ 27,479.00	\$ 16,637.97	\$ 10,841.03			
	\$ 137,395.00	\$ 83,189.85	\$ 54,205.15			\$ 17,670.88



Memorandum

To: Selectboard, Evan Teich (Unified Manager)
Cc: Susan McNamara-Hill (Clerk)
From: Gregory Duggan, Deputy Manager
Re: Consider adoption of Annual Town Meeting warning (Selectboard only)
Date: January 18, 2022

Issue

The issue is whether the Selectboard will approve the warning for the 2022 Town Meeting.

Discussion

Town Meeting must be warned between January 20 and January 30. A draft warning is attached for review and approval.

There will be three articles on the proposed warning:

1. Adoption of the budget;
2. Authorizing cannabis retailers
3. Elections (Moderator, three Selectboard seats, Champlain Water District Commissioner)

The Selectboard voted on January 18 to include the retail cannabis question on the ballot. The Vermont League of Cities of Towns has good guidance on how to phrase cannabis questions: https://www.vlct.org/sites/default/files/documents/Resource/Model%20Town%20Meeting%20Articles_4.pdf (see page 11)

Opt-in (allow) cannabis retailers or integrated licensee establishments

If the town wants to authorize all legal methods of the sale of cannabis to the public, it should vote on the following:

- Shall the town authorize cannabis retailers and retail portions of integrated licensee establishments in town pursuant to 7 V.S.A. § 863?

OR If the town only wants to authorize only “cannabis retailers” or “retail portions of integrated licensee operations” or vote on them separately for any reason, it should use one or both of the following:

- Shall the town authorize cannabis retailers in town pursuant to 7 V.S.A. § 863?
- Shall the town authorize retail portions of integrated licensee operations in town pursuant to 7 V.S.A. § 863?

Note: Towns may vote by Australian ballot to allow “cannabis retailers,” “retail portions of integrated licensees,” or both to operate within the town. “Cannabis retailer” means a person licensed by the state Board to sell cannabis and cannabis products to adults 21 years of age and older for off-site consumption. “Integrated licensee” means a person licensed by the state Cannabis Control Board to engage in the activities of a cultivator, wholesaler, product manufacturer, retailer, and testing laboratory in accordance with state law. When a town votes

on allowing retail cannabis operations, the vote speaks only to retail portions of licensees, not to the establishment or allowance of other integrated licensees' activities like cultivation or wholesaler.

The warning for Town Meeting, as drafted, includes the single question asking if the Town shall authorize cannabis retailers and retail portions of integrated licensee establishments.

Cost

n/a

Recommendation

It is recommended that the Selectboard approve and sign the warning for the 2022 Town Meeting.

Attachments:

1. Town Meeting Warning 2022

TOWN OF ESSEX
Informational Hearing: February 28, 2022
AND
Annual Town Meeting: March 1, 2022

Informational Hearing – online only
Monday, February 28, 2022

[7:30 PM]

Due to the Covid-19 pandemic, this hearing will be held remotely. Available options to watch or join the meeting:

- **WATCH:** the meeting will be live-streamed on [Town Meeting TV](#).
- **JOIN ONLINE:** [Join Zoom Meeting](#). Depending on your browser, you may need to call in for audio (below).
- **JOIN CALLING:** (*toll free audio only*): (888) 788-0099 | Meeting ID: 987 8569 1140; Passcode: 032060
- **MODERATOR:** All instructions for conduct of the meeting will be guided by the Moderator.
- **If you have difficulty accessing the hearing, please call (802) 878-1341 or email manager@essex.org.**

On January 18, 2022, the Town Selectboard voted to hold the 2022 Town Annual Meeting entirely by Australian ballot. A public informational hearing on the Articles to be voted on at Town Annual Meeting will be held according to 17 V.S.A. § 2680. **No voting will take place during this hearing.** If you wish to make a public comment but do not have the ability to comment remotely during the meeting, please email your comment(s) to the Unified Manager at manager@essex.org.

AGENDA will include:

- **Discussion of Article I – Adopting the budget**
- **Discussion of Article II – Authorizing cannabis retailers**
- **Announcement of offices up for election in Article III**
- **Public to be heard (to be moderated)**

Annual Meeting – Australian Ballot
Tuesday, March 1, 2022

THE LEGAL VOTERS OF THE TOWN OF ESSEX IN THE COUNTY OF CHITTENDEN ARE HEREBY NOTIFIED AND WARNED TO MEET ON TUESDAY, MARCH 1, 2022 BETWEEN THE HOURS OF 7:00 A.M. AND 7:00 P.M. TO VOTE ON THE FOLLOWING ARTICLES BY AUSTRALIAN BALLOT.

POLLING PLACES ARE:

- ESSEX HIGH SCHOOL, 2 EDUCATIONAL DRIVE FOR ALL ESSEX RESIDENTS RESIDING WITHIN THE VILLAGE OF ESSEX JUNCTION.
- ESSEX MIDDLE SCHOOL, 60 FOUNDERS ROAD FOR ALL ESSEX RESIDENTS RESIDING OUTSIDE THE VILLAGE OF ESSEX JUNCTION.

ARTICLE I. Shall the Town adopt a budget for the fiscal year July 1, 2022 to June 30, 2023 as recommended by the Selectboard in the amount of \$16,675,241?

ARTICLE II. Shall the Town of Essex authorize cannabis retailers and retail portions of integrated licensee establishments in town pursuant to 7 V.S.A. § 863?

ARTICLE III. Election of the following:

Moderator, 1 vacancy (1-year term)

Selectboard, 3 vacancies (two 3-year terms and one 1-year term)

Champlain Water District Commissioner, 1 vacancy (3-year term)

Dated at Essex, Vermont, the 24th day of January 2022 by the Essex Town Selectboard.

Andrew J. Watts, Chair

Patrick Murray, Vice Chair

Tracey Delphia, Clerk

Susan Cook

Dawn Hill-Fleury

Received for record this 25th day of January, 2022 in the records of the Town of Essex.

Susan McNamara-Hill, Town Clerk

Independence Summary & Timeline

As of January 5, 2022

Agreements with Town of Essex

Tentative Agreement Has Been Reached:

- Police
 - City contracts with Town for police services
 - City pays Town on per capita basis
 - Initial 10-year term, subsequent 5-year auto-renewals
- Reappraisal & Assessor
 - City contracts with Town for assessor services
 - City pays Town on percentage of parcels basis
 - Town coordinates reappraisal
 - Contract ends upon conclusion of reappraisal
- IT
 - Town provides IT services for one year after City is formed, then City has contractor
 - Town works with City IT contractor to migrate City data out of Town
- Delinquent Taxes
 - Until the City is formed, all delinquent Village and Town taxes due for Village properties are payable to and collected by the Town
- 81 Main Street
 - City has first right of refusal to purchase the building if Town decides to sell
- Stormwater
 - Current identified stormwater projects will proceed and be paid for as planned from Town capital funds
 - One year after the City is formed, each community will fund and manage respective stormwater needs and joint stormwater committee will dissolve

In Deliberations:

- Finance
 - Each municipality funds & employs respective finance department
 - Both finance departments operate at 81 Main
 - Finance departments work together for both municipalities
 - Finance departments work towards disentangling
 - Separate finance departments at respective locations no later than 6/30/25
- Clerk/Treasurer
 - Clerk/Treasurer's shared office at 81 Main
 - Village/City employs 1, Town employs 2
 - Town pays Village/City \$50K per year
 - Relationship continues for one year after City is formed, then separate

In Deliberations Continued:

- Recreation/Indian Brook/Senior Center & Bus
 - Town & City citizens treated as residents for access to recreation programs, Indian Brook, Senior Center, and senior bus services
 - Exceptions: EJP Preschool, Maple Street & Sandhill Pools
 - Town & City share Senior Center and bus expenses on per capita basis
 - Terminates 6/30/25
- Shared Boards
 - Consideration, but further conversation needed related to potential continuation of:
 - Essex BEST (Building Equity, Solidarity, and Trust)
 - Joint Housing Commission
 - Economic Development Commission
 - Energy Committee

From Charter to City

Timeline Detail

November 2, 2021

City Charter vote in Village

- Charter passes 3070-411 (88%)

November 2021 - April 2022

FY23 Village and Town budget developed

November 2021 – February 2022

Village hires interim co-managers – Wendy Hysko, Director Brownell Library & Brad Luck, Director EJRP

Village hires HR Director

Village hires finance director

February 26, 2022

End of unified management

- Town/Village have own management structures
- Village management assumes oversight of Village only services:
 - Administration (Assistant to the Manager)
 - Brownell Library
 - Community Development
 - EJRP
 - Finance (2 Village finance employees located at 81 Main)
 - Fire
 - Human Resources (new)
 - Public Works
 - Wastewater (no impact on Tri-Town Agreement or discharge permit)
- Town management continues oversight of consolidated services:
 - Assessing
 - Information Technology
 - Police
- Shared management/employment:
 - Clerk/Treasurer (1 Village employee, 2 Town employees all at 81 Main)

March 2022

Town FY23 budget vote

April 2022

Village FY23 budget vote

January – May 2022

Charter goes through legislature and signed into law

May – September 2022

City hires City Manager

July 1, 2022 – June 30, 2023 (Transition Period)

City is formed

- City Manager/HR Director/Finance build FY24 Budget
- City Manager/HR Director map out & execute hiring plan for city position to start in time for city to be effective 7/1/23
 - Assistant Clerk/Office Coordinator
- 2 Lincoln renovations take place
- IT contract initiated
 - IT infrastructure put in place
 - IT migration process takes place

Both finance departments continue to operate out of 81 Main Street

Clerk/Treasurer's services continue to operate out of 81 Main Street, providing services but tracking and filing things separately by municipality. Department consists of one Village employee and two Town employees.

Town management continues oversight of consolidated services:

- Assessing
- Information Technology
- Police

City collects City & Town taxes

- All delinquencies prior to July 1 for Village & Town taxes continue to be owed to the Town
- All delinquencies after July 1 for City & Town taxes are due to the City

July 1, 2023

- City Offices fully open at 2 Lincoln
- Consolidated services end
 - IT
 - Clerk/Treasurer
- Contracted services are in place
 - Assessing
 - Police



Memorandum

To: Village Board of Trustees, Town Selectboard, Evan Teich, Unified Manager
Cc: Gregory Duggan, Deputy Manager
Marguerite Ladd, Assistant Manager
Brad Luck
Interim Co-Manager
Wendy Hysko
Interim Co-Manager
Courtney Bushey
Finance Director
From: Tammy Getchell, Assistant to the Manager
Re: Update on stipend program for boards and committees
Date: January 19, 2022

Issue

To provide an update on the stipend program for boards and committees

Discussion

Last year, the Village of Essex Junction and Town of Essex approved the distribution of stipends for volunteers who are appointed or elected to boards and committees. Staff have created a system to organize and process these payments. The following steps have been taken:

- A form was created for volunteers to agree to accept stipends and confirm that they understand IRS regulations apply. Originally, this started as a form that required all volunteers to either opt in or out. I discarded this form and am only requiring paperwork from those who would like to participate or opt in. This is because it was determined that volunteers can not automatically be enrolled or receive stipends, since they must complete a W-9 and a Non-Employee Work Agreement in order to process payments to them.
- Staff representatives have been assigned to each board or committee to be responsible for collecting and distributing forms, answering questions, and processing stipend payments after meetings.
- Stipend payments to those serving on Village committees and boards are being made retroactively to July 1, 2021, as long as the volunteer provides their paperwork prior to March 31, 2022.
- Stipend payments to those serving on Town committees and boards began on January 1, 2022 and retroactive payments will be made as the program is being launched if volunteers provide their paperwork by March 31, 2022.
- After March 31, 2022, stipend payments will no longer be paid retroactively and will begin upon receipt of the completed paperwork.
- A Stipend Program handout (attached) was put together to assist staff representatives with the initial launch.

The staff representatives for the boards and committees in both the Town and the Village have been providing valuable feedback as the program kicked off and we continue to make adjustments to make the process as smooth as possible for them, the volunteers, and the finance department.

Input and discussions with staff representatives, management, and finance culminated in the attached handout which provides further details about the program, eligibility, and how it has been organized.

Cost

N/A

Recommendation

This update is for informational purposes only.

Attachments:

1. Boards Committees Stipend Program - updated 20220114

Town of Essex

Village of Essex Junction

Boards & Committees Stipend Program

1. Purpose

The purpose of this program is to provide stipends for everyone appointed or elected to a board, commission, or committee that meets with a routine schedule. Stipends of \$50 per meeting are provided to volunteers to compensate them for their time, childcare assistance, food, transportation, or other needs in order to attend meetings.

2. Statement of Equity

Essex and Essex Junction are racially and socially equitable, welcoming, and engaged communities where all can thrive because community members and leaders hold each other accountable to ensure a safe, supportive, and just environment.

3. Process

- a) **Complete an IRS W-9 form.** All volunteers elected or appointed as a member or representative to a board, committee or commission must complete the Boards & Committees STIPEND OPTION FORM and must complete and submit an Internal Revenue Service Form W-9. Stipend payments will be sent to the address listed on this form. The IRS W-9 form must be recertified annually as long as the volunteer participates in the stipend program. Stipends will not be paid without a completed IRS W-9 form on file.
- b) **Staff Representatives or chair of the committee will submit attendance.** Concerns regarding attendance and stipend payments should be directed to the staff representative and/or committee chair responsible for submitting the reports.

4. Eligibility

- a) Appointed and elected members of an Essex and/or Essex Junction board, commission, or committee that meets with a routine schedule.
- b) Appointed or elected representatives of Essex and/or Essex Junction on local or regional boards and committees that meet with a routine schedule. Examples include, but are not limited to, Green Mountain Transit and Chittenden Solid Waste District.
- c) Excluded from the stipend program:
 - Employees of the Town of Essex and the Village of Essex Junction are excluded from the stipend program, but only if they are participating on the committee or board in their capacity as an employee.
 - Town of Essex Selectboard members, Village of Essex Junction Board of Trustees members, Village of Essex Junction Zoning Board members, and Village of Essex

Junction Planning Commission members who already receive stipends, are excluded from participating in this stipend program.

5. Program Start and Continued Enrollment

- a) The Town of Essex stipend program will begin on January 1, 2022. Continued enrollment in the program will be upon recertifying the IRS form W-9 on file annually and continued appointment on the board or committee. Payments will begin upon receipt of the Stipend Option Form and will not be made retroactively, with the exception of the start-up period as the program begins. See the chart below for deadlines.
- b) The Village of Essex Junction program began on July 1, 2021 and stipend payments may be made retroactively to July 1, 2021 once an IRS form W-9 is submitted. The retroactive period will expire on March 31, 2022. Continued enrollment in the program will be upon recertifying the IRS form W-9 on file annually and continued appointment on the board or committee. Payments will begin upon receipt of the Stipend Option Form and Attendance Record and will not be made retroactively, with the exception of the initial retroactive payment to July 1, 2021 for Village boards and committees.

	Program start date:	Retroactive payments for meetings beginning on:	Deadline to submit for retroactive/start up period:
VILLAGE	July 1, 2021	July 1, 2021	March 31, 2022
TOWN	January 1, 2022	January 1, 2022	March 31, 2022

6. Payments

All payments will be made through accounts payable from the Finance Department and all IRS regulations pertaining to Form 1099-Miscellaneous Income apply. The Finance Department issues 1099-Miscellaneous form per IRS regulations for amounts paid equal to or greater than \$600 in a calendar year. Please contact Vermont 211 at (802) 652-4636 or visit <https://www.vermont211.org/> about the impacts this may have on your annual taxes.

STAFF ONLY:

- 1. **Submit meeting attendance. Staff representatives (or chair of the committee)** of each board, committee or commission will complete and submit an ATTENDANCE RECORD after each meeting or on a monthly basis, whichever is a longer period. Attendees included on the form must have a completed IRS W-9 on file. Please do not include them on the attendance record for stipend payments if a W-9 is not on file.
 - a) Store and track the Stipend Option Forms you receive to keep track of who has opted into the program. You do not have to send the forms to anyone else.
 - b) Attendance must be verifiable by official minutes of the meeting. Participants in the stipend program are only paid for meetings attended.
 - c) Please try to process payments after each meeting, *but not more frequently than monthly*. So, if your committee or board holds two meetings per month, please submit for two

meetings at once after the month is over. The premise of the program is to provide indirect support to individuals to attend meetings, so an average monthly payment is best. You are discouraged from waiting quarterly, or biannually to process stipend payments.

- d) Be sure the Finance Department has the IRS W-9 form for each member opting to participate in the program. Once Finance has created a vendor profile in the ReadSoft system for that person, you will be able to process payments to those individuals.
- e) Complete *one attendance record per meeting* and use that same attendance record as back up for each person receiving a payment. If you are paying a person for more than one meeting, upload an attendance record for each meeting as the backup for that one payment.
- f) You do not need to upload Stipend Option Forms into ReadSoft.
- g) TOWN committees and boards should be expensed to the Town of Essex, *regardless of the residency* of the members on the committee. Village committees and boards should be expensed to the Village of Essex Junction. Joint committees and boards should be split between the Town and Village, equally at 50/50, *regardless of residency*.
 - a. **TOWN:** Town of Essex committees/boards are expensed to: 110-5-11-10-190.000
 - b. **VILLAGE:** Village of Essex Junction committees/boards are expensed to: 210-5-10-10-190.00.
 - c. **JOINT:** Joint committees are expensed at 50% to 110-5-11-10-190.000 and 50% to 210-5-10-10-190.000