

**Stowe Selectboard, Liquor Commission & Water/Sewer Commission Meeting
Monday March 28, 2022**

Present:

Selectboard Members: William Adams, Nick Donza, Jo Sabel Courtney, Lisa Hagerty (via Zoom), Paco Aumand

In Person attendees: Mary Black, Shari Vermeulen, Paul Sakash, Stephen Friedman, Val Davis, Larry Lackey, Alan Kovacs

There were 14 participants on Zoom.

Call to Order

Chair Adams called the meeting to order at 5:00pm.

Approve the Agenda

On a motion by Mr. Paco Aumand, seconded by Ms. Jo Sabel Courtney, the Board moved to pull out the liquor application for The Lower Bar to be discussed in Business, and leave the rest of the items in the consent agenda. The Board approved the remainder of the agenda as presented.

Executive Session

On a motion by Ms. Courtney, seconded by Mr. Nick Donza, the Board went into Executive Session at 5:02pm to discuss personnel.

The Board came out of Executive Session at 5:41pm.

Consent Agenda

1. 3/14/22 Selectboard Minutes
2. Annual Meeting Bond Validation Resolution
3. Special Event Applications
4. 180 Edson Hill Road Water/Sewer Allocation
5. Liquor Consent Items (minus The Lower Bar which was pulled to business)
6. Board & Committee Reappointments
7. Annual Financial Plan – Town Highways

On a motion by Mr. Aumand, seconded by Ms. Courtney, the Board approved the Consent Agenda as presented, with the Lower Bar Liquor Application pulled to Business.

FY'21 Audit

Fred Duplessis of Sullivan, Powers & Co, the Town's audit firm, was present at the meeting to discuss the FY'21 audit. He noted that the audit went very well. One part of the audit process is to give an opinion on the Town's financial statements. He said the auditors found that the Town was in full conformance with generally accepted financial standards. He noted one change in the accounting principles reported in the audit, which was to include the amount of money that the Town collects and then forwards on to the State Education Tax fund. This amount, \$38 million, is noted as a "custodial fund" in the FY'21 audit and was not reported in the past as it was considered a pass-through fund. Having it reported shows how much additional money the Town is responsible for billing, collecting and passing along.

Mr. Duplessis noted that the Town currently has 6.6% of the budget in unrestricted surplus, which accounts for approximately 24 days of operating funds. He indicated that they recommend two-months of budgetary expenditures for cash flow purposes.

Mr. Duplessis also explained that the second part of the audit process is to report on the internal controls of the Town, which he stated there were no findings, weaknesses or deficiencies and no recommended

changes. He noted everything that had been raised in the past audits has been addressed and that the Town of Stowe has good internal controls in place.

ARPA Funding

The Town has received \$662,270.61 in ARPA funding to date, and a second transfer of \$662,270.61 is anticipated to be sent mid-year 2022 for a total of \$1,324,541.21. These funds must be used for costs incurred on or after March 3, 2021 and must be obligated by December 31, 2024 and expended by December 31, 2026. ARPA funding may be used to replace lost public sector revenue and can be used for “government services” which can be defined as any service traditionally provided by the government. Vermont League of Cities and Towns analysis has shown that any municipality which received less than \$10M in ARPA funding does not need to demonstrate the loss which provides flexibility in spending and streamlined reporting requirements. Cindy Fuller, Finance Director, has suggested that the Town could use the police payroll for the period of 3/3/21-3/31/22 which would be approximately \$1.34M. This would then allow that funding and reporting requirements to be completed in FY’22 and the savings to the General Fund budget would be put into the undesignated surplus which could be spent at a future date without future reporting requirements. Mr. Duplessis concurred that this would be financially sound, and while the Town would be subject to a “Single Audit” in the year the funding was expended, getting it out of the way in FY22 would save the Town from having to do the “Single Audit” for multiple years. Town Manager Charles Safford recommended holding the undesignated surplus until the FY’22 audit is completed, and then look at how to expend it as part of the FY’24 budgeting process and thereafter. Mr. Safford noted that the funding could be used to lower the tax rate, but this is not recommended as it is not sustainable year over year and could lead to rollercoaster tax rates. It was noted that the idea of the funding is that it could be used for one-time large expense items, such as potential capital projects, not for reducing taxes.

Kim Anetsberger, representing the Lamoille Community House, had sent a letter requesting 2% of the Town’s ARPA funding be earmarked to support their non-profit project. She asked what the process would be to apply for funding out of the ARPA money, which Mr. Safford said could be considered as part of the budgeting process in the fall, either through a one-time capital project, such as was done for the Stowe Land Trust’s conservation easement on the Ricketson Farm, or through the Community Appropriation process. Emily Rosenbaum spoke to the concern that there was an expectation of community input on the spending of these funds, and that she requested transparency and input into the process on where the money goes.

On a motion by Mr. Aumand, seconded by Ms. Courtney, the board agreed to use \$1,324,541 in ARPA funds to replace lost revenue in the General Fund Operating Budget specifically using police payroll as the intended expenditure. The General Fund Surplus of \$1,324,541 is to be used at a later time as directed by the Selectboard based on community input.

Lamoille FiberNet Update

Stephen Friedman, Stowe representative to the Lamoille County CUD, Lamoille FiberNet, gave an update to the Board. Also in attendance was Lamoille FiberNet Executive Director Val Davis, Executive Board Member Larry Lackey and alternate representative Scott Weathers.

Mr. Friedman explained that Lamoille FiberNet is teaming up with another CUD in Vermont, Northwest FiberWorx, to contract with Google Fiber to bring fiber internet to all homes in our areas. Mr. Friedman described Google Fiber as an anchor licensee, noting that they have a high customer satisfaction. He stated that Google will build out the entire area covered by the two CUDs, but that grant funding would be used only for those areas that are deemed unserved or underserved by Federal Government Rules. There will be a local surcharge to help cover the costs of installation but that subsidy programs will be available for those that qualify. Mr. Davis indicated that this build out is a 3-5 year plan, however the CUD has already purchased 150 miles of fiber, with the overall plan to be 700 miles total. They are

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working with pole owners for leases and “make ready” status to hang the fiber. The project will follow power lines with mostly aerial hanging but will include conduit where necessary and available. It was acknowledged that State law currently does not permit property taxes to finance broadband improvements.

The Board thanked Mr. Friedman, and the rest of the Lamoille FiberNet board, for this update and work he has done and continues to do to bring broadband to all homes in Stowe and Lamoille County.

Lower Bar Annual Liquor License

This Annual Liquor License was pulled from the Liquor Consent Agenda. It was noted that their current Liquor License is for 12:00pm – 12:00am and they have requested to change it to 10:00am – 2:00am. Mr. Aumand noted that he was aware of noise complaints regarding outside consumption from neighbors to both the Development Review Board and the Selectboard from this establishment. At the time the noise complaints were brought up, it was noted that in order to condition a liquor license at the Town level, the Town would need to have voter approval to condition licenses as well as a public nuisance ordinance. Conditions on licenses would need to be applied fairly across all applicants as well. There is currently no active record of violations of the liquor license for The Lower Bar, and the DRB permit limits outdoor music to 10:00pm. It was questioned if this change in times indicated a change in operating hours. The Board decided to table the discussion until the owners/applicants can be present to discuss this change with them, at the April 11th Selectboard Meeting.

Manager’s Report

Mr. Safford provided information on an upcoming webinar on Energy Incentives being put on by the Lamoille County Planning Commission for those interested.

Mr. Alan Kovacs asks to speak to the Board regarding intervening with the District 5 Environmental Commission review of a Vail Act 250 permit for a six-person lift at the mountain. He asked that the Town suggest to the State to use this application as a way to get them to address the traffic situation on Route 108. Mr. Safford noted that the lift was approved by the Development Review Board.

On a motion by Ms. Courtney, seconded by Ms. Hagerty, the Board went into Executive Session at 7:43pm to discuss Personnel and legal.

The Board came out of Executive Session at 8:35pm.

On a motion by Ms. Courtney, seconded by Mr. Donza, the Board appointed Mary Black to fill a vacant open seat on the Development Review Board. This term will expire April 30, 2024.

There being no further business, Chair Adams adjourned the meeting at 8:36pm.

Minutes respectfully submitted by Abigail Sweetser.