

**Stowe Selectboard, Liquor Commission & Water/Sewer Commission Meeting
Wednesday June 14, 2023**

Present:

Selectboard Members: William Adams, Lisa Hagerty, Nick Donza, Jo Sabel Courtney, Paco Aumand
In Person attendees: Robin Cutler, Robert Cutler, Erik Timmerman, Paul Moody, G Houck, W Ferguson, J.M. Houck, Paul Sakash, Penny Davis, Deb & Jim Baum, Andrew Volansky, Jennifer Greene, Mary Black, Larry Lackey, Steve Fischer, Greg Vignew, Weston Noyes, Rob C. Barb Puddicombe, Ellisa Doiron, Madeline Doiron, Michaeline Lemay, Mike Waldet, Alison Karosus, Rod Wentworth, Willie Noyes, Deb Longe, Jed Lipsky, Walt Frame, Ryan Rabidon, George Gay, Allison Beckwith
There were 45 participants on Zoom.

Call to Order

Chair Lisa Hagerty called the meeting to order at 5:00pm. She noted that the Town was facing some technical difficulties tonight, but had managed to get Zoom functions operational for now, and would be recording the meeting.

Approve the Agenda

On a motion by Mr. Billy Adams, seconded by Ms. Jo Sabel Courtney, the Board approved the Agenda as presented with one additional liquor consent item.

Executive Session

On a motion by Ms. Sabel Courtney, seconded by Mr. Adams, the Board went into Executive Session at 5:03pm to discuss Personnel.

The Board came out of Executive Session at 5:30pm.

Consent Agenda

1. 5/24/23 Selectboard Minutes
2. Cady Hill & Sterling Forest Class 1 Electric Bikes
3. Stowe Nordic Grooming Quiet Path
4. Special Event Applications
5. Water & Sewer Allocation – 350 Mountain Road
6. Water Allocation – 484 Edson Hill Road
7. Water & Sewer Allocation – 57 Mountain Road
8. Liquor Consent Items

On a motion by Mr. Paco Aumand, seconded by Ms. Sabel Courtney, the Board approved the Consent Agenda as presented with one additional liquor consent item.

Introduction of Penny Davis Town Clerk/Treasurer

Town Manager Mr. Charles Safford introduced the new Town Clerk/Treasurer, Penny Davis. She thanked the Board for inviting her in, and said she was excited for the new opportunities. The Board welcomed her to the Town staff.

Housing Process

At the May 10th meeting, the Selectboard requested time be set aside to discuss the process by which the Selectboard would like to advance any discussions regarding housing.

Mr. Safford noted that the Town of Stowe has received a Bylaw Modernization grant from the Vermont Department of Housing and Community Development to evaluate and identify regulatory barriers that

restrict development of housing within the towns designated growth areas. The Planning Commission is currently working with Planning & Zoning Department and a consultant to complete this project and develop proposed zoning amendments to bring to the Selectboard by the end of the year. Additionally, the Town will be hiring a consultant to work with the Planning & Zoning Department on the Stowe Town Plan, which includes a housing element and identifying community housing goals, policies and implementation tasks.

Finally, the Board discussed the recently passed S. 100 Housing Bill which requires the municipalities to incorporate increased density and maximum parking standards among other things, to their local Zoning regulations to better encourage housing development in the growth centers. It was noted that understanding and aligning local zoning with his bill is all very new and unfolding and will take some significant time from the staff and Planning Commission.

Mr. Safford indicated that unless otherwise instructed by the Board, staff plans to focus on the three previously discussed issues related to housing – the Bylaw Modernization Grant, the Stowe Town Plan and the integration of S.100.

Mr. Adams asked about a regional housing study, and Mr. Stephen Foster indicated that Lamoille Housing Partnership is working to update their 2018 housing study for Lamoille County and Hardwick.

There was no action taken at this time.

Short Term Rental Process

At the May 10th Selectboard meeting, the Board requested time be set aside to discuss the process by which the Selectboard may advance consideration of developing Short Term Rental (STR) regulations. Mr. Safford presented three possible options for the Selectboard to consider as they advance this process discussion. Those options include, but are not limited to, community discussions facilitated by the Working Community Challenge of Lamoille County; creating a task force; having the Selectboard itself facilitate the process directly over a series of meetings with staff assistance and on-going community input. Mr. Safford also provided a memo from the Interim Fire Chief outlining concerns about STRs and the need to have a responsible person on record in the event of issues. Mr. Safford also provided a preliminary draft STR ordinance which would require a registration of STRs and identification of a responsible, local person, which would help address the Fire Chief concerns, as well as serve as a way to collect data on STRs in Stowe. Joe McLean, Town Legal Counsel, was present at the meeting to discuss this issue with the Selectboard. Mr. Safford also noted that staff had begun to reach out to online STR registry service for the purpose of price estimates and reported that based on the estimated number of STR units in Stowe at roughly 1,250, the cost would be approximately \$82,000. It was discussed that some of those units may be part of commercial hotels and the intent would be to register only those that would otherwise be residential, which may bring the number down to closer to 850.

Mr. Adams asked the Board to define what the goals and objectives of an ordinance and registry might be and how to do that, what steps should be taken next and by whom.

It was noted that currently STRs are not regulated and are permissible in the Town, because Zoning Regulations in Stowe focused primarily on land development and broadly defined uses. Mr. Adams noted that the definition of dwelling units changed in 2018 zoning regulations to indicate that STRs that are less than a week should be included in the bylaws. Mr. McLean discussed the differences between Zoning Regulations, which cannot be retroactive and need to include pre-existing non-confirming uses, while a stand-alone ordinance under Act 61 can be retroactive. Additionally, violations of an ordinance can be enforced through tickets, while zoning enforcement can be a much more time consuming process.

Ms. Courtney indicated that she would like to see the Board move forward with going through the draft ordinance and making sure it fit with community feedback and thoughtful regulations, noting public safety concerns.

Mr. Adams raised concerns about the capacity of the State Fire Marshall to complete inspections on all STRs in Stowe. He also suggested that concerns about public safety should apply to both STRs and long term rentals. It was noted that currently State law requires all STRs to have a fire safety inspection, however proof of that is not required and the Town does not currently monitor. The draft ordinance as presented did indicate that the Town would require proof of inspection, and Mr. Adams requested that be removed due to the time concerns for the fire marshal.

Mr. Safford explained that there are three potential violations in the ordinance as drafted, for which someone could receive a ticket. Those would be failure to register, not having a responsible party in the event of an emergency or engaging in prohibited activity or not meeting the requirements of the registration. It was noted that these are just suggestions and can be adjusted as the Board feels appropriate. He also noted that while the Town would have the authority to issue tickets, they would not be obligated to do so.

Mr. Aumand stated that he would like to move forward with drafting an ordinance through the Selectboard and public hearing process, as well as working on a registry to ensure public/life safety compliance as well as data collection, that would reasonably accommodate the existing STRs in Stowe. This would be accomplished through open work sessions at Selectboard meetings. Ms. Courtney indicated that the Board should also hear from experts that the Board may need information from, such as the registry company and the Fire Chief. Mr. Adams also asked about regulation of guest behavior, such as party houses. Mr. Donza asked about addressing capacity as part of the ordinance. Mr. Aumand indicated that this could be addressed through work sessions.

Mr. Jed Lipsky spoke to concerns about the financial and legal impacts of requiring older homes to comply with current fire safety codes and the impact that may have on renters if inspections are required. Ms. Alison Beckwith questioned the equity of policing STRs safety standards when owner-occupied homes do not require them. Ms. Brooke Dingledine, who identified herself as an Attorney representing Amy and Weston Noyes, spoke to concerns that the drafted ordinance was onerous and heavy handed, and voiced the opinion that an ordinance can not eliminate grandfather rights as there may be impairment to property values and rights of the owner by the ordinance. Mr. William Noyes noted that many insurance companies are already requiring certain standards be met for rental units.

On a motion by Mr. Aumand, seconded by Mr. Adams, the Board directed the Town Manager to place on the Selectboards appropriate agendas an agenda item that calls for the Selectboard to discuss and draft through work sessions a Short-Term Rental Ordinance, for the purpose of receiving the necessary public input required to draft the ordinance and send it through the ordinance process.

Proposed FY'24 Water & Wastewater Budgets, Capital Projects & Rate Schedule

Mr. Safford, along with Public Works Director Mr. Harry Shepard, introduced to the Board the proposed FY'24 Water & Wastewater Budgets, Capital Projects and Rate Schedule. They discussed increased in the expenditure side due to inflationary pressures (chemicals, electricity etc.) and the need for budgeting more personnel staff from Public Works to the utilities. Currently, the Public Works Director is budgeted ½ from the General Fund and ½ from the utilities. This proposal would move the Public Works Director to 1/3 General Fund and 2/3 utilities, as well as splitting the Assistant Engineer ½ to the General Fund and ½ to the utilities. Mr. Shepard also spoke to concerns about sludge disposal after 12/23, as well as PFAS as other major concerns they are starting to address in the budget.

On the revenue side, it was noted that allocation fees are anticipated to decrease in FY'24, as they were increased in FY'23 due to the Spruce Peak Tree House Development project.

The budget as proposed has no rate increase in water rates and an 8% increase in wastewater rates. The increase is largely tied to the increased operational costs for wastewater. It was noted this is the first increase in wastewater rates in many years, although water rates have often been increased by 8% per

year. Both funds continue to have positive balances, however there are a number of large capital projects on the horizon for both water and wastewater.

Mr. Shepard then outlined the capital projects proposed, noting that for wastewater, there are grinders that need replacement at an estimated \$120,000; replacement of the collector wastewater system on the north side of Main Street at an estimated \$50,000; replacement of pump at an estimated \$40,000; finally, \$50,000 has been budgeted to PFAS response investigations, including looking into how to reduce the volume of residuals as those become harder to dispose of if deemed hazardous waste. A consultant engineer will be retained for assessing the Towns options in this response effort. For water, emergency power backups on all remaining water pumps that don't already have it (3) at an estimated \$70,000; work on the sprinkler system in the Village Green water plan at an estimated \$25,000; and finally \$250,000 has been dedicated to PFAS response on the Water capital, which will include hiring of consultants to assess alternate raw water supplies as well as PFAS treatment options.

On a motion by Mr. Adams, seconded by Ms. Courtney, the Board instructed staff to warn a public hearing for the FY'24 Water and Wastewater Budgets and Rate Schedule for the June 28, 2023 meeting.

Manager's Report

Mr. Safford included an email from the Town Finance Director indicating that the FY'24 police budgeting error should be offset by higher than anticipated interest rates.

Mr. Safford also reported the budget Year-To-Date reports for the General, Water and Wastewater Funds. He noted that all budgets are anticipated to come in on-line.

Mr. Safford included work plans from the Boards & Commissions the Selectboard appoints, at the request of Mr. Aumand. He noted particularly that the Planning Commission's work schedule includes zoning amendments realized through the Bylaw Modernization Grant, with work sessions in October and November with the Selectboard. They will then begin implementing S.100 (discussed earlier in the Housing Process Item) with a second round of zoning amendments planned by the end of 2024.

Mr. Safford included notification that T-Mobile has petitioned the Public Utilities Commission to change out an antenna at 2897 West Hill Road, and unless otherwise instructed staff do not plan to intervene or otherwise make comments.

Mr. Safford and Mr. Shepard notified the Board that VTrans is planning to implement an emergency culvert replacement crossing Mountain Road just west of the Weeks Hill Road intersection. This will require a deeper excavation and crossing of municipal water and sewer. Public Works has worked with VTrans to minimize traffic impacts and prolonged delays, and have agreed to an approach that will include one day of alternating one-way traffic and three days of a hard road closure with detour using Weeks Hill Road and Cape Cod Road. This is currently scheduled for June 26th – June 29th with the goal of having it back open by the start of the July 4th holiday weekend.

Mr. Shepard also notified the Board that both water pumps at the Village Green wells are currently not operational, as the 40HP motors on both pumps were "fried." Replacement pump motors have been obtained and are being installed as soon as possible. Village Green did not pump any water today, and although the Town did not have to go to a water reduction warning, the Town was monitoring levels closely and moving water as possible in various zones.

On a motion by Mr. Adams, seconded by Ms. Courtney, the Board went into Executive Session at 8:33pm to discuss personnel.

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The Board came out of Executive Session at 9:05pm.

There being no further business, Chair Hagerty adjourned the meeting at 9:06pm.

Minutes respectfully submitted by Abigail Bourgeois.

*Note: The video recording of the meeting is available on the town's website www.townofstowe.org