

**PRELIMINARY MINUTES**

**TOWN OF LUDLOW  
BOARD OF SELECTMEN**

November 4, 2019

**BOARD MEMBERS PRESENT:**

Bruce Schmidt, Chairman	John Neal
Justin Hyjek (phone in)	Heather Tucker

**BOARD MEMBERS ABSENT:**

Brett Sanderson

**STAFF PRESENT:**

Scott Murphy	Ulla Cook	Pam Cruickshank
--------------	-----------	-----------------

**OTHERS PRESENT:**

Dean Alexander	Cheryl Gurdak	Linda Potter
Linda Alexander	Sharon Huntley	Pat Pullinen
David Almond	Alan Isaacson	Darlene Remy
George Benson	Ginny Kottkamp	George Rye
Jeff Billings	Bob Kottkamp	Marissa Selleck
Ron Bixby	Tracey Leary	Jean Strong
John Boehr	Fred Marin	Terry Thayne
Joanna Bombadil	Margo Martel	Ken Thetford
Sonny Bragg	Alan Meier	George Thomson
Sue Bragg	Janice Meier	Torrin Tofferi
Dan Buckley	Pat Moore	Penny Trick
Suzanne Buckley	Logan Nicoll	Debbie Tucker
Alan Couch	Mary O'Hare	Penelope Wade
Aaron Galley	Paul Orzechowski	Joann Wilson
Blakely Gilmore	Ralph Pace	Ed McEneaney (Okemo Valley-TV)
Bob Gilmore	Colleen Palmer	

1. **Call to Order**

- A. Bruce Schmidt called the meeting to order at 7:00 p.m. All members present, except Brett Sanderson. Justin Hyjek by phone.
- B. Bruce Schmidt led the meeting in the Pledge of Allegiance.

2. **Consideration of any Changes, Additions or Removals to the Agenda**

- A. Scott Murphy said there were none.

3. **Approve Minutes of Previous Meetings**

- A. Bruce Schmidt advised that the minutes to be approved are from the regular meeting of October 7, 2019 and the Special Meeting of October 11, 2019.

- B. **MOTION by Heather Tucker and seconded by Justin Hyjeck to approve the minutes of the regular meeting of October 7, 2019 and the Special Meeting of October 11, 2019 as presented. Motion passed unanimously.**

4. **Comments from Citizens**

- A. There were none.

5. **Informational Meeting to Discuss Upcoming Vote Regarding the Possible Purchase of the High School Building from the TRSU School District**

- A. Bruce Schmidt commended the committee for their good work. He acknowledged the committee members, Pat Pullinen, Joann Wilson and Dan Buckley, who are present tonight.
- B. Dan Buckley said that he had put an editorial in the paper that summarizes the committee's findings. He said they had done a walk-through with Mike Tuomisto and the building is in good shape. He said that U39 had, in its budget \$340,000 for total annual maintenance costs, including full custodial staff, heating, the Art Room, Gym and Band Room. He said that without the custodial staff, they would estimate about \$100,000 to \$150,000. The only Capital improvements made recently were the replacement of windows. He said there are 8 or 9 remaining to be done. The replacement of the windows was suggested in the Energy Audit. They replaced the windows in-house.
- C. Ron Bixby asked if replacing the remaining windows would lower the maintenance costs.
- D. Dan Buckley said not substantially. He added that the building has steam heat and that is not as controllable as other heating methods. He said that overall, the building is in excellent shape.
- E. Alan Isaacson said that, at this time, the independent school is still a dream and if it does not happen, how will the town deal with the building.
- F. Bruce Schmidt said the Select Board is not looking at this purchase as anything to do with the independent school. He said that he does not want the School Board and Mount Holly deciding on what happens with that building. This has nothing to do with the independent school. The building is at the entrance to the town and it needs to be maintained.
- G. Justin Hyjeck said that it could be sold to the highest bidder if the town doesn't take it.
- H. Dan Buckley said the school board does not want to be a landlord and will sell to the highest bidder.
- I. Alan Meier said that asking the Ludlow residents to take over the building will increase our taxes and you are asking us to blindly go into this. He said that the committee report had other possible renters for the building and asked if this has been investigated. He asked who would buy this building, built in 1939 and the boiler was replaced in 1999. It is an old building. He asked if they have looked into insulation or conversion to heat pumps. He said there are a lot of unanswered questions and they are only asking the few people, who may be available, to decide. They need more time and a full town vote. He asked what the town could get for the building. We may be paying \$300,000 per year for many years.
- J. Dean Alexander agreed. We would like reports for possible uses. There is no need for the town to be spending \$200,000 to \$300,000 per year for 5 to 10 to 20 years. People, who live out of town or are traveling, will not have a chance to vote. He does not want to see the building destroyed. The town voted to close the high school and we are not here to discuss the independent school.
- K. Bruce Schmidt said that the Select Board was not required to hold this informational meeting. On March 6, 1989, the town voted not to have Australian ballots. All special meetings use town

- meeting format. We did ask VLCT about this and until the town votes to have Australian ballots, it can't be bypassed.
- L. Scott Murphy said that if the Select Board wanted to change that, they would have to warn a special meeting to vote on Australian ballots, and then hold the vote in 30 days. If passed, it would take effect in 30 days.
  - M. Dean Alexander asked if the vote could be postponed.
  - N. Mary O'Hare asked why have the special meeting.
  - O. Bruce Schmidt said to get this vote done.
  - P. Pat Pullinen said the school board wanted to know how to budget for their next fiscal year. They needed some guidance.
  - Q. Alan Isaacson said that he suspects that a petition of 5% of the registered voters would get the vote postponed. He asked if the school board has given the town a deadline.
  - R. Dan Buckley said that this has all been discussed with the Select Board at their Labor Day meeting. The original thought was to hold the vote on November 5<sup>th</sup>. The school board needs to know what is going to happen with the building. The more time we have to plan, the better.
  - S. Ulla Cook said that if the building is in the town budget, it would only amount to about a \$.02 increase in the tax rate.
  - T. Dan Buckley said that they will also be removing \$220,000 for transportation.
  - U. John Neal said if the town decides not to do this, then the building stays with the school board, Mount Holly and Ludlow. They would make the decisions. If the town buys the building, then Ludlow makes the decisions.
  - V. Cheryl Gurdak said the committee researched the possible uses for the building. She said she recently was in Springfield and they are using the old high school for offices and training. It is an active building. Our building has parking and security. We could rent out the space.
  - W. Ralph Pace asked if there are restrictions as to the use with respect to the proximity to the elementary school and permitted uses by a private facility. He asked about any restrictions within 50 feet of a public school.
  - X. Bruce Schmidt said there was a motel where OMS is and stores are around it. He doesn't know of any restrictions.
  - Y. Logan Nicoll said he would look into any possible restrictions.
  - Z. David Almond asked how the town would notify people about how it would be dispersed.
  - AA. Bruce Schmidt said there will be a meeting next week.
  - BB. Dean Alexander asked if there are any restrictions about housing by the school.
  - CC. Alan Isaacson said he is not sure if it is in the Preservation District. If not, it is in the Village Residential Commercial District and subject to conditional uses. That would be up to the DRB.
  - DD. Dean Alexander said the town could not use it to develop housing.
  - EE. Scott Murphy said the municipality may not be a landlord.
  - FF. Bruce Schmidt said the town could work with the land trust.
  - GG. Ron Bixby asked if any studies were done if the town did not purchase it, about its maintenance.
  - HH. Paul Orzechowski said it has not been discussed. The school board wants to see what the town is going to do.
  - II. Mary O'Hare asked if the town could rent it out.
  - JJ. Scott Murphy said the town could not be a developer. We would have to maintain it and develop it in the best interest of the community.
  - KK. Justin Hyjeck said we would have to decide as a town what to do with the building.
  - LL. Mary O'Hare asked how long they have known about it.
  - MM. Bruce Schmidt said since the vote to close the school.
  - NN. Dan Buckley said October, 2017.
  - OO. Mary O'Hare said she does not understand the timing of this vote.

- PP. Bruce Schmidt said budget planning for our next fiscal year and a potential tenant. We need direction. We had a committee research this. They made a proposal to the Select Board.
- QQ. Joanna Bombadil asked if this is the town's only chance to purchase it for \$1.00.
- RR. Bruce Schmidt said he is not sure, but the possible tenant needs direction.
- SS. Linda Alexander asked about the possible tenant. She said if it is the new school, she has heard that they need \$800,000 to start up and only have \$50,000. If the independent school wants to use the building, they could buy it.
- TT. Torrin Tofferi asked where the money goes if the school board sells it.
- UU. Dan Buckley said to the Unified Ludlow-Mount Holly School District. If the town buys it, then sells it, the town would have to reimburse the school board for the capital improvements the board made. That would be the windows at about \$15,000 per year.
- VV. Ken Thetford said that would be about \$50,000.
- WW. Aaron Galley said if we raise the tax rate \$.02, then his taxes would increase about \$50/year. If we foot the costs for a couple years, we could sell the building.
- XX. Joann Wilson said the building, alone, was assessed for \$1,800,000 and this sale to the town includes the "Back 40."
- YY. Ralph Pace asked if there are any other possible tenants.
- ZZ. Dan Buckley said they could talk to the Rockingham Land Trust.
- AAA. Alan Isaacson said it is now the Windham-Windsor Land Trust.
- BBB. Dan Buckley said the school board has spoken to them about low income housing.
- CCC. Ralph Pace said they would have to put in a sprinkler system.
- DDD. Bruce Schmidt said, if we get to that point, we could manage a sprinkler system.
- EEE. Alan Meier asked if we have the cost to mothball the building.
- FFF. Bruce Schmidt said no.
- GGG. Dan Buckley said probably under \$100,000.
- HHH. Alan Meier asked the cost to demolish the building.
- III. Ron Bixby said he would hate to have low income housing by the elementary school.
- JJJ. Bruce Schmidt said it would-be mixed-use housing.
- KKK. Penny Trick said that low income housing is not necessarily harmful to children.
- LLL. Alan Isaacson said that affordable housing is mostly for working families and could be a perfect place for families with children.
- MMM. David Almond said there are lots of questions and not enough information.
- NNN. Bruce Schmidt said we may not have all of the information about what to do. Do we want our town to make decisions or the school board? Do you want the building to be vacant?
- OOO. Dean Alexander said if there is no independent school, the town should try to plan for not maintaining the building forever.
- PPP. Joanna Bombadil said the school board has more things to do than to worry about the school building. We should bring it into the town and let the town decide what to do. The town has more resources to figure it out.
- QQQ. Bruce Schmidt reminded everyone that the vote is on Tuesday, November 12, 2019 at 7:00 p.m.

## 6. Liquor Control Board

- A. Scott Murphy said that this application is for Mangiamo's and the police chief does not have any issues.
- B. **MOTION by Heather Tucker and seconded by Justin Hyjeck to approve the liquor license renewal for Mangiamo's. Motion passed unanimously.**

7. **Possibly Execute Stearns' Pit Lease Agreement with Okemo Mountain Resort**

- A. Bruce Schmidt tabled this item until the next meeting.

8. **Possibly Consider New Town Road Name for Private Residence on Freedom Hill Road South**

- A. Scott Murphy advised that there are 3 suggested names:
- i. Oak Ridge Drive
  - ii. Oak Ridge Lane
  - iii. Oak Drive
- B. **MOTION by Justin Hyjeck and seconded by John Neal to approve name Oak Ridge Drive. Motion passed unanimously.**

9. **Possibly Approve Annual Christmas Party**

- A. Scott Murphy advised that each year the town has a Christmas Party for town employees, elected officials and significant others. We received 3 quotes: Mangiamo's, Sam's and La Tavola. The low bidder was Mangiamo's at \$34/per person. We don't have a date yet.
- B. Justin Hyjeck asked how they do the bid.
- C. Scott Murphy said we reach out to local businesses.
- D. Justin Hyjeck asked how many people usually attend.
- E. Scott Murphy said 100 to 110.
- F. **MOTION by John Neal and seconded by Heather Tucker to accept the bid from Mangiamo's for \$34 per person for the Christmas Party. Motion passed unanimously.**

10. **Possibly Increase Health Insurance Out-of-Pocket Coverage for Town Insured Employees**

- A. Scott Murphy said when we approve the budget, we only know 6 months of the insurance costs. Each year MVP increases its costs. Each year, we fall behind because of the time difference in the calendar year and our fiscal year. Usually, about 3 to 4 people are affected. If we fully fund the deductible, our exposure would be \$143,100, with out-of-pocket expense being about \$2,700 for single and \$5,400 for couple. The town would fund the coverage.
- B. Bruce Schmidt said under our current plan, our exposure is \$106,000.
- C. Justin Hyjeck asked if this is new.
- D. Scott Murphy said we started several years ago. He said the gap between what we cover and out-of-pocket expense exposure is what we are concerned about.
- E. John Neal said that every year, we have covered it and our exposure is \$106,000.
- F. Justin Hyjeck said the worst case is that our exposure is \$143,600.
- G. **MOTION by Justin Hyjeck to maintain the same coverage.**
- H. Scott Murphy said we can table the discussion and it will stay at the first option.
- I. **MOTION seconded by John Neal. Motion passed 3 to 1 with Bruce Schmidt dissenting.**

11. **Ongoing Discussion on Possibly Adopting a 1% Local Option Tax**

- A. Bruce Schmidt said that the board had discussed this at previous meetings. They hope to put it

- to a vote at town meeting.
- B. Alan Isaacson said that he is not opposed to the tax, but if we pass it, how would we use it. Would it be 50% to lower taxes and 50% to infrastructure improvements?
  - C. Bruce Schmidt said it might be used for projects, such as roads and sidewalks. He would like to find a way to help the Village with sidewalks. As far as infrastructure projects, the board does not have a list at this time.
  - D. Alan Isaacson asked if the Village would get a portion of the money.
  - E. Bruce Schmidt said the Village would not get a portion of the split. He said that he had tried to find ways that the Town could help the Village, but it is a slippery slope.
  - F. John Neal said he has mixed emotions. It is a way to raise money for the community, but the businesses have to be behind it. It works well for other communities.
  - G. Justin Hyjeck said that only Killington rescinded a portion of the tax. They kept the rooms, meals and alcohol portion.
  - H. Dean Alexander said that he is not against the tax, but we need specific earmarks for the money. Each major expenditure should be approved, individually.
  - I. Alan Couch said he has a philosophical objection. If we raise the liquor, sales and rooms taxes, it would increase the cost of a glass of wine by 10%. If the town's portion is \$300,000, it should go to projects. We should already be saving for projects. Money should be included in the department budgets for projects. The state will take 30% of the income from the tax. We should ask the state for the money back that is collected for education. He added that people already do shopping in New Hampshire to save on taxes. We are a resort town. We should advertise that we do not have a local options tax like Killington, Stratton and Stowe.
  - J. Ralph Pace said he is in favor of the tax. He would restrict the use of the income to one particular thing, like infrastructure. We have a lot of additional expenses because of the skiers, including additional police traffic control, and wear and tear on roads. The tax will help pay for these. We are paying for these out of our real estate taxes.
  - K. Ken Thetford said if we did the tax, we would be able to do more work on roads and sidewalks. He added that automobile purchases are not included in the tax. People did not understand this the last time the town voted on it.
  - L. Dean Alexander asked if the state caps the tax to 1%.
  - M. Bruce Schmidt said yes.
  - N. Torrin Tofferi asked why Killington repealed part of the tax.
  - O. Justin Hyjeck said that the resort lobbied against the sales portion, because they purchase materials in town. He added that certain things are exempt and would get a list of those items. He added that the state actually gets 33%.
  - P. Scott Murphy said that is correct; 30% of the tax plus 3% handling.
  - Q. Darlene Remy said she is in favor of the tax and the town still gets 67%. She asked if there is a plan to educate the voters about the tax. She added that the sidewalks are unattractive and dangerous.
  - R. Bruce Schmidt said the Select Board is trying to decide how to educate the voters. We realize we need to provide better information to the voters.
  - S. Justin Hyjeck said the board needs to make the voters aware of the benefits and uses for the tax.
  - T. Aaron Galley said if passed, it would lower the property taxes by about 2%.
  - U. Logan Nicoll said that he has supported the local options tax in the past. It was originally put into place, by the state, to help balance the education taxes for the gold towns. It has now been expanded to other towns. He said he thinks it is criminal that the state takes 33% and he will propose a bill to change it, but does not think it would go anywhere. He supports the tax and the benefits it will provide.
  - V. Alan Meier likes the idea of the tax, but wants to know where the money would go. We should look at the town buildings and any needed improvements. The town needs to get a plan in place

- for the use of the taxes.
- W. Cheryl Gurdak mentioned that the town is in the process of expanded the Water Treatment Facility.
  - X. Bruce Schmidt said the Select Board does not handle the sewer plant.
  - Y. Scott Murphy said that the project is a \$2,950,000 project to do state required upgrades. It is not increasing the capability. The bond was approved by the Village voters last fall. If we had had the 1% tax, part of it may have been used for this project.
  - Z. Bruce Schmidt said the board will continue to discuss this at future meetings.

## 12. Department Head Reports

- A. Bruce Schmidt advised that all reports are in.
- B. There were no comments or questions from board members.

## 13. Municipal Manager Updates

- A. Pleasant Street Tractor Trailer Ordinance
  - iv. Scott Murphy advised that the ordinance goes into effect on Wednesday. He said that the bollard that they had put in was knocked down and the Jersey barrier was dragged 2 miles down Route 103. They will put up signs and begin enforcement. They will notify the truckers' GPS companies to change the routes.
- B. Resignations
  - i. Scott Murphy advised that 3 people resigned this week and they are looking for replacements.
- C. Zoning for Great Neighborhoods
  - i. Scott Murphy advised that the town received an award to participate in a case study for the project. They will meet in Montpelier to discuss zoning and bylaws. Ludlow was 1 of 6 towns selected. Our people from zoning will attend and have the opportunity to talk to experts.

## 14. Other Business

- A. Health Officer
  - i. Scott Murphy advised that today, they received an application for Health officer from Bob Brandt. They will start the process at the next meeting.
  - ii. Bruce Schmidt said to put it on the November 18<sup>th</sup> agenda.

## 15. Set Date for Next Meeting

- A. Bruce Schmidt that there will be a Special Budget Workshop meeting would on November 18, 2019 at 6:00 p.m.
- B. Scott Murphy asked the board members to let him know about the budget meetings in December.
- C. The next regular meeting will be on December 2, 2019.

16. **Possible Agenda Items for Next Meeting**

- A. Warrant orders have been signed.

17. **Sign Warrant Orders**

- A. Warrant orders have been signed.

18. **Possible Executive Session/Personnel/Contracts/Legal Issues**

- A. Scott Murphy advised that an Executive Session is not needed.

19. **Adjourn**

- A. **MOTION by Justin Hyjeck and seconded by Heather Tucker to adjourn. Motion passed unanimously.**
- B. Meeting adjourned at 8:29 p.m.

Respectfully submitted,

Lisha Klaiber

\_\_\_\_\_  
Bruce Schmidt, Chairman

\_\_\_\_\_  
Brett Sanderson

\_\_\_\_\_  
Justin Hyjeck

\_\_\_\_\_  
Heather Tucker

\_\_\_\_\_  
John Neal