

MINUTES SELECT BOARD RETREAT MEETING
8:00 A.M. FRIDAY, SEPTEMBER 25, 2026
HARDWICK COMMUNITY CENTER
56 HIGH STREET. AND VIA ZOOM

Select Board

Ceilidh Galloway-Kane, Chair
Shari Cornish, Vice Chair
Tim Ricciardello
Larry Fliegelman
Derek Richardson

Others Present

David Upson, Town Manager
Amanda Fecteau, Payroll Administrator
Casey Rowell, Finance Director
Kendra Parks, Assistant Town Clerk - *Zoom*
Kristen Leahy, Zoning/Floodplain Admin.- *Zoom*
Tom Fadden, Road Foreman

Others Present

Harold McCoy
Eric Remick
Thad Leugemors

Retreat Meeting

8:00 A.M. – Ceilidh Galloway-Kane, Select Board Chair, called the meeting to order.

8:03 P.M. – Set/Adjust Agenda – None

8:05 A.M. – Communication from the audience. – Eric expressed appreciation for the retreat and wanted to recognize the progress of the wastewater treatment facility (WWTF) project as an important milestone. He also expressed support for moving forward with the Essential Services Project.

Ceilidh turned the meeting over to Harold McCoy to facilitate, allowing Select Board members to focus on the discussion rather than the agenda and specific timelines.

8:05 A.M. – 8:43 A.M. Efficiency & Streamlining of Government Operations

Harold reminded the board that this meeting is structured for discussion and digging deeper into understanding various projects, rather than acting on items.

Larry asked for clarification on the goal of improving the efficiency and streamlining of Town government operations, including whether the focus was on brainstorming, holding longer meetings, or having multiple retreats.

Shari noted that the Select Board previously held longer meetings and suggested that the timing of a retreat could be coordinated with grant deadlines, particularly before the fall grant cycle. She noted that some grant opportunities had previously been missed due to the lack of a Community Development Coordinator (CDC). She also suggested holding another retreat after budget season, potentially in early spring. David asked what deadlines the Town had missed. Shari mentioned grant opportunities for recreation and preservation. David emphasized the importance of developing projects before pursuing grant funding rather than working backward from available grant money. He noted that the Town currently has limited project development capacity and that projects can become rushed when funding is available without sufficient planning. He also emphasized the importance of involving the community in project development and keeping grantors informed and engaged throughout the process.

Larry asked for a list of projects that we have grant money for but not a specific plan. David mentioned two in the past were the Pedestrian Bridge, and the Mill Street transportation as two examples. Larry asked if there was a master list. While there are grant-related lists, there is not currently one comprehensive list showing where all Town projects stand. Harold asked if there are any projects that the Town wants to pursue specifically. David noted that some projects are driven by regulatory requirements, such as the sanitary survey and the need to replace the wood roof at the reservoir, while others are identified through capital planning or operational needs. Shari also noted the importance of the Fire Department project and mentioned that the Downtown Partnership may bring forward additional downtown projects in partnership with the Town.

Larry asked what would be involved in developing a capital plan. David explained that it would be an ongoing, year-long process involving identification of priorities, review of the Town Plan, coordination with stakeholders and the Bond Bank, and development of a plan for moving projects forward. He noted that there is currently limited staff capacity to dedicate to this work.

The Board also discussed what resources would be needed to develop a capital plan, including staff capacity, potential consultants, and the cost of outside assistance. It was noted that having additional expertise could help the Town better understand complex projects and determine what questions need to be addressed.

The WWTF project was discussed as an example of using outside assistance to increase capacity. Four proposals have been received, with the goal of securing funding to hire an engineering firm. This would help move the project forward while taking some of the workload off Town staff.

Shari noted that an Economic Development Coordinator could assist with the capital planning process. Ceilidh added that the Town Manager's Office has information regarding the Town's identified needs. Larry suggested that the Board continue this discussion at a future meeting.

David reviewed a preliminary draft timeline for development of a potential capital plan by month and noted that completing an asset inventory would be a significant undertaking. Tim suggested delaying the capital planning process for a year or two due to the approximately \$40 million in major projects currently anticipated. Larry acknowledged the volume of work ahead but expressed concern about losing track of other potential projects or opportunities. Tim indicated that he supports developing a capital plan but does not want to "muddy the waters" while the Essential Services Project and WWTF project are still getting underway. Shari suggested that another task force could help engage residents and provide an opportunity for the community to participate in the budget and capital planning process. Ceilidh felt it may be too soon to pursue this and suggested bringing the discussion back to the Board in January or February.

Harold asked how ongoing maintenance would be addressed once a capital plan is completed and what the long-term vision would be. Shari described the capital plan as a living document, similar to the Town Plan, which would need to be coordinated with the annual budget. Harold asked whether maintaining the plan would fall to Town staff, and David confirmed that it would ultimately be the Town Manager's responsibility. David noted that a capital plan would provide structure and "guardrails" for decision-making by establishing whether projects are included in the plan. Larry noted that the plan would need to be updated annually.

Shari noted that the Town Meeting Options Task Force is considering the distinction between Australian ballot and floor voting and suggested that a capital plan could provide a useful topic for discussion at Town Meeting, particularly if the budget were to move to Australian ballot. Ceilidh suggested that the Board discuss this topic at a future meeting. It was noted that the Town Meeting Options Task Force intends to present a recommendation to the Select Board regarding Town Meeting structure for 2028 and beyond at the November 19 meeting. Harold clarified that any decision to move to Australian ballot would ultimately be voted on from the floor at the 2027 Town Meeting. Shari confirmed that this was correct and that the vote would be based on the committee and Select Board's recommendations.

8:43 A.M. – 9:31 A.M. Project Overview & discussion of current and future projects

- **Essential Service Project**

The Board discussed the vote taken at the September 17 Select Board meeting. Ceilidh explained that part of the purpose of the retreat was to work through questions and ensure the Select Board had the information needed to feel confident before the upcoming public informational meetings.

David noted that a draft agenda is provided to the Select Board in advance of meetings, allowing Board members time to review the topics and submit questions. Town staff are available to discuss questions beforehand. He acknowledged that the September 17 meeting demonstrated a need for improved communication between the Select Board and staff. He emphasized that, in order to maintain public trust, the Board and staff need to work as a team and have the information necessary to answer questions before they arrive at a public meeting.

Ceilidh noted that taxpayers are ultimately the ones who need to understand and support the project moving forward. She acknowledged that some information was not available at the previous meeting but was available for the retreat. Ceilidh also emphasized the importance of ensuring relevant information is included in the Select Board's shared folder ahead of the Select Board meeting. Ceilidh confirmed with Casey whether the information was ready for today's meeting. Casey noted that she had placed information regarding the potential tax-rate impact in the folder on Monday. Amanda clarified that most information is generally placed in the Board folder on Tuesday or Wednesday, with bid documents occasionally being added Thursday morning depending on timing.

Tim stated that he was not confused about the project and had been involved in discussions about it before joining the Select Board. He understood that the vote on Thursday was specifically regarding the resolution of necessity and believed the Board was generally on the same page. He expressed frustration that the discussion moved beyond the specific action being considered because of questions and comments raised and steering from what the ultimate goal was. He stated that there will be public informational meeting to answer questions.

The Board reviewed the history of the Essential Services Project. Prior to the 2023 flood, David, Danny, and Eric had begun examining potential options for relocating the Town Garage, including reviewing several properties. Carey Road had initially been considered as a possible location. Shari noted that Carey Road is located within the designated downtown area, which could have potentially provided access to additional funding opportunities.

Following the July 2023 flood, the Town was temporarily separated from Carey Road when the box culvert failed. This demonstrated the need to maintain the Highway Department's current location and infrastructure.

Around the same time, Hardwick Rescue Service (HRS) approached the Town regarding its need for additional space to accommodate staffing and overnight operations. HRS was also considering other locations. David explained that the Town was evaluating its own highway needs and, at that time, could not provide HRS with additional space on the property.

The July 2023 flood also resulted in significant concerns regarding the Fire Department facility. The Board discussed the need to evaluate potential flood mitigation options, including wet floodproofing, dry floodproofing, and elevation, as well as the costs associated with each option. After considering FEMA requirements and policies and the available options, relocation of the Fire Department kept emerging as a potential solution.

The Town already owns the Creamery Rd. property that could potentially accommodate the Fire Department. David noted that the Town has developed a strong relationship with Region 1 FEMA and is in a favorable position to pursue a project to relocate the Fire Department. He explained that the needs of the Highway Department, Fire Department, and Rescue Service have become interconnected and are being considered together as part of the overall Essential Services Project.

Harold noted that members of the public may question why a new Fire Department facility is needed when the current facility is still being used. David explained that the Town received approximately \$50,000 through NVDA's MTAP program to develop conceptual plans for the project. The plans cost approximately \$56,000, with the remaining \$6,000 funded through the Town budget. The conceptual plans were developed, a public meeting was held, and the project was presented publicly approximately a year ago.

The Board discussed previous and potential funding sources. Eric noted that a bond payment for the project had also been included in the FY27- current budget. Shari also noted that additional appropriate funds have been secured. David referenced support received through Senator Sanders' office, Representative Becca Balint, and Senator Peter Welch. The Town had also explored financing through the Northern Border Regional Commission (NBRC), although the initial application was not successful. Shari noted that the Town may be able to pursue that funding opportunity again.

Tim noted that there are different funding opportunities available for the Fire and Rescue portions of the project, while there are fewer grant opportunities available for the Town Garage. He explained that the Rescue Service would address its own needs, the Fire Department could pursue FEMA-related funding, and the Town Garage would primarily remain a Town responsibility.

The Board discussed the proposed borrowing authority of up to \$6 million for the project. Casey explained that the Town would not necessarily borrow the entire amount immediately. If the bond is approved by voter, a bond anticipation note or line of credit could be used during the initial project period, which could take approximately 18–24 months from the start of construction through completion. Once the final project cost is known, the Town could then move to permanent financing through the Bond Bank.

Casey explained that this approach would avoid borrowing the entire amount at the beginning and paying interest on funds before they are needed. She discussed a preliminary approach of increasing the annual budget amount incrementally as the project progresses. For example, the current budget includes approximately \$150,000 for the initial payment, the FY28 budget could increase to approximately \$280,000, and the FY29

budget, which would be the first full payment could be approximately \$475,000, depending on the final borrowing amount and project schedule. Over the next couple of fiscal years, the payment would be gradually added to the budget until the FY29 budget when we would anticipate the first full payment being due.

Harold asked for clarification on what would be presented at the October 8 public informational meeting, including the expected first-year cost and potential tax-rate impact. Casey explained that the current figures are very preliminary and will continue to change as the budget process progresses. The current budget (very much in early draft form) shows an increase of approximately 6.5%, although this is not solely attributable to the Essential Services Project.

Tim emphasized that the figures should not be presented as final and that the budget will continue to be developed through November and into January. He noted that increasing the budget gradually could help reduce the impact in any single year.

Casey noted that the increase from \$280,000 to approximately \$470,000 would represent an additional \$190,000, or roughly a 5% impact on the budget based on the preliminary figures, but again this would be the third year, and the budgets have gradually supported the first full payment.

The Board discussed how best to explain the financial impact to taxpayers. Derek and Larry noted that residents are primarily concerned about the effect on their taxes. Tim disagreed and emphasized that residents also want to understand the project and why it is necessary. He noted that the public needs to be informed while also allowing Town staff to continue exploring ways to minimize the tax impact. Larry agreed that the Board should focus on providing clear information about the anticipated impact rather than attempting to explain every detail of the multi-year financing structure. He noted that the Board and staff would continue working through the budget to keep costs as manageable as possible.

Derek asked about the difference between the approximately \$4 million project previously considered for potential NBRC funding and the current project which has a potential cost of up to \$6 million. David explained that the previous funding opportunity applied only to certain portions of the project and was based on a wood-frame structure, while the current plans contemplate a steel-frame structure.

Ceilidh emphasized the importance of explaining the potential \$6 million borrowing authority in a way that taxpayers can understand. She suggested focusing on the estimated annual or monthly impact rather than simply presenting the total project cost. Larry agreed that the information should be broken down into understandable terms.

Harold requested additional clarification regarding the anticipated financial impact during the first, second, and third years. Casey reiterated the preliminary figures of approximately \$150,000 in the current budget, increasing to approximately \$280,000 the following year, and potentially reaching approximately \$475,000 for the first full annual payment in the third year. A preliminary estimate is roughly \$107 on every \$100,000.

Tim noted that the goal should be to keep the tax impact as low as possible while recognizing that some increases may be necessary to address the Town's infrastructure needs.

Shari emphasized the importance of completing the necessary work properly rather than delaying improvements and potentially incurring greater repair costs in the future. She noted that continuing to defer necessary work could ultimately increase costs.

Ceilidh stated that there did not appear to be disagreement regarding the need for the project; rather, the challenge was providing the public with enough information to understand the anticipated range of financial impact. She emphasized that the Town cannot simply ask residents to trust that the project is necessary and affordable; the Town needs to provide information that gives taxpayers confidence in the planning and financial approach.

David discussed the Town's borrowing capacity and current Bond Bank practices, as well as guidance from organizations such as VLCT regarding municipal financing. David explained that borrowing allows the cost of a long-term asset to be distributed over its useful life rather than requiring current taxpayers to fund the entire project through cash or a single-year tax increase. This spreads financial responsibility over time among the taxpayers who will benefit from the infrastructure.

9:31 A.M. – 9:46 A.M. Thad Leugemors, a flood recovery consultant with the State, explained that he has been working with Town staff for approximately three years and has developed strong working relationships with FEMA consultants in Boston. He discussed the State's efforts to help move the WWTF project forward and noted a willingness to work within the Town's existing flood maps and regulatory requirements.

Thad also discussed efforts to support relocation of the Fire Department, including redesigning the facility to meet modern codes and standards. He emphasized the importance of long-term resilience planning, including continued work related to the Jackson Dam.

Thad identified one of Hardwick's biggest challenges as the channelization of the downtown area, noting that much of the Town is built along the river. He encouraged the Town to focus on what is achievable, pursue available grant opportunities, and develop informational materials to help communicate the projects and their importance.

Ceilidh asked about the value of developing a capital plan. Thad said that based on his experience, a capital plan can be very valuable. He explained that taking the time to develop the plan allows everyone to have an opportunity to be heard, identify priorities, and then refine those priorities into a workable plan. He encouraged the Town to bring the appropriate groups together and build momentum rather than becoming overly focused on smaller individual projects.

Thad noted that Hardwick is already ahead of many other communities in its approach to combining and leveraging different funding sources to move projects forward. David added that Town staff has also been working on Jackson Dam and continuing to move that project forward.

Thad noted that the State is closely watching the work being done at Jackson Dam because the project could serve as a useful example of flood impacts and recovery efforts that could be applied in other communities. David added that Kristen has been working on both the planning and funding aspects of long-term recovery and that Hardwick is progressing ahead of many other communities in this area.

Kristen noted that there may be some disconnect in communication, as she and Thad had not met previously. She explained that the Town has been working on these efforts for approximately three years and already has many of the components the State is interested in seeing. She noted that the Town and State are often working toward the same goals but using different terminology to describe the work.

Thad acknowledged that the data and information being collected could help support future funding opportunities, while Kristen emphasized that the Town is already actively working on the issues identified through that information and planning process.

9:46 A.M. – 10:00 A.M. The Select Board took a small break.

10:00 A.M. – 10:54 A.M. The Board reviewed the Town's debt summary and long-term debt payment spreadsheet, which reflected information as of May 7, 2026.

Larry asked whether the proposed bond was included in the spreadsheet. It was confirmed that it was included as \$5.5M at the time. He noted that the Town does not have \$6 million available in cash and that financing the project through an annual debt payment is a more practical approach.

The Board discussed the Town's goal of maintaining annual debt payments at a manageable level, with the general target being that total annual debt payments should not exceed approximately 15% of the Town's budget. Ceilidh asked whether this information helped establish the range of the projects impact on tax rate. It was agreed that it provided a useful framework.

Tim emphasized that the goal is to build confidence in the Town's ability to provide necessary services while managing its financial obligations. It was suggested that a memo should be created explaining the impact of the project. Shari suggested a basic FAQ sheet.

The Board agreed that the primary focus of the October 8 meeting should be explaining why the project is needed, what the Town currently has, how the proposed project would address those needs, and the anticipated benefits to the Town.

Larry asked who would present the information. David suggested that the presentation should be a collective effort between the Town Manager's Office and the Select Board, with representatives from Fire, Rescue, and the Highway Department also participating as appropriate.

The presentation should emphasize both what the Town needs to accomplish and what residents will receive as a result of their investment. The Board also discussed the fact that the Fire, Rescue, and Highway projects are interconnected and are being developed as one overall project, rather than as three completely separate efforts.

Tim described the project as a strategic opportunity for the Town to take advantage of available funding. The Board discussed potential grant funding for the Fire and Rescue portions of the project. A preliminary estimate was approximately \$3.4 million in potential Fire funding, with the total project, including site work, estimated at approximately \$14 million. The Board discussed the importance of completing the overall project in order to take advantage of approximately \$8 million in potential grant funding, in addition to the proposed \$6 million bond authorization.

The Board emphasized that staff would continue looking for opportunities to reduce the amount ultimately borrowed through the bond.

The Board agreed that one of the first questions residents are likely to ask is how the project will affect their taxes. It was noted that the proposed borrowing would not result in an immediate \$400–\$500 increase in the first year. However, the Board recognized that the cost of living and current financial pressures may make residents particularly concerned about any additional tax burden.

Ceilidh suggested that a FAQ sheet showing the total project cost, proposed bond amount, anticipated first-year impact, and how the financial impact could change over the first three years would help residents better understand the proposal.

Tim cautioned against becoming overly focused on a single number because the overall Town budget will continue to change. He noted that the goal will be to keep the overall budget increase as low as possible while also looking for savings and other strategies within Town departments.

David reviewed historical budget information and noted that the Town's tax bill has not historically decreased. He explained that reducing the tax impact would likely require the Town to make decisions about what other expenditures could be reduced or eliminated, which may not result in agreement about what should be cut. Casey reviewed the previous three years of budget increases by percentage to help establish a historical range for comparison.

Ceilidh expressed concern that the preliminary figures could be interpreted as a significant increase to the overall Town budget. She noted that the project could appear to add approximately 10% to the budget, in addition to other anticipated increases. David clarified that the 10% figure being discussed represented the potential debt payment as a percentage of the current budget, not a 10% increase in the overall budget or tax rate. The Board discussed the importance of making this distinction clear in any public materials. Ceilidh expressed concern that the overall budget increase could be closer to the 7–10% range rather than the 4–5% range previously anticipated, depending on other budget factors. The Board also acknowledged that additional revenue, budget reductions, or other financial strategies could affect the final tax impact.

Shari emphasized that the FAQ sheet should also explain the urgency and project timeline, including the amount of time required to begin the process, secure funding, and establish a construction schedule.

Ceilidh asked why the Board could not provide residents with a dollar estimate of the potential tax impact. The Board agreed that, while the final figure cannot be known at this stage, a reasonable preliminary estimate could be provided based on the current information.

Larry noted that the Town does not necessarily need to provide a highly detailed projection but should be able to explain the estimated impact and why the project is important. The discussion included the preliminary figure of approximately \$107 per \$100,000 of assessed value and the importance of explaining what that figure represents.

Harold questioned why the Board was focusing heavily on the third-year impact when residents would primarily want to understand the immediate impact on the 2027–2028 tax rate. He asked what the approximately \$130,000 increase would mean for the upcoming fiscal year.

Casey noted that the approximately \$130,000 increase would represent roughly a 2–3% budget increase to the FY28 budget. This is strictly the bond payment increase and does not account for other expenses increases in the budget. Tim emphasized that the Board needs to explain both the immediate impact and the overall project, rather than becoming overly focused on one future-year figure.

The Board agreed that the October 8 presentation should provide a clear answer regarding the anticipated 2027–2028 impact while also giving residents enough information to understand the full project and its longer-term financial implications.

Ceilidh requested a draft of the FAQ sheet for the October 1 Select Board meeting so that it can be reviewed and finalized before the October 8 public informational meeting. The Board emphasized that the FAQ sheet must clearly distinguish the estimated bond payment impact from the overall annual Town budget or tax increase.

Larry asked whether the necessary information was already available. David noted that the Rescue portion of the project is an important component and that some costs will be shared among the projects. He noted that the Fire Department portion remains one of the larger unknowns, although a more specific figure should be available soon.

Larry asked how Select Board members could assist with the October 8 meeting. David suggested that Board members can help by speaking with residents in the community, providing accurate information, and encouraging residents to attend the public informational meetings.

The Board agreed that continued public education and outreach will be important as the project and financing details continue to develop, and they agreed to build the FAQ sheet.

10:54 A.M. – 10:56 A.M. Wastewater Treatment Facility

Ceilidh noted that this topic should be placed on a future meeting agenda. David offered to meet individually with Board members and invite them to tour the facility, with no more than two Board members attending at a time. David also mentioned that four engineering proposals were submitted and will be reviewed and scored by Town staff. The proposals will be presented to the Select Board for review on October 1.

10:56 A.M. – 11:13 A.M. Future public outreach & education strategies of the following:

- Community Housing Infrastructure Program (CHIP)
- Tax Incentive Financing (TIF)

David noted that CHIP and TIF projects would involve borrowing funds that would be repaid through future tax revenue. He raised the question of how much of the Town's bonding capacity should be committed to these projects. He noted that the Town currently has limited staffing capacity, and there is also a lack of available developers, as current developers can't make the specific scale work with the smaller communities.

- Local Options Tax

Shari presented an information sheet on Local Option Tax and noted that VLCT has resources available on the topic. She explained that a Local Option Tax could provide additional revenue to support Town projects and help offset property taxes. She believes a sales tax would be the most effective option because it captures spending by non-residents and certain online sales. Several surrounding communities have adopted similar taxes.

Tim raised concerns about the potential impact on local businesses. Shari offered to research those concerns further. The Downtown Partnership supports local sales tax and would assist with public outreach but does not support a meals and beverages tax.

The Board discussed the available options and noted that each would add an additional 1% tax, with the Town receiving a portion of the revenue. Shari would like to bring the issue to Town Meeting. Casey noted that the Town should not include potential Local Option Tax revenue in the upcoming budget because a previous proposal did not pass, leaving an approximately \$50,000 revenue shortfall in our current budget.

Other Business:

- David mentioned that the Buffalo Mountain Task Force will be presenting on October 1 and there's information already in the Select Board folder. David encouraged members to review it.
- Shari asked about the CDC position. David mentioned discussing it further in the executive session.
- Harold asked how many years the bond payment is. Casey stated 30 years. She stated that it decreases slightly every year, but not much.

11:13 P.M. *Upon motion by Larry Fliegelman, seconded by Shari Cornish, the Select Board voted to enter an executive session pursuant to 1 VSA §313 for a personnel discussion to include the Town Manager, Finance Director, Payroll Administrator, and Road Foreman*

12:10 P.M. Exited Executive Session. *No action taken.*

The below executive session was deferred to a future Select Board meeting.

Executive Session pursuant to 1 VSA §313 for a real estate discussion to include the Town Manager, Finance Director, and Payroll Administrator.

12:12 P.M. Ceilidh Galloway-Kane, Select Board Chair, adjourned the meeting.

Minutes taken by: _____
Amanda Fecteau, Payroll Administrator

Minutes approved by: _____
Ceilidh Galloway-Kane, Select Board Chair