

**TOWN OF NORTHFIELD, VERMONT  
SELECT BOARD REGULAR MEETING  
Minutes of September 24, 2024**

- I. ROLL CALL.** Chair K. David Maxwell, Board members Charles Morse, Lydia Petty, Merry Shernock, and John Stevens. Also present were Manager Jeff Schulz, Acting Clerk Kenneth McCann, Thomas Davis (Economic Development Director), Alex Rob (Community Capital of Vermont), Gail Hall, John Hall, Lynn Doney, Erica Holub, Susan Stillinger, Matthew Romei, Carolyn Stevens, Darrell Chamberlin, and Elroy Hill.

Chair Maxwell called the meeting to order at 7:00 p.m.

- II. PLEDGE OF ALLEGIANCE.** Those present were asked to join the Select Board members in reciting the Pledge of Allegiance.

- III. SET/ADJUST AGENDA.** There were no changes to the posted agenda.

**IV. PUBLIC PARTICIPATION (SCHEDULED):**

- a. Alex Rob, Executive Director, Community Capital of Vermont.** Economic Development Director (EDD) Tom Davis noted the Town of Northfield established a voter-authorized economic development fund in 2014 in the amount of \$100,000 for the purpose of assisting local businesses and thus expanding the Grand List. Since then, the municipality has tried to develop an effective program for providing small business loans to local interests but the process has been difficult due to administrative problems, including establishing parameters for loan eligibility, interest rates, administrative fees, etc. Mr. Davis spoke to representatives of seven (7) Vermont communities with similar programs and found that those who handled the process internally have employees and/or officials with banking experience. As this municipality doesn't have that advantage, Mr. Davis looked into the possibility of contracting with Community Capital of Vermont, which is a Community Development Financial Institution (CDFI), to administer Northfield's small business loan program. There was an initial discussion on this proposal with the Economic Development Subcommittee and there was consensus that this was an opportunity worth exploring and that a presentation would be made to the Select Board members to determine their level of interest and whether they would authorize the use of American Rescue Plan Act (ARPA) funds for this purpose.

Mr. Rob said Community Capital of Vermont (CCV) has its business location on the Barre-Montpelier Road and began as a Capstone program designed to assist Central Vermont businesses with financial and administrative assistance. They split off from Capstone about fifteen (15) years ago and was established as a separate entity maintaining the same basic goal of helping small businesses with loans and educational programs. Mr. Rob said CCV is able to borrow federal funds from the Small Business Administration (SBA) and the U.S. Department of Agriculture (USDA) at 3-4% interest and then charge 8% interest in its small business loan program. It was noted that the current proposal for Northfield is to use \$50,000 to \$100,000 in ARPA funds as equity base for a local small business loan program and then borrow additional funds from the SBA and USDA as described above. Mr. Rob said administering such loan programs can be difficult for municipalities due to lack of expertise and that is where CCV can assist. This includes helping determine whether a small business seeking a loan has a proper business model that would ensure repayment. Mr. Rob said CCV usually focuses on providing loans up to \$15,000 to small businesses as well as helping with startup costs, credit consolidation, and technical assistance. Whenever possible, CCV tries to assist underserved populations to either start new businesses or help grow existing ones.

Mr. Rob said CCV is a non-profit organization with a Board of Directors that would not only provide Northfield with loan capital but also "boots on the ground" by meeting directly with local businesspeople and those looking to start new businesses here. CCV also provides quarterly reports on its activities. Mr. Rob added that CCV only has a 3% annual loan default rate and that can be linked to how closely CCV works with loan applicants throughout the process. Mr. Davis confirmed that one of CCV's strengths is its direct interaction with local businesses, which includes site visits, etc. Mr. Rob said the loan process usually starts with a phone call after which CCV conducts a quick review of the potential loan applicant followed by in-person interviews. He added that he especially enjoys interacting with budding entrepreneurs and helping them achieve their personal and professional goals.

Board member Morse asked who would be the initial contact for Northfield businesses wanting to participate in this loan program. Mr. Rob said they probably would contact the municipality first and then be directed to CCV, which usually responds to potential loan applicants within five (5) business days. He added that CCV also helps businesses to establish extended lines of credit in order to finance workplace renovations, purchase needed materials, etc. This line of credit can also help businesses that have had to temporarily close due to staff illness/injury, supply chain issues, etc. Mr. Rob noted that CCV assisted a good number of local businesses that had to temporarily close due to the major flooding events that took place in this area over the past couple of years. Board member Morse asked what the next step would be should the Select Board members authorize local funding for CCV. Mr. Rob said he would develop a memorandum of understanding (MOU) between the municipality and CCV. That process would take him a few weeks but should be ready in time for the Select Board's second regular meeting next month (10/22/24). Chair Maxwell asked if there was a minimum amount that Northfield should provide for the program startup. Mr. Rob said \$25,000 probably would be the minimum amount as that amount of equity base would allow for the borrowing of \$250,000 in federal loan funds. Mr. Rob added that it might be possible to reach out to local banking institutions as they also might be interested in providing some loan capital. Their incentive would be that once these new or expanding businesses have benefited from the small business loan program to become successful, they might turn to those private financial institutions to directly borrow larger sums.

Board member Shernock thought establishing a viable local small business loan program might be a good use of ARPA funds. The fact that CCV developed out of Capstone, which provides much good work for the Central Vermont community, was another selling point for Board member Shernock. Mr. Rob felt Northfield now is a good place to start a new business and CCV would like to help promote economic development in this community. The Select Board members will consider this matter again later in the meeting when there is a warned discussion of ARPA fund requests. Board member Morse hopes a decision on this matter can be made rather quickly as there probably are a good number of local companies interested in such a small business loan program.

#### V. APPROVAL OF MINUTES

- a. **September 10, 2024 (Regular Meeting).** Motion by Board member Morse, seconded by Board member Stevens, to approve the minutes. **Motion passed 5-0-0.**

#### VI. APPROVAL OF BILLS

- a. **Approval of Warrant #06-25 & 06-25A-C.** Motion by Board member Morse, seconded by Board member Stevens, to approve Warrant #06-25 & 06-25A-C in the amount of \$243,098.17. It was noted that a winter sand payment entry had Symquest listed as the vendor instead of Tabor Earth Extractors. That mistake will be corrected. **Motion to approve the amended warrant passed 5-0-0.**
- b. **Receipt of Biweekly Payroll through September 15, 2024.** Motion by Board member Morse, seconded by Board member Stevens, to receive the biweekly payroll in the amount of \$123,530.07. **Motion passed 5-0-0.**

#### VII. SELECT BOARD

- a. **American Rescue Plan Act (ARPA) Fund Requests.** Chair Maxwell noted the Select Board members had received updated ARPA fund balances that indicated the amounts designated for completed and ongoing projects, how much in ARPA funds was still undesignated, etc. Manager Schulz confirmed that in addition to the basic fund summary that had been provided previously, a second document was provided with more detailed information regarding total expenditures, obligations, and designations to date. There now is a \$147,176 balance of undesignated ARPA funds.

Board member Petty would like it better indicated in future status reports which ongoing projects are more likely to fulfill all of the federal ARPA fund obligation requirements before the year's end deadline for such fund obligations, i.e. completed purchases, signed work contracts, etc. Manager Schulz said he has been working with Finance Director Laurie Baroffio on this. He noted that the Select Board members have been provided with a municipal proposal to convert any undesignated funds by the deadline into municipal surplus funds. That proposal will be brought back to the Select Board members next month for further consideration and perhaps approval.

It was noted that some completed ARPA-funded projects had budget overages since the final project cost exceeded the initial estimates. This included the footbridge repair project, which had a \$17,500 overage. Motion by Board member Petty, seconded by Board member Morse, to authorize using an additional \$17,500 in ARPA funds to fully pay for the footbridge repair project. **Motion passed 5-0-0.** The other projects with overages will be considered at a later time when more information becomes available.

Mr. Davis noted that the Select Board members previously authorized the use of \$7,000 in ARPA funds as the local match amount for a USDA Rural Development grant application submitted by Northfield Farmers Market. There remains some uncertainty whether this grant application has been denied or is just in limbo. Mr. Davis will try to ascertain the grant application status. If it is confirmed the grant application was unsuccessful, that \$7,000 will be returned to the balance of undesignated ARPA funds.

Motion by Board member Morse, seconded by Board member Stevens, to authorize \$30,000 in ARPA funds to be used to establish a local business loan program to be managed by Community Capital of Vermont. An additional \$20,000 in existing economic development funds will supplement these ARPA funds to make a total initial financial commitment to CCV of \$50,000. **Motion passed 5-0-0.**

Mr. Davis said he submitted an earlier request that \$200,000 in ARPA funds be used to create a reserve account that would provide local match funds for future grant applications. He now wanted it clarified that these grant applications would be limited to those submitted to benefit the municipality and not by outside parties. He felt private interests had many other options to cover grant match funds. Board member Petty noted that the current balance of interest earnings from the bank deposit of ARPA funds is now \$116,736. She felt that those funds should be used to create this reserve account. Additional ARPA funds perhaps could be added at a later time. Board member Petty felt having grant match funds already on hand would be a great assistance when the municipality makes future grant applications. Chair Maxwell noted that there are no federal restrictions on how this interest income could be used. Board member Morse suggested that this fund could be replenished in future years through the regular budget process through Capital Improvement Plan (CIP) funds. Mr. Davis said it might be possible to find other sources to cover the local match amount for specific projects but having the local match funds on hand at the time of application would help considerably with the process. Mr. Davis added that he has heard that the amount of ARPA funds as well as outside grant funds devoted to local infrastructure projects has been favorably received by potential developers looking to invest their own funds into Northfield projects. Board member Morse added that the community also benefits greatly by having Mr. Davis serving as Northfield's fulltime EDD with his particular skill set.

It also was noted that American Legion Post 63 had submitted an ARPA fund request in order to finance various building rehabilitation projects. Board member Morse noted roof repairs appeared to be a priority concern for the American Legion and he felt the Select Board members should authorize the use of ARPA funds for this project, which is estimated at \$25,000. Motion by Board member Morse, seconded by Board member Stevens, to award \$25,000 to American Legion Post 63 in order to repair/replace the building's roof. Board member Stevens noted that when this grant request was originally made, some concerns were expressed that this facility is not fully open to the general public. Board member Morse noted the building is open to the public several times each year for special events, such as fundraising dinners, blood drives, etc. Its restaurant (i.e., "Grill") also is open to the general public on Fridays. **Motion passed 3-2-0, with Board members Petty and Shernock voting in the negative.**

- b. Disorderly Conduct Ordinance – Signatures.** The Select Board members did formally approve a revision of the local Disorderly Conduct Ordinance at the last meeting (09/10/24). However, as there were ordinance wording changes made at that time, a signature copy was not available at that time. The final ordinance wording now has been finalized and the document is now ready to be signed. There is a forty-four (44) day period when members of the public can submit a petition with 5% of qualified voters to have the revised ordinance voted upon at a special or annual Town Meeting. If no such petition is submitted by the deadline, the ordinance will go into effect sixty (60) days after its approval date, which would be November 10, 2024. Board member Shernock noted that many residents refer to the document as the local "Noise Ordinance" and therefore have difficulty finding it on the municipal website. It was suggested that the webpage dedicated to municipal ordinances be revised to clarify that the Disorderly Conduct Ordinance also serves as the local noise ordinance.

### VIII. TOWN MANAGER'S REPORT

- a. **Main Street Waterline and Cheney Field Tank Replacement Project.** As authorized at the last meeting, the contacts for each of these project components have been awarded to the low bidders. Manager Schulz has informed the Vermont Agency of Natural Resources (ANR) of this development. He added that construction on both of these projects will begin next spring.
- b. **Central Street Temporary Closure (10/31/24).** There have been suggestions over the past couple of years that Central Street should be closed to through traffic for several hours on Halloween night in order to better protect children trick or treating along the street. Manager Schulz said he and Northfield Police Department (NPD) Chief Pierre Gomez both support this action. Unless there are any strong objections, they will move forward on this, which will be widely advertised long before Halloween night.
- c. **Main Street Bridge Replacement and Cross Brothers Dam Removal.** Manager Schulz has been meeting with representatives regarding these two separate projects about coordinating their efforts in order to reduce the impact on residents, etc. The dam removal is now scheduled for 2025 and the bridge replacement for 2026. Manager Schulz added that the dam removal representatives have indicated their willingness to incorporate the proposed Riverwalk path project into their own engineering plans, including the access road that will be put in place for their project.

### IX. BOARD MEMBERS' COMMENTS, CONCERNS, QUESTIONS

- a. **Animal Complaint.** Board member Morse noted Manager Schulz had sent a letter to residents regarding a problem dog. He felt that the letter should have include references to the municipality's Animal Control Ordinance and the penalties contained within for repeated violations. Manager Schulz said he has met in person with the dog's owners a couple of times and they were made aware of the penalties for ordinance violation.
- b. **Backroads Dust Control.** Board member Morse said some of the backroads, especially Smith Road, have had real dust control problems this summer. He would like more calcium chloride put down on the backroads to better address this problem. Manager Schulz said calcium chloride in flake form was put on the backroads recently but it wasn't as effective as the previous liquid applications. The Highway Department will go back to using liquid calcium chloride in future.
- c. **Geothermal Underground Pipes.** Board member Shernock recently attended a presentation on the future of geothermal heating and she felt that when future infrastructure projects are engineered, the possible installation of geothermal pipes should become part of the process. Elroy Hill noted that geothermal pipes must be buried at least fifteen feet (15') deep to be fully effective. Chair Maxwell said this topic certainly deserves a full discussion in future.
- d. **Upcoming Paving Projects.** Chair Maxwell asked if the list of paving projects taking place this fall has been finalized. Manager Schulz confirmed that East Street, Doyon Road, and Dickinson Drive will be repaved next month. The property owners already have been informed by letter that the roadwork should be starting in a couple of weeks and there might be some minor traffic delays.
- e. **Annual Night of the Common.** Chair Maxwell was very grateful to all those volunteers who made this special event another success this year. It was great to see the presentations available regarding several upcoming community improvement projects, such as Riverwalk, Town Common Rehabilitation, etc.

### X. PUBLIC PARTICIPATION (UNSCHEDULED)

- a. **Lynn Doney: Problems with NPD Overnight Coverage.** Mr. Doney said recently he twice tried to contact local law enforcement regarding serious nighttime issues. In both cases he called the NPD emergency number but was told by the dispatcher that an NPD officer was not available but a state trooper would be sent instead. Given the time delay when state troopers have to be brought in, Mr. Doney felt this was unacceptable given the amount of money Northfield puts into the local police department. Manager Schulz said staffing problems are a common issue throughout the state and there are times when the Vermont State Police have to provide nighttime coverage when there aren't enough NPD officers available to fill nighttime shifts. Mr. Doney felt this was an untenable situation and perhaps the NPD should be disbanded and the Northfield community rely solely on State Police coverage until a proper solution could be found.

Board member Petty noted that eliminating the local police department would result in even more delayed responses in emergency situations, even in the daytime. Board member Morse noted that law enforcement agencies across the country are facing staffing shortfalls so this isn't just a state or local problem.

- b. Lynn Doney: Various Highway Concerns.** Mr. Doney noted that the Wall Street Bridge, which he has complained about before, is still in poor condition. He also felt the pavement on Richardson Drive is in very bad condition and should be addressed soon. Manager Schulz said these matters will be reviewed.
- c. Gail Hall: Coordination of Infrastructure Projects.** Ms. Hall recently saw that the sidewalk near the Mayo Building on Depot Square was being torn up. She later found out that this work was being done to install a handicapped ramp for improved access to the Electric Vehicle (EV) chargers located there. Ms. Hall felt it would be better if such infrastructure improvements that involve tearing up streets, sidewalks, etc. be better coordinated in future to limit the amount of disruption to the public. This should include the upcoming Town Common rehabilitation and Wall Street pedestrian safety improvement projects. Board member Morse said the Select Board members do get a "tickler file" of upcoming projects in each of their board packets so that they can better track and coordinate future construction projects. As indicated earlier tonight, this includes the upcoming dam removal and bridge replacement projects on Main Street.
- d. Erica Holub: Problems with Northfield Community Revolving Loan Fund (NCRLF).** Ms. Holub said she and he husband operate a local small business (Transform Vermont Compost Connection) that has tried for the past six (6) months to obtain a small business loan from the NCRLF in order to help cover some unexpected business expenses and labor force disruptions. She recently emailed the Select Board members about her great disappointment with the lack of any progress with their loan application. From tonight's presentation regarding the Community Capital of Vermont (CCV), Ms. Holub now understands that there were severe problems with the program and that is why the municipality will have CCV provide much-needed loan administrative services in future. She now looks forward to working with Mr. Rob and CCV. Manager Schulz said the way the NCRLF was originally set up did not provide much in the way of special assistance to local businesses as compared to traditional financial institutions. The new system with CCV will be much better for potential loan applicants. Board member Petty said they now will be able to work with loan experts who know what they are doing.

**XI. EXECUTIVE SESSION.** Motion by Board member Morse, seconded by Board member Stevens, to go into executive session, in accordance with 1 VSA 313 (a)(1)], in order to discuss a legal matter and contract negotiations with Manager Schulz present. **Motion passed 5-0-0.**

The Board went into executive session at 9:30 p.m.

Motion by Board member Morse, seconded by Board member Stevens, to come out of executive session. **Motion passed 5-0-0.**

The Board came out of executive session at 10:25 p.m. No action was taken.

**XII. ADJOURNMENT.** Motion by Board member Morse, seconded by Board member Stevens, to adjourn. **Motion passed 5-0-0.**

The Board adjourned at 10:25 p.m.

Respectfully submitted,

*Kenneth L. McCann*

Kenneth L. McCann, Acting Clerk

A video recording of this meeting is available at <https://youtu.be/KCN6Rh01XnU>

These minutes were approved at the Select Board regular meeting of October 8, 2024.