BOARD OF SELECTMEN - SPECIAL MEETING Castleton Public Safety Building Community Room Thursday, July 7, 2022

Meeting Recording:

https://us02web.zoom.us/rec/share/S0qszwrcqOsjdK6L4riRu4h2dm4_P1R3XRsLnaBGkKISQ0IjrZNbrvq_AA40W9 1u.9hDPk2oX6jIpupKR

Those in Attendance Included: Joseph Mark, Mary Lee Harris, James Leamy, Robert Spaulding, Richard Combs, Robert Gibbs, Janet Morey, Dwayne Gibbs

Others Present Included: See Attached List

J. Leamy called the meeting to order at 6:00 P.M. and stated he would like to ask M. Jones to be the moderator of the meeting.

Approval of Agenda

J. Mark made a motion to approve the agenda. R. Gibbs seconded. All voted in favor. Motion carries 8-0.

M. Jones stated he would not be allowing any long or heated discussions on topics that have already come before the ad hoc committee, and each of the Selectboards would have their opportunity to make comments as well.

Castleton/Hubbardton Ad Hoc Committee Brief Recommendations for the Future Use of the Former Castleton Village School to the Full Selectboards of Castleton and Hubbardton

ML Harris gave an outline of the meetings they have had as the ad hoc committee. They had Mr. Ault a commercial real estate agent touring the building, as well as Tearsa Brannock, Recreation and Boys and Girls Club representatives. A breakdown of income to be proposed was also addressed. The Ad Hoc committee feels they have the option of selling or leasing to a party. At their last meeting, they voted to retain the building for two years to allow all 3 entities to go ahead with proposed plans.

Citizens Comments

M Jones asked all to address the boards, giving name and town from and comments.

Julius Reismersa of Castleton made comments of need for jobs, housing and activities within the town.

Tearsa Brannock of Castleton asked if it has been approved to retain for two years. ML Harris stated it is their recommendation to the boards.

Kaitlyn Perry, Board President for Boys and Girls Club for Rutland County. Thanked everyone for their information and efforts. She felt all involved are running businesses and to expect them to commit to

something that is not cast in stone yet is risky, and asked they make a commitment to put focus on the community and the need for the services in the town.

John Burke of Castleton stated there are ways to do this without the Town owning the property. They have an interested party that is able to use the property and willing to purchase to avoid the Town being a landlord. He feels that a long term 99 year lease, much like the Hydeville ball field at the Hydeville school that is privately owned could be included in the agreement as it is sold then there would be long term use by Town.

Tearsa Brannock explained she has involved the Fire Marshall to see what would be needed as far as codes, and it seems it could work. She is open to a lease arrangement and would be willing to take on the cost of the half of the building she would like to use for her purposes. J. Mark asked if her statements pertain to a particular length of a lease. T. Brannock stated she is a bit concerned with a two-year time frame, and would prefer something longer, 10-15 years.

Kaitlyn Perry stated it has been demonstrated that they all need to work together, but this is the Town and they would have the upper hand in many situations. She feels it would be better to own than rent, as an opportunity like this would not come up again any time soon.

Pat Schrader of Castleton, happy to hear of report and she hope they consider uses for all ages in the town, not just children but adults as well. Other organizations in the town would have potential use as well.

J Leamy asked M. Jones what his information is as far as cost of deferred maintenance, roof, asbestos, oil tanks underground, etc. M. Jones stated anywhere from \$160,000-\$415,000, a large range. M. Jones had building assessed, has reviewed the numbers estimated for roof, oil tanks, damage from water problem, stair issues. J .Leamy asked if there were any monies in the operating budget of the current year for the Towns of Castleton and Hubbardton, which there is not. He also asked if the two parties, T. Brannock and Boys and Girls Club are committed to a lease. D. Woolpy with Boys and Girls Club stated would have to consider based on whether it is sold or not.

R. Combs asked if both parties would want use of the front of the building, which they would. R. Combs asked both parties if could use back portion. Boys and Girls Club could possibly, T. Brannock would not. Discussion on the layout of the building, what rooms could be used by which entity, exterior exist

R Spaulding asked about the cost to keep the building open one year. M. Jones believes about \$82,000. J. Mark stated that number is carrying over fuel costs, which may have to be increased a bit, and doesn't allow for any personnel costs, which to him seems unrealistic. He believes \$125,000 is a more realistic number but was a broad estimate. R. Spaulding asked how town is going to cover that cost starting today. M. Jones stated it is up to the boards how they want to consider paying for that, as of right now it is not budgeted. R Spaulding stated just stated by someone that things such as outlets need to be

addressed, and school children were just in this building 30 days ago. The apparent condition of the building is appalling to him.

ML. Harris has crunched number just like everyone, has heard a lot of good ideas but she feels would be in the best interest of the town to sell to Tearsa with a long-term lease and possibly right of first refusal to the town.

J. Morey stated she has not been to all meetings, but Terasa is willing to lease to Boys and Girls Club and Recreation which are options? T. Brannock stated she would need to look at a broad spectrum and if all programs would be able to all be included. She does have concerns about sustainability of all programs. J. Morey questioned if there is an offer. M. Jones stated it was purchased for \$1 but doesn't have to sell for that. J. Mark stated the current appraised value is \$650,000.

Diana Grey Spangenburg of Hubbardton, blows her mind that roof alone is so high in cost. M. Jones stated that was last Fall, it could be much higher now. J. Mark stated new construction costs are very expensive, pre covid \$200-\$250 per sq foot was reasonable, at that rate, based on square footage estimates, it would be 4.6 million to build the facility, so \$650,000 is reasonable.

Dwayne Gibbs questioned the water problem the building had recently and asked if it has it been resolved. M. Jones stated yes, has been repaired and explained no guarantee it wouldn't be a problem again in the future.

R. Gibb stated if this was sustainable with the proposals, fine, but if not, then it should probably be sold.

ML. Harris questioned the school bus transporting kids from the elementary school to this building for programs, is it a problem, if it is, is it town problem or school problem for the Boys and Girls Club participants.

M. Jones asked T. Brannock about her being open to leasing to other entities, it is a concern on sustainability or can the town afford the lease. T. Brannock stated that she believes the proposal came from the Rec department, which would have to be considered. If she was to move forward with a lease agreement that the town should take a look at that as well. She would be open to leasing with the other programs and would use capital investment funds to the building making the changes that need to be made, etc., with some sort of break in lease agreements/payments for her.

James Thomas asked what impact on other town programs would be, sewer, etc., M. Jones stated not a concern for sewer, not sure what rest of question is. J. Thomas questioned the \$125,000 per year, would those funds be taken away from other plans within the budget, such as sewer or paving costs. M. Jones stated it would not come from those budgets.

R. Combs asked what boards could do legally to fund if no voter approved money to spend. Also asked of Rec that if it is assumed the front of the building is used, how much space do they think they need,

M. Clifford stated would plan use of gymnasium and some classrooms. Discussion on possible shared space and office space.

J. Mark asked D. Woolpy about rental income being available. D. Woolpy stated that is a possibility but a lot of unknowns as far as expenses and renovations. He believes it could be but this is different from the original proposal. They would need more details before solid commitment not knowing layout and plan of building use.

R Spaulding asked if room for all three entities in the building. Discussion on use and whether all entities felt would be doable.

J. Leamy stated it doesn't appear revenues will support the operations of the building, therefore the operation will fall upon the tax payers of the two towns, 89% Castleton and 11% Hubbardton. With that in mind <u>J. Leamy made a motion that the towns of Castleton and Hubbardton agree to sell the Castleton Village School building to a private entity with an agreement the owner will provide a long term lease with adequate space to the Recreation Department. R Spaulding second for discussion.</u>

R. Combs questioned the definition of long term lease and is it Castleton Rec being referred to. J. Leamy would agree that would include Hubbardton if necessary. R. Comb asked how would it be done, 99 year lease or covenant in the deed? J. Burke stated that he and Ted Parisi gave the Town a 99 year lease for the Hydeville ballfield. R. Combs asked if they are to sell to a private party, would it be in the deed they are obligated to lease to Town of Castleton and/or Hubbardton. J. Burke, if 99 years is included, it would follow the property.

M. Clifford asked if the town would have to advertise the building for sale. M. Jonees stated to sell land or property, they have to advertise it. J. Mark stated it is his understanding the Board of Selectmen could sell property without \going to voters but would not be able to the use funds from sale without asking voters. M. Jones stated there are exemptions, but he would have to double check what those are. R. Combs felt they can but it has to be warned which gave time for voters to gather a petition for a vote if they so desired.

J. Mark stated he wanted to clarify how he understands the financing would work. It is complicated and it is not clear to him that it would be in line with the town financial obligations. At \$5.50 a sq foot for the lease amount and about half of the building used by Rec, which would be about 50%, that could result in an annual lease of \$63,679 assuming the owner would pay for heat, light, other utilities and insurance. He has some concern with how much the Town would get if they owned the building, He further reviewed the numbers he had arrived at and based on financial standing, doesn't seem desirable to the Town financially. Vote on the motion: Town of Castleton Board 4 in favor, 1 Opposed. Motion carries 4-1 for Town of Castleton. Town of Hubbardton Board 3 in favor, none opposed. Motion carries 3-0 for Town of Hubbardton.

Adjourn J. Leamy made a motion to adjourn. J. Morey seconded the motion. All were in favor and the meeting was adjourned.

Respectfully Submitted Allison Harvey, Recording Secretary

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