

Agency of Commerce and Community Development

1 National Life Drive – Davis Bldg, 6th Floor
Montpelier, VT 05620-0501
accd.vermont.gov

[phone] 802-828-3211

MEMORANDUM

TO: Representative Donna Sweaney, Chair, House Government Operations
FROM: Patricia Moulton, Secretary, Agency of Commerce and Community Development
DATE: January 20, 2016
SUBJECT: Council of Governments proposed legislation

Representative Sweaney, the Agency of Commerce and Community Development has reviewed the H.249 related to intermunicipal agreements and Councils of Governments (COG's). While we do not have strong feelings about this legislation, we feel there are certain questions that should be addressed in this bill. We offer those questions below for your consideration prior to passing out this bill.

Our concerns are as follows:

- ✓ Assure all towns in the state continue to receive regional planning services.
- ✓ The funding we provide for regional planning be used exclusively for that purpose and not for COG services.
- ✓ If the regional planning commissions disappear after a vote to join a COG, and all municipalities must then be part of the COG, the vote should be a super majority vote of the municipality and the municipalities to join a COG, not 60%.
- ✓ That COG's and regional planning commissions can co-exist in the state.

We thank you for the opportunity to present these questions to you.

The argument supporting regionalization and COGs:

- Vermont's cities and towns face ongoing budget challenges as state and federal aid continues decline.
- Stricter compliance standards and regulations (roads, clean water, contracting, etc.) are on the rise and require specialized skills to manage.
- Many communities suffer from a lack of qualified citizens with an interest in participating on boards and committees.

Despite these facts:

- Regional management approaches are the exception rather than the rule in Vermont.
- Vermont's most successful regionalization efforts have grown from the bottom-up, using existing tools and laws that support local government collaboration.
- VLCT works to support strong municipalities, but has concerns about this approach.

What challenges do COGs help communities overcome?

- What are the limitations on the existing municipal collaboration tools, e.g. inter-local agreements, solid waste management districts, fire districts, union municipal districts, etc.?
- Are there cities and towns requesting these services and this structure?

If COGs fulfill their promise and successfully combine resources and cut costs, towns will naturally choose to seek their services.

- 60% vote from RPC member towns seems a low threshold for a substantial change to Vermont's local governance structure. How was this number selected and justified?
- For such a major change, shouldn't the vote be a super majority of 2/3 vote of the involved municipalities and boards?

COG supporters say the bill saves money and time by simplifying and consolidating municipal contracting at the regional level.

- What type of services would see the most savings -- law enforcement, fire, EMS/dispatch, animal control, solid waste, zoning administration, others?
- What are the estimated savings a COG would offer to communities?
- Which regions are expected to see the largest cost savings or other benefits?
- Are there any Vermont studies that document these savings or benefits?
- How will COG's simplify contracting, management and oversight? e.g. How much have Vermont's supervisory unions saved through consolidation?
- How are COGs dissolved if they do not work? Can they revert to the RPC structure? What are the steps?
- How will COGs interface and support the state's regional economic development programs?
- How can the state be assured its contracts to support regional planning, regional transportation, water quality, emergency management, renewable energy, and community planning efforts will not be used for COG purposes?
- How will COG projects and funding be separated from state contracts?
- Who pays for the COG's overhead and operational costs – management, indirect costs, insurance, etc.?
- How will COG finances be reported? Will COG contract work be audited separately?
- Who is responsible when things go wrong – the COG, contracting towns, both?
- How do COGs limit liability from towns not participating in joint contracting ventures?