

**TOWN OF RUTLAND SELECT BOARD OPEN MEETING
RUTLAND TOWN MUNICIPAL TOWN HALL
181 BUSINESS ROUTE 4, CENTER RUTLAND, VT 05736
SEPTEMBER 21st, 2023**

- The special meeting started at 5:30 P.M.
- Board members present Mary Ashcroft, Joe Denardo, Kurt Hathaway, and Matt Getty
- Also present, Anil Sachdev and Dhruv Kumar from The Cortina Inn, Town Police Chief Ed Dumas, Town Health Officer John Paul Fagnant, Town Administrator Bill Sweet, Keith Whitcomb, Ryan Getner, and Fred Nicholson.

The purpose of this meeting is to meet with the owners of The Cortina Inn to continue discussions on the homeless housing issues, to review for approval a builder's risk insurance policy for the Public Safety Building project, and to approve some documentation allowing us to move forward with grant funding applications relating to MS4 projects.

Selectman Denardo moved to authorize the Chair to sign the grant funding documents on behalf of the Board. Selectman Hathaway seconded the motion. After discussion, the motion passed 4 – 0.

Prior to the meeting, Anil Sachdev sent via email a 4-part agreement proposal to Select Board members. The first item was regarding the sum the town would be paid monthly; the amount was blank. The second item was regarding the length of payments. This is when The Cortina Inn participation in the State program comes to an end. The third item asked the Rutland Town Select Board to cease all Act 250 change applications and filings. The fourth item states the Hotel will try to keep all their exterior doors closed, come up with a single-entry point, and install alarms which will sound when doors remain open.

Chairwoman Ashcroft said no agreement would be reached tonight, because of a missing Board member and without details being reviewed by the Town Attorney.

Mr. Kumar stated there was no intention of revoking the original agreement, but the original agreement was with the old company. Mr. Kumar said he wants to continue funding the town for all the services being provided, and never had any intention of not paying. He wanted to negotiate the rate. Regarding the third item, Mr. Kumar said the facility is and always has been a hotel. They are working on making most doors exit only, so reentry must be through the front. Surveillance is being upgraded to allow for better visibility around the building. This will be monitored from the security guard station.

Chief Dumas reported he saw the fence was finished.

Discussed the property transfer between the parties, and who has what authority. The new owners are the daughter of Mr. Sachdev, Mr. Kumar, and Mr. Patel. Mr. Kumar said Mr. Patel is a silent partner who is not involved in the operations. Mr. Kumar believes him to be the majority owner and stated he has visited the property a few times.

Selectman Getty asked them to describe the relationship between ARD Realty LLC and ARD Hospitality Management Inc. Mr. Kumar said he was unable to comment on that. He said there is no management agreement between the two he is currently aware of.

Selectman Getty asked if Hospitality Management of Rutland, Inc is involved at all with The Cortina Inn. Mr. Kumar said that was the old ownership company. Selectman Getty stated the name The Cortina Inn is still owned by that entity, and not by any entity currently involved. Mr. Sachdev said that was a legal issue and the property was sold, with the DBA of The Cortina Inn. Selectman Getty said ultimately, the Board needs to know who has the authority to sign an agreement. Mr. Kumar said he will get it cleared up.

Selectman Denardo asked about room security, and if each room has its own key card. Mr. Kumar said they do. Selectman Denardo stated that no one without a keycard should be able to access locked exterior doors. Mr. Kumar said this was true.

Selectman Denardo said this is an opportunity to do a better than normal level of business with near full occupancy every night and expressed concern about the wellbeing of the tenants.

Selectman Denardo asked about the resources being made available to people staying there helping them to be able to transition out of the facility. Mr. Sachdev there have been a variety of services offered but the management of the program has changed. They have made their conference rooms available for use if needed.

Chairwoman Ashcroft asked if they have discussed with the State leaving the program, as other facilities have. Mr. Kumar said they have not, because the families do not have anywhere to go.

Mr. Sachdev said his state contact is through DCF. Chairwoman Ashcroft asked if DCF comes and inspects the facility. Mr. Sachdev said they do not, the health department does.

Chairwoman Ashcroft said that during the recent site visit they were unable to see in any of the guest rooms. Asked if when DCF or the health department comes, do they get to see in the rooms. Mr. Sachdev said they came about 6 months ago, and all the rooms were open. All the guests were given notice they were coming.

The on-site restaurant is not open. Asked if people housed there have the ability to cook in their rooms. They get food from the food bank, and there are small fridge / freezers in the rooms. Mr. Kumar said meals on wheels delivers meals once a week. There is a microwave in each room. When asked about hotplates, they are not allowed and if found, they are taken away. Mr. Sachdev estimates about 15 to 20 hotplates have been confiscated.

When asked about the rate they are proposing to pay the Town, Mr. Kumar said between \$15,000 and \$17,000 per month, until the program comes to an end. Chairwoman Ashcroft pointed to the previous amount of \$22,500 per month and asked why the proposal was less. Mr. Kumar said the previous owners did not have expenses the new company does, but they want to help the Police and Fire Departments in any way they can.

Chief Dumas said to properly cover the Town and the issues in this area, 3 additional full-time officers would be needed. 91% of recent calls in the town come from that section of town including retail thefts and stolen vehicles. The cost to bring a new officer on board is approximately \$100,000 per officer. Finding 3, level 3 officers would be a challenge. Other departments are planning to increase compensation, which would require us to do the same. Each officer spends approximately 10 hours per week on directed patrols in the area. This equates to 80 hours per payroll cycle at a rate of \$58 per hour. At 26 weeks this equates to \$120,640. This does not account for vehicle expenses, which is approximately \$10,000 a year.

The rate the Town was being paid could cover expenses for 2 officers. Discussed the possibility of hiring part-time officers instead. This could allow greater flexibility. Chief Dumas said he may be able to find some level 2 officers in the next few months, but this would mean they would still need to go through the full-time academy. A level 2 officer could need an additional officer depending on the scenario, such as a felony case.

Discussed the impact on the Town school system. They estimate there are 24 to 25 children in the facility. The Town school estimates there are 10 children which attend our school. There are some that are high school age. When asked where the other kids go, Mr. Kumar was not exactly sure.

Selectman Getty asked about the previous company owning the facility, Tulsy Rudashka Hospitality LLC. Mr. Sachdev said this was his business and he did have business partners. Mr. Patel was not a partner in that business but there were other partners.

Mr. Kumar said they intend to participate in the program as long as the State would like them to.

Selectman Denardo discussed the impact fees Act 250 allows the Town to seek. This relates to school as well. The Board is charged with the financial well-being of the Town, which includes school taxes. There may be some reimbursement due to the school. The per pupil amount is close to the amount they were offering the Town. This would have to be addressed before they could consider withdrawing any Act 250 requests. Any new agreement would intend to run with the facility and not the ownership.

Town Health Officer John Paul Faignant asked about their policy on drug use and drug selling in their facility. Mr. Kumar said it is not allowed and they have started evictions of certain people that are leaving in the next few days and will not be allowed back on the property. Economic services will take their name off the list for that facility.

The contract for security services is paid for by the state.

A copy of the policies given to people on vouchers will be provided to the board.

Selectman Denardo moved to enter executive session for the purpose of contact negotiations. Selectman Hathaway seconded the motion. The Board entered executive session at 6:25PM.

The Board came out of Executive session at 7:35 PM. No action was taken. Selectman Getty moved to adjourn. Selectman Hathaway seconded the motion. The meeting adjourned at 7:36 PM.

Mary Ashcroft, Chair

Joseph Denardo, Clerk

ABSENT

Sharon Russell

Kurt Hathaway

Matt Getty