

Insurance Times: Vermont Mutual May Leave Montpelier

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MONTPELIER, Vt. (AP)— A deal to find Vermont Mutual Insurance Co. a new home and keep it in Montpelier has failed, officials said.

But the state is moving forward with plans to buy the insurance company's downtown headquarters. A vote is expected in the Legislature this week on \$200,000 to negotiate the sale, reportedly for \$3.2 million.

The situation leaves some doubt whether the insurance company will remain in Montpelier. Talks continue to try to find an alternative site for the company, which has run out of space at its current location.

City officials are concerned that the company may decide to move to Berlin, where it owns land, and build a new facility.

In an arrangement being brokered by state Commissioner of Buildings and General Services Tom Torti and Sen. Vincent Illuzzi, R-Essex-Orleans, the insurance company had been talking to Green Mountain Power about acquiring its property on Memorial Drive.

In the exchange, GMP would have moved into the nearby state liquor control warehouse.

But GMP spokeswoman Dorothy Schnure said last week that the liquor control warehouse would not meet the power company's needs as a service center because of a lack of space and parking.

"I think it doesn't look like it's going to happen," said Schnure.

Vermont Mutual vice president Brian Eagan said the company was considering its options, including a move to Berlin, but that no decision had been made.

In the meantime, the company will lease additional space in the adjacent federal building, he added.

The news of the failure to find Vermont Mutual a new home in the city is likely to cause city officials some concern about the loss of another downtown building off the tax rolls, at a cost of about \$70,000 a year.