BURLINGTON BOARD OF FINANCE
BUSHOR CONF. ROOM, FIRST FLOOR, CITY HALL *OR*
REMOTE MEETING WITH CALL-IN NUMBER
BURLINGTON, VERMONT
MINUTES OF MEETING
DRAFT
July 8, 2024

MEMBERS PRESENT:	Ben Traverse (via Zoom) Mark Barlow Sarah E Carpenter Emma Mulvaney-Stanak
OTHERS PRESENT:	Brad Kukenberger Timothy Williams Nic Longo Jeff Bartley Chapin Spencer Laura Wheelock Michael LaChance Shannon Trammell Ashley Parker

1.0 CALL TO ORDER and AGENDA

1.1 Motion to amend/adopt the agenda
Mayor Mulvaney-Stanak called the Board of Finance meeting to order at 5:31 PM

MOTION by Councilor Barlow, SECOND by Councilor Carpenter, to adopt the agenda.

VOTING: unanimous; motion carries.

2.0 PUBLIC FORUM

2.1 Verbal Comments
Sharon Bushor spoke about the item relating to the Monthly Financial Review-Budget to Actual as of May 31, 2024, saying that she hopes that when June 2024 information is available, a comparison be done between actual revenues and expenditures for FY24 to the projected revenues and expenditures for FY25, to see if the expectations put in the budget align with reality. She also raised a concern about the increased use of contingency on the Great Streets Main Street project. She also spoke about the item related to increased ambulance fees, and asked that there be an acknowledgement of what happens if the individuals in the “self pay” category truly can’t pay the fees.

3.0 CONSENT AGENDA

3.1 Motion to adopt the consent agenda and take the actions indicated.
3.2 Lease at Roosevelt Park – BPRW – approve and recommend that the City Council authorize the lease of the building located at 57 Oak Street, Roosevelt Park to the Boys and Girls Club of Burlington for a ten-year period, and to authorize Mayor Emma Mulvaney-Stanak to execute the lease agreement and any related documents, subject to the review of the City Attorney's Office.
3.3 June 17, 2024 Board of Finance Meeting Minutes, Draft – approve the minutes.
3.4 June 24, 2024 Board of Finance Meeting Minutes, Draft – approve the minutes.
3.5 Approval to accept Planning Grant Continuum of Care VT – 501 & Permanent Supporting Housing Grant Agreements in SFY25 – CEDO: VT0030L1T012314 - $330,188 New Horizons Renewal, September 1, 2024; VT0053L1T012308 - $269,172 Beacon Renewal, September 1, 2024; VT011L1T012300 - $54,627 CoC Planning Grant VT – 501, January 1, 2025 – approve and recommend that the City Council approve the acceptance of three U.S. Department of Housing and Urban Development Continuum of Care FFY23 grants - VT0030L1T012314, VT0053L1T012308, and VT011L1T012300 to begin in SFY25 and authorize the Director of CEDO to execute all contracts and documents necessary to accept the total funding of $653,987 from HUD, subject to the review and approval of the City Attorney's Office.
3.6 Sponsorship Agreements for The Caroline Fund, United Immigrant and Refugee Communities of Vermont, Obieze Ebo, Gallop to Success, and Arbai Huhina and Samuel Dingba in Collaboration with AALV – REIB – 1. Retroactively approve and authorize the Interim Director of the Racial Equity, Inclusion, and Belonging Office and the Chief Administrative Officer to issue a grant in the amount of $15,000 to The Caroline Fund from the FY24 Empower Fund GL, and to execute a grant agreement memorializing the same, subject to review by the City Attorney's Office; 2. Approve and authorize the Interim Director of the Racial Equity, Inclusion, and Belonging Office and the Chief Administrative Officer to issue grants of City funds in a total amount not to exceed $43,150 from the FY'25 Empower Fund GL, and to execute grant agreements memorializing the same, subject to review by the City Attorney's Office, as follows: a. to the United Immigrant and Refugee Communities of Vermont, Inc. for a total authorized grant amount of $15,000l and b. to Obieze Ebo for a total authorized grant amount of $6,450; and c. to Gallop to Success for a total authorized grant amount of $11,000; and d. to Arbai Muhina and Samuel Dingba in collaboration with AALV for a total authorized grant amount of $10,700.
3.7 Authorization to Sign Property Lease with The Jones Payne Group, Inc. at 1200 Airport Drive, South Burlington, VT – Airport – approve and recommend that the City Council authorize the leasing of certain identified space at the Patrick Leahy Burlington International Airport to The Jones Payne Group, Inc. and to authorize the Mayor to execute the lease, subject to final review and approval by the City Attorney's Office.
3.8 Recommendation to the Board of Finance to Accept and Execute a contract in the amount of $94,000 with a 15% contingency with ECI (Engineers Construction Inc) for the Mill & overlay of Aviation Avenue and Eagle Drive – Airport – approve and recommend that the City Council authorize the Director of Aviation to execute a contract with ECI (Engineers Construction Inc) for the Mill & Overlay of Aviation Avenue and Eagle Drive in the amount of $94,000, with a contingency of 15% for a total of $108,100, subject to review and approval of the City Attorney's Office.
3.9 Water Treatment Plant Elevator Modernization Agreement Authorization to Execute Contract with Mack Brothers Elevator – DPW/Water Resources – 1. Approve and recommend that the City Council authorize the Director of Public Works to execute a Construction Contract with Mack Brothers Elevator with a maximum limiting amount of $180,000 subject to review and approval by the City Attorney; and 2. Approve and recommend that the City Council authorize the Chief Administrative Officer, or their designee, to effect all necessary budget amendments in substantial conformance with the attached budget transfer request.
3.10 Authorization to Sign a Contract for Facility repairs with Farrington Construction – Police – approve and recommend that the City Council approve and authorize the Chief of the Burlington Police Department to enter into a contract with Farrington Construction in an amount not to exceed $129,179.50, contingent upon the successful funding authorization from the Capital Committee and subject to review by the City Attorney's Office.

3.11 Impact Fees Budget Amendments – DPW/Parking & Traffic – authorize and recommend that the City Council authorize the Chief Administrative Officer to implement FY24 budget amendments, in substantial conformance with the attached Budget Amendment Request to reallocate $120,000 in traffic impact fee revenues (Fund 264).
3.12 Authorization for a $130,000 budget neutral amendment – DPW/Water Resources – approve and recommend that the City Council authorize the Chief Administrative Officer, or their designee, to effect a $130,000 budget neutral amendment in substantial conformance with the attached budget transfer request.
3.13 Approval for MuniCap, Inc., FY25-27 TIF District Administration Consultant Contract – Capital – approve and recommend that the City Council approve and authorize the Chief Administrative Officer to enter into an agreement with MuniCap, Inc., for a three-year contract (Fy25-27) not to exceed $60,000 per year, subject to review by the City Attorney's Office.
3.14 Monthly Financial Review-Budget to Actual as of May 31, 2024 – C/T – waive the reading, accept the communication, and place it on file.
3.15 Authorization to accept grant funds for the operation of the Elmwood Emergency Shelter Community – Housing Opportunity Grant Program SFY2025 $1,290,576.00 – CEDO – approve and recommend that the City Council approve the acceptance of SFY25 grant funds in the amount of $1,290,576 from the State of Vermont Housing and Opportunities Program for the operations of the Elmwood Emergency Shelter Community and authorize the Director of CEDO to execute all contracts and documents necessary to accept the funding through the period of July 1, 2024 – June 30, 2025, including retroactive approval for the period of July 1 to July 17, 2024, subject to the final review and approval of the City Attorney's Office.
3.16 Resolution: Annual Tax Assessments On The Property Grant List Of The City For The Fiscal Year Beginning July 1, 2024 And Ending June 30, 2025 As Amended On July 15, 2024 – Assessor – recommend that the City Council approve the amended property tax rate resolution for FY25 for annual tax assessment of the property grand list of the City to show the Local Agreement rate change from $0.0011 to $0.0005.

MOTION by Councilor Barlow, SECOND by Councilor Carpenter, to adopt the consent agenda and take the actions indicated for items 3.1-3.16.
DISCUSSION:

- **Councilor Carpenter asked about the difference between the incurred $96 million in the monthly budget report and the projected $100 million. Finance Director Kukenberger replied that as the City gets closer to the end of the fiscal year it has a more accurate view, both on the expenditure and revenue sides and more assumptions that can be taken out of play. He noted that expenditures and revenues both decreased, but expenditures decreased more, leading to an increase in surplus. He noted that a large portion of the difference in projections versus actuals is the use of fund balance, which isn't budgeted for.**

VOTING: unanimous; motion carries.

4.0 DELIBERATIVE AGENDA

4.1 Security Services for City Hall – HR/Safety Manager
Safety Manager Williams spoke about the procurement process for security services, noting that Chocolate Thunder was the successful bidder and that they have been working in this capacity as the City's vendor for a number of years.

Councilor Barlow asked about the evolution of private security services generally in City Hall, as well as more broadly, and how this played a role in the selection process. Safety Manager Williams replied that having a contractor with the ability to have security footage helps the City with legal liability and documentation. He noted that the use of closed circuit television and body cameras is now standard practice in many types of security services. He noted that with Chocolate Thunder, there has been a growth in response and addition in the types of actions they have taken, both in City Hall and in the security provided to the Library.

MOTION by Councilor Barlow, SECOND by Councilor Carpenter, to approve and recommend that the City Council authorize the contract with Chocolate Thunder Security to provide security services at City Hall for a total contracted amount not to exceed $120,000 and to authorize Timothy Williams, Safety Manager, to execute the contract and any related documents, subject to review by the City Attorney's Office.

VOTING: unanimous; motion carries.

4.2 Recommendation to Board of Finance for Approval and Recommendation to City Council for Authorization to Execute and Award the Marketing and Promotional Services Contract to Hagan Associates – Airport
Innovation and Marketing Director Bartley said that this contract is in response to an RFP that was put out. He noted that the Airport has had a previous contract with Hagan Associates for the previous five-year term. He noted that there were 7 responses to the RFP that was put out in April, and that 6 of the responses were from Vermont.

MOTION by Councilor Barlow, SECOND by Councilor Carpenter, to approve and recommend that the City Council authorize the Director of Aviation to enter into a contract, with the selected Media and Advertising concessions of Hagan Associates for a five (5) year term, subject to final review and approval of the City Attorney's Office.

VOTING: unanimous; motion carries.

4.3 Authorization to accept an amended ARPA Grant and to execute an amended MOA for a Public-Private Partnership Stormwater Quality Project – DPW/Water Resources
Director Spencer said that this relates to a construction-ready project and that the City's partner at the State has agreed to increase its financial commitment to a gravel wetland that improves water quality in the Potash Brook and Lake Champlain for $1.2 million, and that the private partners involved in the project have also agreed to pay the local match at no cost to the City, other than its commitment to the project and to administer the pass-through grants. He said that this item specifically requests approval for the grant agreement and acceptance of funds, and to authorize an amendment to the Memorandum of Agreement (MOA) with the private partners to construct the gravel wetland.

MOTION by Councilor Carpenter, SECOND by Councilor Barlow, to 1. Approve and recommend that the City Council authorize the Director of Public Works to execute an amended grant agreement with Vermont DEC for up to $2,029,673 for final design and construction of the P3 project involving the "South Meadow Apartments" and the "Shelburne Road Shopping Plaza" property, subject to final review and approval by the City Attorney's Office; and 2. Authorize the execution of an amended MOA between the City and the P3 private parties: Antonio B. Pomerleau, LLC, and Champlain Housing Trust, reflecting the increased grant funding, subject to the final review and approval by the City Attorney's Office.

VOTING: unanimous; motion carries.

4.4 Great Streets Main Street Contract Amendments – DPW
City Engineer Wheelock said that this relates to a contract amendment for the Main Street Great Streets construction contract as well as an approval to sign an MOU with BED so the City has an understanding of how it is paying BED for the work they are doing under the project. She noted that as the City has worked on infrastructure projects on Main Street, it uncovered a water main on King Street that was

exceptionally fragile and that its condition is exceptionally poor. She also noted that they are working to ensure that there is new pavement installed curb to curb after digging up infrastructure. She said that this item asks for an additional amount of funding to add this work into the contract. She said that in terms of the BED item, they have received pricing for the decorative street lighting, and she noted that though the capital costs for this installation are borne by the City, the utility can discount any of the street sections that are not currently up to code, which it has done by $64,000. She noted that these funds are being paid with Tax Increment Financing (TIF) dollars, which are restricted to being used for Main Street reconstruction work.

Councilor Carpenter asked about concerns with using contingency and whether the funds will last through the construction project. City Engineer Wheelock replied that it is challenging, saying that there have been some unanticipated costs for additional flaggers to ensure that the public isn't entering the construction site, as well as the fact that much of this project is costly in and of itself, given the size of the sewer and the extensive upgrading work being conducted. Director Spencer acknowledged that it was anticipated that there would be additional unforeseen costs, which is why the project had such a high proposed contingency fund set aside for it.

Councilor Barlow asked if there is contingency set aside for additional monitoring of the system and foundations of buildings around the construction sites. City Engineer Wheelock replied that the project includes vibration monitoring, crack monitoring, and seismographs, given that several of the foundations along the corridor are sensitive. She noted that this monitoring was included in the project costs.

MOTION by Councilor Barlow, SECOND by Councilor Carpenter, to 1. To approve and recommend that the City Council authorize the Director of Public Works to execute an amendment to the contract, subject to City Attorney review and approval, with S.D. Ireland Brothers Corporation in the amount of $547,386, bringing the total contract value up to $26,509,929.26, with the previously authorized the use of an additional $2,596,254.83 in contingency funds to be available to use toward any necessary future contract amendments needed to accomplish the construction work herein contemplated, and further authorize execution of any such necessary amendments upon review and approval by the City Attorney's Office, for a total authorized amount not to exceed $29,106,184.09 for the development of the design of the Great Streets Main Street project; 2. To approve and recommend that the City Council authorize the Director of Public Works to execute a Memorandum of Understanding, subject to City Attorney review and approval, with Burlington Electric Department in the amount of $549,810, for the lighting construction of the Great Streets Main Street project; and 3. To approve and recommend that the City Council authorize the Chief Administrative Officer, or their designee, to effect all necessary budget amendments and transfers of funds to and from the above-referenced funding sources as needed to pay the above-referenced project expenses in FY25 and Overall Project Budgets, in substantial conformance with the attached budget transfer request.

VOTING: unanimous; motion carries.

4.5 Ambulance Fee Increase – Fire
Chief LaChance began by noting that this is for increases to ambulance fees, and that he does not take fee increases lightly. He began by responding to Sharon Bushor's question during public comment around the "self-pay" category of people, clarifying that this population is uninsured or has a high deductible, and that they make up around 3% (or 216) of the individuals billed for services last year. He said that these individuals would be liable for ambulance fees normally, and will be for these increased fees. He said that the Fire Department does offer a hardship waiver through its billing agent. He noted that the last increase in ambulance fees was in 2022, and that this proposed increase is around half of the increase that went into effect in 2022. He said that the big change in this increase is the inclusion of charges for treatment without transport, which include (for example) bringing someone out of a diabetic coma or bringing someone out of an overdose state, where the individuals then choose not to be transported. He noted that the proposed treatment without transport fee is slightly less

than Medicaid's rate for treatment without transport. He noted that the BLS and ALS fees were increased by 8.4% and 8.7% respectively, and mileage rates were increased to $23 from $20. He said that they hope that the revenue from this can help to replace the ambulance fleet. He said that the projected revenue from this increase in FY25 of $102,000 is a conservative projection.

Councilor Carpenter said that given the lack od equity in the healthcare reimbursement and billing system, she would rather charge more and be reimbursed where possible and be more generous on the forgiveness policy than charging less and missing the revenue entirely. Mayor Mulvaney-Stanak noted that without doing more analysis the City doesn't know what the breakdown of the pass-through to the consumer or patient looks like. Chief LaChance noted that he will often receive hardship waiver requests on the deductible costs for ambulance services. Chief LaChance suggested that they implement the policy for a year and learn from it and make modifications based on that learning. Councilor Carpenter asked what the treatment without transport currently costs the City and said it will be important to track this.

Chief LaChance suggested revisiting the data around this in January to determine how many hardship waivers are being requested and what the utilization of services is for individuals with different types of health insurance.

Councilor Grant said that even if the City were to have a separate fee for private insurance companies, that doesn't guarantee that the insurer will pay that fee, given that they may have certain maximum payment amounts in place. She also said that it will be extremely important to ensure that any policies are equitable. She asked what the collections rate is for billed services, and Chief LaChance replied that it is around 10%.

MOTION by Councilor Barlow, SECOND by Councilor Carpenter, to approve and recommend that the City Council approve and authorize the increased fee structure for ambulance services effective upon passage as described in the table herein this Ambulance Fee Increase memo by Chief LaChance, dated July 7, 2024.

VOTING: unanimous; motion carries.

4.6 Authorization to Sign Contracts for Two-Way Radio Communication Fiber Lines with Consolidated Communications, Inc. and Burlington Telecom Business Services – Police
Executive Manager Trammell said that this is for agreements for two-way radio communication fiber lines with Consolidated Communications and Burlington Telecom. She noted that both the Fire Department and Police Department have been operating a two-way radio communication system since 2005, and that Chief LaChance has been spearheading the Public Safety Communication Capital Updates Project, through which they have obtained new receivers and transmitters to increase coverage throughout the City. She noted that the current equipment has reached the end of its life, and this new system would require fiberoptic lines rather than copper lines, and that this request is for service for both telecommunications companies to create a redundant backup (if one carrier goes down).

MOTION by Councilor Carpenter, SECOND by Councilor Barlow, to approve and recommend that the City Council approve and authorize the Chief of the Burlington Police Department or the Director of Information and Technology to enter into the following agreements for radio communication fiber lines and service upgrades: a. A five-year service contract with Consolidated Communications, Inc. in an amount not to exceed $112,376,40; and b. A contract amendment to the existing Telecommunications Services Agreement with Burlington Telecom Business Services adding a scope of work and in amounts not to exceed $90,000 for a five-year term for dark fiber services and $46,800 for a three-year term for dark fiber services with First Light through BT, for combined total expenditure not to exceed $249,177 over the next five years, subject to review by the City Attorney's Office.

VOTING: unanimous; motion carries.

4.7 Approval of Four Resolutions for Annual Borrowing for FY25 for City and School – C/T
Finance Director Kukenberger said that the first resolution seeks to borrow $7 million ($2 million for working capital and capital improvements needed for the City, $3 million for specific capital improvements, additions, and replacements for BED, and $2 million for capital improvements for efficient and economical operation of the school district). He said that the second resolution seeks to borrow $5.8 million of capital improvement bonding, which were approved by voters in March 2022, which authorized the City Council to issue general obligation bonds in aggregate not to exceed $23.8 million. He said that they have borrowed up through the $5.8 million and are seeking approval to borrow the remainder. He said that the final two items are related to the Burlington School District. He said the first is the remainder ($7.7 million) of voter-approved bonds from March 2017 for the Integrated Arts Academy. He said that the final item is up to $15 million for Burlington High School, which was approved in November 2022, as part of the $165 million for reconstruction of the high school.

Councilor Carpenter asked for a status update on bonding for the Burlington High School project. Finance Director Kukenberger replied that the City has issued $130 million, but that $40 million was to refinance a prior note and $15 million is for this amount. He noted that after this, they have $20 million remaining to borrow.

Councilor Barlow asked about the interest rates on borrowing for the school bond, noting that the initial funding was borrowed at around 4% and that this portion of bonds would be borrowed at around 6.5%. Finance Director Kukenberger said that the interest rate is fluctuating and is between the 4-6% range. Councilor Barlow asked if the estimates provide to voters on the impact to their property tax bills are still true, given the fluctuating interest rates for borrowing. Councilor Barlow asked if the first resolution’s three categories of funding require voter approval, and Finance Director Kukenberger replied that they do not.

Councilor Carpenter asked if it would be more strategic to lock in a longer-term borrowing rate, given the interest fluctuations. Finance Director Kukenberger replied that in discussion with bond counsel, there hasn’t been a change in their line of thinking, nor have they yet advised that the City should take on longer-term debt.

MOTION by Councilor Barlow, SECOND by Councilor Carpenter, to approve and recommend that the City Council adopt the following resolutions related to FY25 borrowing: 1. Resolution for the $7M annual borrowing for FY25 (BED, City and BSD); 2. Resolution for up to $5.8M capital improvement bonds (voter approved March 2022); 3. Resolution for up to $7.7M in bonds for BSD Integrated Arts Academy (voter approved March 2017); and 4. Resolution for up to $15M in bonds for the Burlington High School (voter approved November 2022).

VOTING: unanimous; motion carries.

5.0 ADJOURNMENT
5.1 Motion to Adjourn

With no further business and without objection the meeting was adjourned at 6:30 PM.

RScty: AAConnradt