

**BURLINGTON BOARD OF FINANCE
BUSHOR CONF. ROOM, FIRST FLOOR, CITY HALL *OR*
REMOTE MEETING WITH CALL-IN NUMBER
BURLINGTON, VERMONT
MINUTES OF MEETING
DRAFT
November 4, 2024**

MEMBERS PRESENT:

Ben Traverse
Mark Barlow
Sarah E Carpenter
Joe Kane (via Zoom)
Emma Mulvaney-Stanak (via Zoom)

OTHERS PRESENT:

Katherine Schad
Erik Ramakrishnan
Doreen Kraft
Sarah Katz

1.0 CALL TO ORDER and AGENDA

1.1 Motion to amend/adopt the agenda

Chief Administrative Officer Schad called the Board of Finance meeting to order at 5:35 PM.

MOTION by Councilor Carpenter, SECOND by City Council President Traverse, to adopt the agenda.

VOTING: unanimous; motion carries.

2.0 PUBLIC FORUM

2.1 Verbal Comments

Sharon Bushor spoke about the livable wage ordinance on tonight's agenda. She expressed concern about the use of Davis Bacon wages as a reference point for determining livable wages, given the risk that Davis-Bacon wages could deviate from livable wage levels in future. She also expressed concern about the tool used to determine the cost of healthcare as it's applied to the livable wage if the employer doesn't offer that as a benefit. She asked whether the reference points in this tool are acceptable and asked if there should be others.

3.0 CONSENT AGENDA

3.1 Motion to adopt the consent agenda and take the actions indicated.

3.2 October 21, 2024 Board of Finance Meeting Minutes, Draft – approve the minutes.

3.3 Lease of Space at Old North End Community Center, 20 Allen Street – BPRW - Approve and recommend that the City Council approve and authorize the leasing of certain space, as identified in the attached lease agreement, in the Old North End Community Center, as further

detailed in Exhibit B for an initial one-year term, with the option to renew for five additional and subsequent one-year terms, from Champlain Housing Trust on the terms provided in and substantially in conformance with the attached lease including an annual rent amount of \$138,168 subject to a year over year increase not to exceed 3% per year, for a total authorized expenditure not to exceed \$893,727, subject to City Council annual budgetary appropriation, and to authorize the Director of Parks, Recreation and Waterfront to execute the lease and any related documents needed to carry out the lease agreement, subject to the review of the City Attorney's Office.

3.4 B.E.D.'s Property/Boiler and Machinery (B&M) 2024-2025 Insurance Renewal – BED - approve and recommend that the City Council authorize the General Manager of the Burlington Electric Department or their designee, to execute the Property, Boiler & Machinery insurance coverage renewal contract with AIG/ZURICH/STARR TECH/AEGIS for the policy period 11/20/2024 through 11/20/2025 with a not to exceed premium of \$715,989, as outlined in this memo, subject to review and approval of the City Attorney's Office and the CAO.

MOTION by Councilor Carpenter, SECOND by Councilor Barlow, to adopt the consent agenda and take the actions indicated for items 3.1-3.4.

VOTING: unanimous; motion carries.

4.0 DELIBERATIVE AGENDA

4.1 BCA Reorganization – BCA/HR

Director Kraft began by noting that this is a re-work of the Burlington City Arts Department, saying that it is a first step to meet some of the difficult challenges that Burlington is facing. She said that re-work entails eliminating one administrative assistant position and using those savings to reclassify other positions within the department, as well as deepening the bench for BCA's fund-raising capacity. Mayor Mulvaney-Stanak also noted that this reorganization began 8 months ago (prior to the operational efficiency study) and has the support of the union behind it.

Councilor Carpenter asked if BCA has a fallback plan, given the current budget gap of \$6 to \$7 million and the potential inability to close the gap without making staffing cuts. Director Kraft replied that BCA and other departments in the City are in the middle of planning for the FY26 budget and agrees that there will be challenges, but that there is a robust process for review and planning going forward. Mayor Mulvaney-Stanak noted that this is a question being asked of all departments in the FY26 budgeting exercise.

Councilor Barlow expressed confidence that this is a good first step in many to reduce costs and realize efficiencies in City departments.

City Council President Traverse noted that it has been difficult to recruit for a Development Director in BCA, and asked if BCA has considered reclassifying that position. Director Kraft replied that they are optimistic that they will be successful in upcoming recruitment efforts, noting that this position is competitive in the non-profit market.

MOTION by City Council President Traverse, SECOND by Councilor Barlow, to recommend that City Council approve and authorize the: Elimination of the Administrative Assistant Position; Reclassification and retitling of the Member and Donor Relations Coordinator, a Regular, Full-time, Non-exempt ASFCME Grade 13 to Development and Administrative Coordinator, a Regular, Fulltime, Non-exempt, AFSCME Grade 15; Reclassification and retitling of the Marketing and Sponsorship Support Specialist, a Regular, Fulltime, Non-exempt, ASFCME Grade 15 position reporting to the Development Director and Communications Director to an Assistant Development Director, a Regular, Full-time, ASFCME Grade 17 position reporting to the Development Director; Reclassification of the Youth & Family Program Coordinator, a Regular, Full-time, Non-exempt ASFCME Grade 15 to a Regular, Full-time, Non-exempt ASFCME Grade 16; Reclassification and retitling of the Program

Coordinator, a Regular, Full-time, Non-exempt, ASFCME Grade 15 to Adult Programs Coordinator a Regular, Full-time, Non-exempt, ASFCME Grade 16; Reclassification and retitling of the Clay and Print Studio Manager, a Regular, Full-time, Nonexempt, ASFCME Grade 15 to Clay Studio Coordinator, a Regular, Full-time, Non-exempt, ASFCME Grade 16; Reclassification and retitling of the Artist Coordinator, a Regular, Full-time, Non- exempt, ASFCME Grade 14 to Art Services Coordinator a Regular, Full-time, Non- exempt, AFSCME Grade 15; Reclassification and retitling of the Art Director, a Regular, Full-time, Exempt Non-union Grade 16 to Design Director, a Regular, Full-time, Non-exempt, Non-union Grade 17; Reclassification of the Education Director, a Regular, Full-time, Exempt Non-union Grade 18 to a Regular, Full-time, Non-exempt, Non-union Grade 20

VOTING: unanimous; motion carries.

4.2 Ordinance: Technical Amendments to Article VI of Chapter 21 of the Burlington Code of Ordinances, Commencing at Section 21-80, Livable Wages, to Streamline Enforcement and Other Processes – City Attorney’s Office/CT

Assistant City Attorney Ramakrishnan began by noting that the goal of this is to streamline the administration of the Livable Wage Ordinance, given the loss of the City’s compliance officers and the need to bring this in-house. He said the ordinance has a provision to inflate the amount of wages needed to replace healthcare premiums, if healthcare benefits are not offered by an employer. He noted that they have updated this to use an inflationary factor specific to healthcare. He said another of the modifications is to align with the methodology used in the Joint Fiscal Office’s report. He further spoke about aligning the livable wage ordinance with Davis-Bacon wage levels. He said that if Davis-Bacon levels become lower than the livable wage, they could amend the ordinance (but said that this scenario is unlikely). He then spoke about a tweak to the ordinance on line 137 to specify that this sentence applies to highway or heavy construction projects covered under the Davis-Bacon Act, given that this covers the vast majority of City contracts and is higher than other Davis-Bacon categories. Councilor Carpenter said that tracking Davis-Bacon wages is sometimes difficult for employers, and said the City should make sure that the ordinance does not make employers need to keep two sets of books in order to comply. Assistant City Attorney Ramakrishnan also spoke about modifications, including requiring contractors with contracts in excess of \$50,000 to submit certified payroll information along with their invoices, as well as adding language allowing the Chief Administrative Officer to exercise existing rulemaking authority.

City Council President Traverse asked how inflating the healthcare factor will impact existing contracts. Assistant City Attorney Ramakrishnan replied that the factor needed to be updated to reflect higher healthcare costs.

Councilor Carpenter noted that these changes will more significantly affect smaller nonprofits than larger businesses with whom the City does business. Mayor Mulvaney-Stanak agreed, noting that it is also important to accurately reflect the true cost of health insurance and how it affects employees as well as employers.

City Council President Traverse asked about the paid leave provisions, noting additional language about the number of days being pro-rated to the length of the contract, and seeking further clarity on this intent. Assistant City Attorney Ramakrishnan replied that the pro-rated language is intentional, given that there are some very short-duration contracts that the City holds. City Council President Traverse asked about the provision that would allow employees to cash out unused paid time off days at the end of a contract term, and Assistant City Attorney Ramakrishnan replied that this is in alignment with current City policy (even if it goes above and beyond what is required by Vermont law). City Council President Traverse asked how much extra time goes into ensuring compliance with the Davis-Bacon requirements, and whether the City should continue status quo practice of reviewing all contracts. Councilor Carpenter pointed out that the City can always amend the ordinance in the future if it needs to. City Council President Traverse asked if there are any other areas where rulemaking is conducted by the Chief Administrative Officer without City Council approval, and Assistant City Attorney Ramakrishnan replied that the City does not have a common practice of rulemaking without City Council approval in other areas. City Council President Traverse said he has

some discomfort with removing the City Council prior to promulgating other rules. Councilor Carpenter said she is supportive of allowing the CAO to conduct rulemaking in this area, and Councilor Barlow noted that he could be swayed one way or the other. City Council President Traverse suggested adding language to the ordinance saying that any new rules must be communicated to the Board of Finance and posted to the City's website.

MOTION by City Council President Traverse, SECOND by Councilor Carpenter, to recommend that the City Council approve the proposed ordinance making technical amendments to the City's Living Wage Ordinance, subject to the amendments at line 93 and 137 limiting coverage under Davis-Bacon to highway and heavy construction contracts, and subject to amendments to lines 141-142 requiring prompt communication of administrative rules to the Board of Finance.

VOTING: unanimous; motion carries.

5.0 ADJOURNMENT

5.1 Motion to Adjourn

With no further business and without objection the meeting was adjourned at 6:49 PM.

RScty: AACoonradt