BURLINGTON BOARD OF FINANCE
BUSHOR CONF. ROOM, FIRST FLOOR, CITY HALL *OR*
REMOTE MEETING WITH CALL-IN NUMBER
BURLINGTON, VERMONT
MINUTES OF MEETING
DRAFT
May 30, 2023

MEMBERS PRESENT:	Karen Paul Ali Dieng (via Zoom) Joe Magee Mark Barlow Miro Weinberger
OTHERS PRESENT:	Katherine Schad Jordan Redell Brian Pine Chapin Spencer Jared Pellerin Megan Moir Darren Springer Emily Stebbins-Wheelock Munir Kasti Samantha Dunn Erin Moreau Laura Wheelock Nic Longo

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1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the Board of Finance meeting to order at 6:11 PM.

MOTION by Councilor Magee, SECOND by City Council President Paul, to adopt the agenda.

VOTING: unanimous; motion carries.

2.0 PUBLIC FORUM (VERBAL)

2.01 Verbal Comments

Sharon Bushor spoke about the need for a work session on the budget with the City Council. She also urged the City not to exercise the authority to increase municipal taxes without consulting the voters.

3.0 CONSENT AGENDA

3.01 motion to adopt the consent agenda and take the actions indicated
3.02 Authorization to accept ARPA grant funds and Execute the Associated MOU for a Public-Private Partnership Stormwater Water Quality Project - DPW - Water Resources - 1. To approve and recommend to the City Council that the Director of the Department of Public Works be authorized to execute a grant agreement with Vermont DEC for up to $705,504.00 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. To authorize the execution of a MOU between the City and the P3 private parties: Antonio B. Pomerleau, LLC and Champlain Housing Trust, establishing the roles and responsibilities of administering said grant funds, subject to final review and approval by the City Attorney's Office.
3.03 Request for Acceptance of American Rescue Plan Act (ARPA) 2022 Pretreatment Grant Funds for Businesses and Municipalities - DPW - Water Resources - approve and recommend that the City Council authorize the Director of Public Works to execute a grant agreement for $183,188 with the Vermont Department of Conservation for ARPA Pretreatment Grant funds to be used for the further development of the City's Industrial Pollution Prevention Program, subject to the prior review and approval of the City Attorney's Office.
3.04 Engineering Services for Harbor Dredging Contract (Board of Finance Approval Only) – BPRW - approve and authorize the execution of a contract with Geosyntec for a price not to exceed $77,388 for the Waterfront Harbor Dredging project, plus a project contingency of $7,739, and to authorize Cindi Wight, Director of Parks and Recreation, to execute the contract and any related documents needed to carry out the project, subject to the review of the City Attorney's Office.
3.05 Roosevelt Park Comprehensive Plan Contract (Board of Finance Approval Only) – BPRW - approve and authorize the execution of a contract with VIEWSHED for a price not to exceed $52,630 for the Roosevelt Park Comprehensive Plan project, a project contingency of $7,895, and to authorize Cindi Wight, Director of Parks and Recreation, to execute the contract and any related documents needed to carry out the project, subject to the review of the City Attorney's Office.
3.06 Authorization To Submit 2023 Burlington One-Year Action Plan – CEDO - recommend that the City Council approve the attached resolution.
3.07 Substantial Change Request to VEPC - Downtown Tax Increment Financing District – CEDO - approve the City's substantial change request to VEPC (Vermont Economic Progress Council) for its Downtown TIF District and authorize City Council President Karen Paul and Chief Administrative Officer Katherine Schad to execute the attached formal request letter.
3.08 Approving Obtaining Standby Letter(s) Of Credit For The City's Workers' Compensation Program – CT - recommend that the City Council approve the attached resolution.
3.09 Request to Adjust Contract with Motorola Solutions and Execute a Contract with Burlington Communications for installation of our Public Safety Communication System – Fire - authorize and recommend that the City Council authorize the reduction of the Motorola Solutions contract limiting amount to $3,623,631.00 and to further authorize the Fire Chief to execute a contract with Burlington Communications for public safety communication system installation, with a maximum limiting amount of up to $208,659.00, which is the contract cost and a ten percent (10%) contingency, subject to the review and approval of the City Attorney's Office.
3.10 Request to Execute a Contract for Bituminous Paving of Airport Circle with SD Ireland Construction and a budget neutral amendment – Airport - 1. "To approve and recommend that the City Council authorize the Director of Aviation execute a contract with SD Ireland Construction in the amount of $126,800.00 with a 15% contingency totaling up to $145,820.00 for the paving of a portion of Airport Circle, subject to review and approval of the City Attorney's Office;" and 2. To approve and recommend that the City Council approve a budget neutral amendment in the amount of $127,000 to the Fiscal Year 2023 Airport budget by increasing the accounts as described in the affiliated memorandum."

3.11 Request for Approval of a $513,015 Budget Neutral Amendment to the FY2023 Burlington International Airport Budget - Airport - approve and recommend that the City Council approve a budget neutral amendment in the amount of $513,015 to the Fiscal Year 2023 Burlington International Airport budget by increasing the accounts as described in the affiliated memorandum.

MOTION by Councilor Barlow, SECOND by Councilor Magee, to adopt the consent agenda and take the actions indicated for items 3.01-3.11.

VOTING: unanimous; motion carries.

4.0 FOR APPROVAL AND RECOMMENDATION TO CITY COUNCIL

4.01 Authorization to Execute Contract with Chittenden Solid Waste District for 2024-2028 Wastewater Biosolids disposal - DPW - Water Resources

MOTION by City Council President Paul, SECOND by Councilor Magee, to approve and recommend that the City Council approve the participation agreement and authorize Chapin Spencer, DPW Director, to execute a contract with CSWD for sludge disposal with the amounts and fee schedule described in the Contract between CSWD and Casella Organics, subject to the prior review and approval of the City Attorney's office.

VOTING: unanimous; motion carries.

4.02 BED FY24 Rate Change – BED
General Manager Springer said that they are seeking to advance a 5.5% rate increase to the Public Utilities Commission (PUC) for FY24. He said that BED has tried to run as leanly as possible and to hold down controllable costs as much as possible, and that this rate would help to maintain the department's credit rating and give extra days cash on hand. He emphasized that BED's residential rates would still be the lowest in Vermont and New England.

Councilor Magee asked about outreach to customers to make them aware of the assistance program and how many customers have signed up for and are being assisted by the program so far. General Manager Springer replied that around 135 customers have been approved for assistance so far and that they are engaging stakeholders and partners (such as the Champlain Valley Office of Economic Opportunity) to help with more outreach to customers to spread the word. He said that they hope to eventually reach 800-1,500 residential customers based on enrollment of eligible customers for similar assistance programs.

MOTION by Councilor Magee, SECOND by Councilor Barlow, to recommend the City Council authorize the General Manager of the Burlington Electric Department or their designee to file tariff amendments and supporting documents with the Vermont Public Utility Commission requesting an increase in Burlington Electric Department rates of 5.5 percent on bills rendered starting September 1, 2023 as proposed.
DISCUSSION:

- **Councilor Dieng asked what the percentage of rate increases across the last three years has been. General Manager Springer replied that they asked for a 7.5% rate increase coming out of the pandemic, a 3.9% increase last year, and this 5.5% increase. He noted that these increases are still below the rate of inflation over this multi-year period. Councilor Dieng emphasized the importance of keeping sustainability in mind and being conservative with rate increases.**

VOTING: unanimous; motion carries.

4.03 Organizational Chart Update - BED/HR
General Manager Springer said that this request is coming on the heels of a challenging time in recruitment and retention, as well as significant periods of time with vacancies for positions. He walked through proposed changes in the following areas: Engineering/Grid Services, Generation, and Finance/Informational Services. He noted that these changes account for a number of retirements that will be coming in the next several years.

Councilor Barlow asked about BED's ability to attract and hire individuals for positions and whether that is due to a lack of candidates or that the salary or benefits aren't competitive. General Manager Springer replied that he believes the salaries at BED are competitive but that the pool of potentially qualified applicants is more limited than it had been in the past and that they are also losing candidates to outside consulting firms.

MOTION by Councilor Dieng, SECOND by Councilor Barlow, to approve and recommend approval to the City Council for the:
• Modification, retitle, and reclassification of Director of Grid Services to Director of System Operations, a Regular, Full-time, Exempt, Non-union, Grade M29 ($94,216.00-$140,902.00) position.
• Addition of a new Supervisory Control and Data Acquisition (SCADA) Engineer tiered position reporting to the Director of Engineering, a Regular, Full-time, Exempt, Non-Union: Senior SCADA Engineer Grade MF3 ($97,961.34-$160,936.46), SCADA Engineer Grade M21 ($83,686.93-$128,748.67), and Associate SCADA Engineer Grade M20 ($67,996.03–104,608.19).
• Modification of the job description for Director of Engineering position to oversee the SCADA Engineer and SCADA system.
• Addition of a 5th Shift Supervisor, a Regular, Full-time, Exempt, Non-Union, Grade H15 ($66,925.04-$109,711.89) position.
• Conversion of the General Plant Worker position to an Engineering Production Technician I, a Regular, Full-time, Non-Exempt, Union, Grade 11 ($50,625.12-$82,992.00) position.
• Conversion of the existing Senior Generation Engineer position to Director of Generation Engineering & Maintenance, reporting to COO/Manager of Utility Services and Engineering, a Regular, Full-time, Exempt, Non-Union, Grade M30 ($112,029.00 -$173,744.00) position.
• Conversion of the Director of Generation position, a Regular, Full-time, Exempt, Non-Union, Grade M19 ($137,232.58-$190,893.25) to a Generation Engineer reporting to Director of Generation Engineering & Maintenance, a Regular, Full-time, Exempt, Non-Union, tiered position: Senior Generation Engineer Grade MF3 ($97,961.34 - $160,936.46), Generation Engineer Grade M21 ($83,686.93 - $128,748.67), and Associate Generation Engineer Grade M20 ($67,996.03 –$104,608.19).
• Updating the job description for Supervisor of Generation to Director of Generation Operations, reporting to COO/Manager of Utility Services and Engineering, a Regular, Full-time, Exempt, Non-Union, Grade M30 ($112,029.00 -$173,744.00) position.
• Changing the reporting structure for Supervisor of Plant Maintenance from Supervisor of Generation to Director of Generation Engineering & Maintenance.
• Changing the reporting structure for Chief Forester from Director of Generation to COO/Manager of Utility Services and Engineering.
• Changing the reporting structure for Business Coordinator Generation from Director of Generation to COO/Manager of Utility Services and Engineering.
• Adding a second Accounting Administrator II position, a Regular, Full-time, Non-Exempt, Union, Grade 8 ($47,283.18-$77,513.49).
• Adding a Project Manager/Business Analyst-CIS position, a Regular, Full-time, Exempt, Union, Grade A04 ($62,704.72-

$102,794.64), reporting to Director of Information Technology.
• Updating the job description for Director of Information Technology to increase the number of direct reports.

VOTING: unanimous; motion carries.

4.04 Request to Execute a Contract with Michael Van Valkenburgh Associates for Phase 2 Conceptual Design and Scoping at Moran Frame – CEDO
Assistant Director Dunn said that this is a request to execute a design contract for the Phase 2 design work for the Moran Frame project.

MOTION by Councilor Magee, SECOND by City Council President Paul, to approve and recommend that the City Council approve and authorize the Director of the Community & Economic Development Office to enter into a contract with Michael Van Valkenburgh Associates for the purposes of phase two conceptual design and scoping work at the Moran Frame, with a maximum limiting amount of 279,500, subject to final review and approval of the City Attorney's Office.

VOTING: unanimous; motion carries.

4.05 Waterfront Overnight Security Contract – BPRW
Superintendent Moreau said that they are seeking a contract for waterfront overnight security and will fund it through seasonal staff funding. They noted that the overnight security would be provided from 10:00 PM to 6:00 AM.

MOTION by City Council President Paul, SECOND by Councilor Barlow, to recommend that the City Council approve the contract with Green Mountain Concert Services to provide waterfront overnight security services for an amount not to exceed $130,000, and to authorize Cindi Wight, BPRW Director to execute the contract and any related documents, subject to review by the City Attorney's Office.

VOTING: unanimous; motion carries.

4.06 Great Streets Main Street Resident Engineering and Outreach Consultant Authorization to Award and Design Contract Amendment #7 with Vanasse Hangen Brustlin, Inc. – DPW
Senior Engineer Wheelock said that the first request is for a contract for resident engineering and public outreach consultant services to conduct quality control assurances for staff, site safety, and traffic control plans. She said that this project would take a similar approach to the Champlain Parkway and Shelburne Street Roundabout projects. She noted that this bidder's proposal was reasonable and response. She noted that this second action is for an amendment to an existing design consultant contract.

MOTION by City Council President Paul, SECOND by Councilor Magee, to 1. To approve and recommend that the City Council authorize the Director of Public Works to execute a contract, subject to City Attorney review and approval, with EIV Technical Services, LLC. (EIV) in the amount of $1,636,876.00, and authorize the use of an additional $163,124.000 (10%) in contingency funds to be available to use toward any necessary future contract amendments, and further authorize execution of any such necessary amendments upon review and approval by the City Attorney's Office, for a total authorized amount of $1,800,000.00 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 Amendment #7 to the design contract, subject to City Attorney review and approval, with Vanasse Hangen Brustlin, Inc. (VHB) in the amount of $278,108.00, bringing the total

contract value up to $2,545,677.00, and authorize the use of an additional $100,000 in contingency funds to be available to use toward any necessary future contract amendments, and further authorize execution of any such necessary amendments upon review and approval by the City Attorney's Office, for a total authorized amount of $2,645,677.00 for the development of the design of the Great Streets Main Street project.

VOTING: unanimous; motion carries.

4.07 Rubber Removal for Runway 15/33 at Patrick Leahy Burlington International Airport – Airport
Aviation Director Longo said that this is for a contract to implement rubber removal on one of the airport's runways, to improve the breaking action of planes as well as reduce the markings left by rubber (which obscure the painted markings on the runway).

MOTION by Councilor Barlow, SECOND by Councilor Dieng, to approve and recommend to the City Council that the Director of Aviation be authorized to execute a two-year contract with Hi-Lite Airfield Services, LLC, for $102,000.00, with a 20% contingency, with a maximum limiting amount of $ 122,400.00 to supply and implement rubber removal on Runway 15/33 to improve aircraft braking action and reduce marking obscuration at the Patrick Leahy Burlington International Airport, subject to the final review and approval by the Office of the City Attorney.
<u>DISCUSSION:</u>

- **Councilor Magee asked if the FAA is assisting with funding for this project, and Aviation Director Longo replied that no, this isn't a project that the FAA would fund.**

VOTING: unanimous; motion carries.

4.08 Authorization to Execute a Contract for the Supply and Installation of Airfield Pavement Marking at the Patrick Leahy International Airport – Airport
Aviation Director Longo said that this is a request for a contract for airfield pavement markings. He noted that the majority of pavement marking work is conducted internally by Airport staff, but that the markings specific to this project are very technical and detailed, and require specialized equipment. He noted that this work must be completed by July 14, 2023 in order to prepare for the FAA's annual safety standards inspection.

Councilor Dieng asked about the timing for this contract, and Aviation Director Longo replied that they were not able to conduct this work too early in the year (given potential for harsh weather and cold temperatures), but that it must be conducted prior to the middle of July.

MOTION by Councilor Dieng, SECOND by City Council President Paul, to approve and recommend to the City Council that the Director of Aviation be authorized to execute a contract with Hi-Lite Airfield Services, LLC, for $123,555.96 with a 30% contingency with a maximum limiting amount of $160,622.75 for the supply and installation of taxiway and ramp markings on requested taxiways, runways, and ramps at the Patrick Leahy Burlington International Airport, subject to the final review and approval by the Office of the City Attorney.

VOTING: unanimous; motion carries.

5.0 OTHER BUSINESS

5.01 BCDC Annual Meeting to be held on June 12th to elect officers (and that due to Covid the BCDC board missed annual meetings in FY21 and FY22)
Director Pine spoke about the Burlington Community Development Corporation (BCDC), which allows the community to play a more active role in building and sustaining a strong local economy by making strategic investments to promote community and economic development. He noted that the bylaws stipulate that the board for the corporation is the Board of Finance and that the legal services for the BCDC are provided by outside counsel. He noted that the CEDO Director and staff typically work on BCDC matters. He noted that the corporation's annual meetings have not been held since COVID, but they will be holding a 2023 annual meeting on June 12. He provided an overview of the properties owned by BCDC in the City.

City Council President Paul said it would be valuable to spend some time educating the Council and others on what BCDC is, as it has not met in several years and some people may not be as aware of it and its purpose.

6.0 FY2024 GENERAL FUND BUDGET UPDATE

6.01 FY 2024 General Fund Budget Update – CAO
Chief Administration Officer Schad provided a follow-up presentation to the Board's May 8th presentation on the FY24 General Fund budget. She began by providing context for the budget, noting a $5 million gap in the budget due to various reasons and also noting that the Board of Finance met over the course of May to review each aspect of the budget and provide feedback. She said that based on this, staff have answered questions and incorporated feedback into the budget, as well as work to address the $5 million gap utilizing the City's budget principles. She said that this has resulted in a revised General Fund budget proposal of $100.6 million. She briefly noted late-breaking changes that were a result of material errors in the health and liability insurance budgets, which are being corrected by the use of an additional $500,000 from the Assigned Fund Balance for Insurance and $400,000 from the Unassigned Fund Balance.

Chief Administration Officer Schad spoke about each of the budget gap challenges ($1 million in fleet costs, $1.3 million in increased BPD personnel costs, $950,000 of increased BFD personnel costs, and $1.7 million in COLA increases as well as general inflationary pressures) and how the administration proposes to address each challenge. She noted that for fleet needs, they will hire a consultant to work with the Fleet Committee to make recommendations to the City Council for comprehensive fleet management plan and more stable funding. She noted that for the increased police costs, they will use $500,000 in one-time public safety investments and $800,000 reallocated from the ARPA Revenue Replacement Reserve. She noted that for the increased personnel costs in the Fire Department, they will reallocate $200,000 from the ARPA Revenue Replacement Reserve and $750,000 from the Assigned Fund Balance for potential initiatives that are no longer needed. She noted that for COLA increases, the administration is proposing to use the adjustment to the Parks appropriation, as well as make other adjustments and cuts in other departments. She noted remaining issues for the budget including continuing to review several personnel cost assumptions, ensuring adequate budgets for all proposed revenue studies, and finalizing capital and non-General Fund budgets.

Chief Administration Officer Schad provided a summary of the proposed municipal tax rate for FY24, which would increase by 5.8%. She noted that this increase includes an additional $0.005 to the dedicated street capital and greenbelt tax to allow for additional patching, and includes raising exemption for the Business Personal Property Tax from $45,000 to $75,000. Director Spencer noted that this capital/greenbelt tax revenue could also translate into an additional half-mile of paving, which is more durable than patching.

Chief Administration Officer Schad spoke about the next steps for passing the FY24 budget. These include a final budget discussion with the Board of Finance on June 12, the submission of the budget to the City Council by the Mayor on June 15, a discussion by the City Council at its June 20 meeting, and an additional meeting with the Council on June 26, if needed.

Chief Administration Officer Schad spoke about looking ahead to FY25 and beyond, recognizing that the use of one-time funding to shore up budget gaps is not a sustainable strategy. She noted that many of the budget challenges are likely to intensify in future years, and that the Administration will be proactive in implementing numerous revenue and operational studies in the first half of FY24, as well as developing a capital plan to meet the City's needs before additional bond capacity is available, increasing sources of non-property tax revenue, developing a sustainability plan to fund expanded public safety, and reporting on expenses and revenues to the Board of Finance on a quarterly basis.

Councilor Magee said that given other tax increases that Burlingtonians would be facing, he is not supportive of increasing the dedicated street capital and greenbelt tax.

Councilor Barlow asked for more detail on how much of a tax bill increase the parks-specific portion of the tax increase would end up being. Chief Administration Officer Schad replied that staff will produce this information for the Council's consideration. Councilor Barlow asked how much patching could be done with the increased funding from the capital/greenbelt tax increase. Director Spencer replied that it depends on the dimensions of the patches, but that the final work plans have not yet been submitted (since this is a new proposal). He said that the intent is to add this increased tax revenue to base funding year-over-year. Councilor Barlow asked more generally if the City is studying potential efficiencies in its structures, as well as whether additional funding from the State level could free up money or debt capacity that could be used elsewhere. Chief Administration Officer Schad noted that her department and DPW are working to increase efficiencies and how this can be rolled out to each department.

Councilor Dieng expressed concern that the Unassigned Fund Balance is not healthy and that there are issues with rate increases in enterprise funds. He expressed concern about any tax increases for the City. Mayor Weinberger replied that this proposed budget would have an Unassigned Fund Balance of over 9% as well as additional reserves of $1 million, and would counter that the City's reserves are healthy.

7.0 ADJOURNMENT

7.01 Motion to Adjourn

With no further business and without objection the meeting was adjourned at 8:05 PM.

RScty: AACoonradt