# Board of Finance - Monday, August 28, 2017 at 5:00 p.m.
# Conference Room 12, City Hall
# 8/28/2017

**BURLINGTON BOARD OF FINANCE**

**CITY HALL**

**BURLINGTON, VERMONT**

**MINUTES OF MEETING**

**August 28, 2017**

**MEMBERS PRESENT:** Mayor Miro Weinberger [arrived 5:24 PM]

Jane Knodell [arrived 5:14 PM]

Sharon Bushor

Karen Paul

Kurt Wright [arrived 5:07 PM]

**OTHERS PRESENT**: Bob Rusten, CAO

Rich Goodwin, DFO

Eileen Blackwood, City Attorney

Beth Anderson, CIO

Susan Leonard, HR

Stephanie Reed, HR

Lyn Reagan, HR

Ben Pacy, HR

Mary Danko, Library

Chapin Spencer, DPW

Martha Keenan, DPW

Norm Baldwin, DPW

Laura Wheelock, DPW

Megan Moir, Water Resources

Gene Richards, BTV

Nic Longo, BTV

Amanda Clayton, BTV

Noelle Mackay, CEDO

Todd Rawlings, CEDO

Jeff Tangay, CEDO

Morgan True, Vermont Digger

[Note: Minutes reflect the order of the published agenda.]

**1.0 CALL TO ORDER and AGENDA**

Until the arrival of Mayor Weinberger, CAO Rusten facilitated the meeting and called to order at 5 PM on August 28, 2017.

1.01 Agenda

**MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve the agenda as presented. VOTING: unanimous [Mayor Weinberger, Councilor Knodell, and Councilor Wright not present for vote]; motion carried.**

**2.0 PUBLIC FORUM**

There were no comments from the public.

**3.0 MINUTES**

3.01 August 7, 2017

**MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve the minutes of 8/7/17 as written.**

**<u>DISCUSSION</u>:**

- **Councilor Bushor requested an update on the policy on limited service versus regular for transition to a new position. Councilor Paul noted the HR Committee will be discussing this topic.**

**VOTING: unanimous [Mayor Weinberger, Councilor Knodell, and Councilor Wright not present for vote]; motion carried.**

**4.0 BOARD OF FINANCE APPROVAL**

4.01 Contract with AECOM – Airport

**MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve the contract with AECOM for a pavement management system update at the airport.**

**DISCUSSION:**

- **In answer to a question by Councilor Bushor on who AECOM will be working with Amanda Clayton, Director of Airport Engineering, said Airport Operations will be working with the contractor for safety along the runway.**
- **Gene Richards, Director of Aviation, mentioned the recent FAA inspection at the airport which noted pavement condition number (PCN) as the only item on the list that needed to be addressed at the airport. The PCN categorizes the capacity of the runway for aircraft that can use the runway.**

**VOTING: unanimous [Mayor Weinberger, Councilor Knodell, and Councilor Wright not present for vote]; motion carried.**

4.02 Contract with Competitive Computing - IT

**MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve the contract with Competitive Computing for the consolidated data center design. VOTING: unanimous [Mayor Weinberger, Councilor Knodell, and Councilor Wright not present for vote]; motion carried.**

4.03 Contract with Green Mountain Concert Services - Library

**MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve the contract with Green Mountain Concert Services for security guard service at the library.**

**DISCUSSION:**

- **Councilor Bushor asked if there had been discussion of having police versus a security service. Library Director, Mary Danko, said there was discussion and pricewise the cost is close. Other departments use Green Mountain Concert Services so the plan is to group the need together to get better contracting pricing.**
- **Councilor Bushor commented the library interfaces so closely with the public and the police have a few more tools available to them in this situation.**

**VOTING: unanimous [Mayor Weinberger and Councilor Knodell not present for vote]; motion carried.**

## 5.0 APPROVE AND RECOMMEND TO CITY COUNCIL

5.01 Accept Airport Grant for Master Plan Update - Airport

**MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council to approve and accept the airport grant for the master plan update.**

**DISCUSSION:**

- **Councilor Bushor asked who approves any over spending for the project. Amanda Clayton, Airport Engineering, said the FAA approves funding upfront and it is very unlikely there will be overspending with planning projects, especially if there is reimbursement.**
- **Councilor Bushor noted the communication references an additional $20,000, but the resolution does not. Amanda Clayton, Airport Engineering, said the grant is over two subcontracts of low dollar amounts (less than $10,000). Every AIP project has approximately $20,000 in associated administrative costs.**

**VOTING: unanimous [Mayor Weinberger and Councilor Knodell not present for vote]; motion carried.**

5.02 Reclassify Criminal Identification Technician Position – BPD and HR

**MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve and recommend to City Council for approval the reclassification of the Criminal Identification Technician position. VOTING: unanimous [Mayor Weinberger and Councilor Knodell not present for vote]; motion carried.**

5.03 Reclassify Two Public Works Engineer Positions and Create Associate Public Works Project Coordinator Position – DPW and HR

**MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council for approval the reclassification of two Public Works Engineer positions and the creation of an Associate Public Works Project Coordinator.**

**DISCUSSION:**

- **Councilor Bushor commented positively on the model of moving existing engineers into senior engineer positions.**

**VOTING: unanimous [Mayor Weinberger, Councilor Knodell, and Councilor Wright not present for vote]; motion carried.**

5.04 Reclassify CJC Office Assistant II from Limited to Regular – CEDO and HR

5.05 Create Projects and Policy Specialist II Position – CEDO and HR

**MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve and recommend to City Council for approval the reclassification of CJC Office Assistant II from Limited to Regular and to create a Projects and Policy Specialist position.**

**DISCUSSION:**

- **Councilor Bushor said even with a Projects and Policy Specialist II position the CEDO Director still needs to be the direct link with the Town Center project. CEDO Director Mackay said the CEDO Director is cc'd on all projects.**

**VOTING: unanimous [Mayor Weinberger and Councilor Knodell not present for vote]; motion carried.**

5.06 Authorization for CJC to Amend the Safer Communities Grant - CEDO

**MOTION by Councilor Paul, SECOND by Councilor Wright, to approve and recommend to City Council for approval the authorization for CJC to amend the Safer Communities grant.**

**DISCUSSION:**

- **Councilor Bushor said she would have liked to have a brief synopsis of how the money is to be spent.**

**VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.**

5.07 Accept Lead Hazard Control Grant from HUD - CEDO

**MOTION by Councilor Knodell, SECOND by Councilor Paul, to approve and recommend to City Council for approval the Lead Hazard Control grant. VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.**

5.08 Renew Property/B&M Insurance - BED

**MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council for approval the renewal of the property/B&M insurance. VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.**

5.09 Authorization to Accept Cherry Street Encumbrance Application for Burlington Town Center – DPW

Mayor Weinberger assumed facilitation of the meeting.

Councilor Bushor asked for clarification on whether the encumbrance will impact the buses and the transit center. DPW Engineer, Norm Baldwin, explained three bus stops on the north side of Cherry Street will be displaced. One will be repositioned on Pine Street and one on Pearl Street adjacent to Pine Street and Pearl Street. The transit center will not be impacted. Megabus and taxis picking up people will not be impacted. The stops are transit spaces serving breaks for drivers in the mornings. According to Green Mountain Transit there will not be an impact other than displaced parkers.

Councilor Knodell mentioned the final development agreement needing to be in place. Mayor Weinberger explained nothing is changing in the regulatory process for the project. What is being granted with the encumbrance permit is typical to what is granted with other projects with one exception and that is the Public Works Commission sign off on some of the displaced parking being allocated to the existing parking garage. This is not an issue central to the development agreement and not a concern given the conditions that go with the encumbrance permit. The rights of the encumbrance permit cannot be utilized until all other necessary permits are secured, and that ensures the issues being negotiated in the development agreement should come to resolution before the encumbrance permit gets used.

Councilor Knodell asked the effective date. City Attorney Blackwood said the effective date is September 1st, but all permits must be secured in order to start work. Councilor Knodell commented in a perfect world the development agreement would have been settled first. Burlington Town Center wants to see this move forward and is getting something, but what will the city be getting. Also, the Public Works recommendation of paying a fee for creating new spaces is not clear. That language is in the license agreement. City Attorney Blackwood said it is being set up so BTC can choose. DPW Engineer Baldwin added loss of parking to businesses on the street is what the city is trying to avoid as much as possible. The developer is trying to avoid additional costs. The city's focus is to serve the businesses on Bank Street impacted by the loss of parking. The alternate serves both the developer and the city. There is an input in that the Traffic Fund is not made completely whole because of the loss of parking. The Public Works Commission agreed to the alternative assuming the 13 spaces will be displaced to the Lakeview parking garage at the market rate. There is a third alternative being considered to make the street one-way with no loss of parking.

Councilor Knodell referred to the memo to City Council from Norm Baldwin, dated 8/22/17, on Page 2, third paragraph that defines the encumbrance area, noting the street needs to be corrected to St. Paul Street.

Councilor Bushor asked who would be involved in making Bank Street one way traffic, stressing that the community should be informed of such a change. Mayor Weinberger said there will be a public forum to hear comments. DPW Engineer Baldwin added the process would have to go through public vetting and the Public Works Commission to decide on the alternative. The situation would be temporary through the construction period (Stage 1 is 12 months). Councilor Bushor said the traffic pattern downtown will change so much thought should be given to the matter. Also, it should be stated that nothing will happen until the development agreement is signed. Mayor Weinberger said it must be asked if there is a better way to meet the public goals in the area. What has been approved by the Public Works Commission has some public impact (loss of parking). The city may feel this is a good tradeoff from the public perspective. To have the parking back means a one-way street in a part of the city with some compromised circulation already. It will be determined by city staff and the Public Works Commission whether this is in the public interest to do this.

Martha Keenan, DPW Project Manager, said there will be a meeting with the businesses to show the impacts. Councilor Bushor stressed the process needs to be broader to get input from people who navigate the area on how problematic having the street be one-way will be. Mayor Weinberger said city decision making has multiple parties involved. Action was taken by the Public Works Commission and now the matter is before the Board of Finance.

Councilor Knodell pointed out the agreement specifies when work can begin. City Attorney Blackwood said the agreement also says all permits must be secured. This is the same format used with other developers for licenses. The license agreement is with the contractor and if they do not have the permit that lets the work happen then the project cannot move forward.

Councilor Bushor said the relationship of street improvements to the project is confusing. Clarity is needed to say the city will not move forward with the investment for the improvements if the agreement does not move forward because the city is expecting to be reimbursed for some costs. Mayor Weinberger said the public infrastructure investment is not directly relevant to the encumbrance permit. The encumbrance permit is so the developer can move his project forward. City

Attorney Blackwood added the bulk is private improvements on private property. The city has not yet worked out anything with the developer for the streets. Mayor Weinberger stated the encumbrance permit is about the impacts on the public right-of-way that the developer is allowed to have on the existing streets as has been done many times with other developments. The bulk of the construction will be private improvements that can be separated entirely from public improvements on the new streets to be built. This is not delineating impacts when the new streets are built.

**MOTION by Councilor Paul, SECOND by Councilor Knodell, to approve and recommend to City Council for approval authorization to accept the 75 Cherry Street encumbrance application by Burlington Town Center.**

**DISCUSSION:**

- **Councilor Bushor said she will not prohibit moving forward, but she would like more conversation.**
- **CEDO Director is the direct link to the Town Center project.**

**VOTING: unanimous; motion carried.**

5.10 Authorize Purchase and Finance of Wastewaster Pump Truck - DPW

**MOTION by Councilor Bushor, SECOND by Councilor Knodell, to approve and recommend to City Council for approval the purchase and financing of a wastewater pump truck. VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.**

5.11 Authorize Use of Council Initiative Funds for Neighborhood Clean Up Events – City Council

**MOTION by Councilor Knodell, SECOND by Councilor Wright, to approve and recommend to City Council for approval the authorization to use City Council initiative funds for neighborhood clean up events. VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.**

5.12 June Monthly Financials – C/T

CAO Rusten reported:

- A $4 million surplus in the General Fund is anticipated of which $1 million is budgeted and $950,000 is from the sale of Browns Court so essentially the surplus is $2 million based on how the fiscal year ended.
- The surplus roughly translates to $1.2 million of underspent salaries in the General Fund. Two consultants were included in the budget to look at the General Fund structure (asset management), but were not hired so there was $200,000 that was not spent. There was $100,000 underspent in utility costs. There was also $100,000 underspent for travel and $400,000 underspent for IT.
- City Council approved $2.2 million of the $4 million for FY18 expenditures which leaves $1.8 million remaining. Fund 150 (health insurance) is overspent and some of the funds will be used there so the balance will be between $1 million and $1.5 million.
- The unassigned fund balance will increase from $6 million to $7 million or $7.5 million.
- Church Street Marketplace overspent its budget by approximately 1% which was covered by their surplus. An explanation of the overspending has been requested.

Councilor Paul asked if the underspending of salaries is due to lag in filling positions. CAO Rusten said lag and unexpected resignations with the replacement person starting at a lower salary than budgeted are the reasons. An attrition number has been included for this and for employees being out of work on workers compensation. Attrition was increased in FY18 in each department to address turnover and salary.

5.13 June-July Sweep Account – C/T

DFO Rich Goodwin reported:

- Cash balance as of 7/31/17 is $28.9 million.
- The fund balance continues to grow. FY17 was a strong year.
- All cash balances are on par with the prior month.
- There has been a lag with Burlington Telecom due to their books being closed. The city received a payment of $186,000 on 8/4/17 which reduced the balance owed by BT.

CAO Rusten said there has been discussion with Burlington Telecom about the lag in payments. The lag is not expected to continue.

Councilor Paul observed the cash on hand in July is slightly lower due to higher operating expenses than the prior month and asked if this is a trend or a specific operating expense. DFO Goodwin said August will be a good month due to tax collections on August 12th. There were bond payments in July so expenses were high.

**6.0 COMMUNICATION**

6.01 Door Access System – DPW

No report.

6.02 Bike Path Phase 2 Construction Qualified Environmental Professional Contract Amendment – Parks & Rec

No report.

**7.0 ADJOURNMENT**

Councilor Knodell noted future agenda items include an update on the changes to the retirement system and limited service versus regular positions.

With no further business and without objection the meeting was adjourned at 5:53 PM.

*RScty: MERiordan*