Board of Finance
8/4/2014

Board of Finance (Monday, August 4, 2014)

Generated by Amy Bovee on Wednesday, August 6, 2014

Members present
Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Also present

ACAOs Goodwin and Schrader; City Attorney Blackwood; Assistant City Attorney Haesler; Jesse Bridges, Parks and Recreation; Susan Leonard, HR; Nate Wildfire, Kirsten Merriman-Shapiro, CEDO; Martha Keenan, DPW; Neale Lunderville, Ken Nolan, BED; Stephen Barraclough, BT

Meeting called to order at 5:41 PM

1. Agenda

Action, Procedural: 1.01 Adopt/Amend Agenda

Motion to amend agenda to remove item 4.12.

Motion by Sharon Bushor, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

2. Public Forum

No one came forward to speak.

3. Approval of the Board of Finance Minutes

Action, Minutes: 3.01 July 7, 2014

Postpone Action

Motion by Jane Knodell, second by Sharon Bushor

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

4. For Approval and Recommendation to City Council

Action, Resolution: 4.01 Authorization for Corrections Contract - Parks

Councilor Bushor stated this document says the State will determine whether or not direct supervision is necessary. She inquired if there is a liability issue if something were to happen and there was no supervision. Jesse Bridges, Parks, stated there is generally always a supervisor from corrections at each location. That is largely what they pay for. Additionally, there is generally someone from their staff working alongside them. Councilor Bushor stated she is concerned about something happening, although it is a good program that serves them well.

Approve and Recommend City Council Approval

Motion by Sharon Bushor, second by Jane Knodell.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.02 Authorization for Land and Building Lease to Green Mountain Motor Co. - Airport

The Board addressed an item to allow the Airport to lease 700 Airport Parkway to Green Mountain Motor Co. The rate will be $49,200 in the first year, will increase to $54,000 in the second year, and will increase 3% per year for the remainder of the lease. The initial lease is three years and there is an option for an additional three years.

Approve and Recommend City Council Approval

Motion by Karen Paul, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.03 Authorization for Creation of BT Marketing and Public Relations Director Position - HR

The Board addressed an item to allow Burlington Telecom to create a limited service full time marketing and public relations director position. The position will be classified at Level 14 with a salary range of $74,465-$89,831 and funding was included in the FY15 budget.

Approve and Recommend City Council Approval

Motion by Karen Paul, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.04 Authorization to Convert 4 BCA Positions from Limited Service to Regular and Reclassify Community Programs Coordinator Position - HR

The Board addressed an item to allow BCA to re-categorize their Art Sales and Leasing Assistant, Executive/Development Assistant, Gallery Coordinator, and Studio Technician positions from Grade 14 limited service to regular. Additionally, they will reclassify the Community Programs Coordinator position from grade 14 limited service to grade 16 regular full time.

Approve and Recommend City Council Approval

Motion by Sharon Bushor, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.05 Authorization for Reclassification of Stormwater and GIS Technician from Limited Service to Full Time - HR

Councilor Bushor stated in the communication, there was a statement that the Department felt this was a necessary position but created it as limited service to be sure. She inquired if they create all new positions as limited service. CAO Rusten stated they do create all new positions as limited service so they can make a determination as to whether continuing the position is warranted. This position has been in place for about a year and a half, and limited service positions can last for up to three years. Councilor Bushor stated limited service positions are supposed to be reviewed annually.

Approve and Recommend City Council Approval

Motion by Sharon Bushor, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.06 Authorization for Creation of a Limited Service Full C/T Central Purchasing Agent - HR

Councilor Knodell inquired if this is limited service because they will wait to see if they are able to save enough money to pay for the position. CAO Rusten stated that is correct. Councilor Knodell inquired if they will bring this back to review. CAO Rusten stated they will discuss it as part of the budget for next year. Mayor Weinberger stated they have talked about reviewing all limited service positions at a time during the budget process.

Approve and Recommend City Council Approval

Motion by Sharon Bushor, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.07 Resolution for Execution of an MOU Between the City and New Moran for Redevelopment of the Moran Plant - CEDO

The Board addressed an item to allow the City to enter into a memorandum of understanding with New Moran, Inc. The MOU will require New Moran to deliver a findings report by November 15, 2014 to be reviewed by the City Council, a decision from the Mayor on whether to continue to the next phase by December 15, 2015, creation of a draft Development and Disposition Agreement by January 15, 2014, and approval of a final Development and Disposition Agreement by February 17, 2015.

Approve and Recommend City Council Approval

Motion by Karen Paul, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.08 Resolution for Execution of Section 108 Loan and BEDI Grant Agreement - CEDO

City Council President Shannon inquired if they are reapplying for a loan they had already received for a previous project.

Nate Wildfire, CEDO, stated they were successfully awarded both a Section 108 Loan and a BEDI grant for the entire project. In order to keep those dollars to support projects in the Northern Harbor, they have to close the loan and grant documents. The project has evolved over time, and they have had conversations with HUD. The amended application will be submitted to HUD to confirm that they are comfortable with the PIAP process and what came out of that. They are pledging TIF dollars to pay back a 108 loan and using BEDI grant dollars to invest now in infrastructure that will support the project. City Council President Shannon inquired if this is the same grant they received previously. Assistant City Attorney Haesler stated in 2011 the City Council authorized them to use those funds. They are comfortable that the earlier authorization from the Council would carry over so long as the amended application is accepted. Because there have been revised TIF statutes, they said they would prefer to reauthorize it and ensure the Council is comfortable with moving forward.

Councilor Bushor inquired about the pledging of Community Development Block Grant funds in the repayment of the loan. She inquired if this is money that they usually dole out for community projects. Assistant City Attorney Haesler stated a requirement of the Section 108 loan is that they link it with other funding available from HUD. They are pledging their TIF dollars first. Councilor Bushor inquired if there will be a problem with them getting CDBG funding that they give to community programs on an annual basis. She inquired if that is included as a safety net in the event they were unable to repay the loan. Mr. Wildfire stated that is correct. Councilor Bushor stated there was a section that says the legal documents involved in this transaction are subject to final review by the City Attorney. She requested that the Council be informed of the final agreement. Assistant City Attorney Haesler stated once it is executed it will be a public document and they will receive a copy of it. The language of the resolution states that HUD has already approved it as is. Councilor Bushor requested that the Council be informed of any changes to the final document in a timely manner.

Councilor Knodell inquired if they are pledging the full faith and credit of the City in addition to CDBG funds. Assistant City Attorney Haesler stated that is a different requirement under the TIF statutes. They have been approved by HUD, and they said they will be using TIF money in their application. They are showing a sufficient balance of TIF dollars to cover the cost of this loan. Kirsten Merriman-Shapiro, CEDO, noted that this was part of the ballot question put before voters in March.

Approve and Recommend City Council Approval

Motion by Karen Paul, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.09 Authorization for FY15 Fee Structure for Restorative Justice Program - CJC

The Board addressed an item to allow the Community Justice Center to increase their administrative fee for individuals who are referred to Restorative Justice Panels from $75 to $100. The fee increase was not included in the FY15 budget. Any excess revenue will be used for training and volunteer support.

Approve and Recommend City Council Approval

Motion by Joan Shannon, second by Jane Knodell.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.10 Authorization for Contract for Fire Station #1 HVAC Replacement - DPW

The Board addressed an item to allow the Department of Public Works to execute a contract with Mountain Air Systems for replacement of the Fire Station #1 HVAC system. The total cost will be $326,403.00.

Approve and Recommend City Council Approval

Motion by Sharon Bushor, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.11 Authorization for Budget Amendment for CIP - DPW

Councilor Bushor inquired if there is a deficit involved in this. Martha Keenan, DPW, stated if they were to accomplish all of the projects in FY15, they would run out of money. There is a $300,000 contingency fund. Without utilizing that, they will be at a net zero.

Approve and Recommend City Council Approval

Motion by Sharon Bushor, second by Jane Knodell.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

~~Action, Resolution: 4.12 Authorization for Contract for Update of Sidewalk and Pedestrian Infrastructure Inventory and Assessment – DPW~~

Item removed from the agenda.

Action, Resolution: 4.13 Authorization for Amendment #7 to the Highgate Operating and Management Agreement - BED

Councilor Bushor inquired if there are any downsides to this agreement. Ken Nolan, BED, stated they will have to do this regardless. It allows them to shift the cost off to VELCO who will have to do this anyway. The only downside would be if VELCO has difficulty fulfilling the requirements, they would be responsible for the costs. Councilor Bushor inquired if those costs would be shared. Mr. Nolan stated they would be.

Approve and Recommend City Council Approval

Motion by Joan Shannon, second by Jane Knodell.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.14 Authorization for Winooski One Bonds and Contract- BED

City Council President Shannon inquired if there will be a resolution for the City Council. Neale Lunderville, BED, stated the resolutions were approved by the Board of Electric Commissioners. City Council President Shannon inquired if they are being forwarded to them for approval and the resolutions will need to go to the Council. Mr. Lunderville stated he believes they will be the same resolution. Bond Counsel will prepare resolutions for the Council. City Council President Shannon inquired if the resolutions will be based on the resolutions that the Commission approved. ACAO Goodwin stated they got approval from the Commissioners, will be seeking approval from the Board of Finance and finally the City Council.

Councilor Knodell stated the March ballot question authorized them to borrow up to $12 million. She inquired how they decided they needed to borrow the full $12 million. Mr. Lunderville stated the total is $16 million. They will also need to establish a $2 million debt service reserve fund. They have a large bond payment coming due in 2015 that was not accounted for. Mayor Weinberger inquired if this is consistent with the approved budget. Mr. Lunderville stated it is.

Councilor Bushor stated she is very excited about this and they have done a good job preparing. Mayor Weinberger stated Moody’s was also very excited about this.

Mr. Lunderville stated their cover letter notes that there are three things that need to be done by the end of August. One of these items was approval from the Public Service Board, which they have received. This leaves two items remaining. One of them they are confident will go through, but they are still working on obtaining FERC approval. They will close the deal next month.

Approve the Contract and Bond Resolutions and Recommend City Council Approval

Motion by Karen Paul, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Action, Resolution: 4.15 Authorization for Pay Increase for Election Workers - C/T

The Board addressed an item to authorize a 50 cent per hour pay increase for Ward Clerks, Inspectors of Election, Justices of the Peace, and Assistant Election Officials. This will be their first pay raise since 2008 and will bring all rates above minimum wage.

Approve and Recommend City Council Approval

Motion by Joan Shannon, second by Sharon Bushor.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

5. For Board Action

Action: 5.01 Authorization for Contract for Fire Station #3 Floor Replacement - DPW

The Board addressed an item to allow the Department of Public Works to execute a contract with DEW Construction Corp for the replacement of the Fire Station #3 Apparatus Floor. The total cost of the contract is $65,299.

Approve the Contract

Motion by Joan Shannon, second by Sharon Bushor.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

6. Discussion

Discussion: 6.01 Review Proposed Meeting Date - September 2

The Board discussed the September 2 meeting date and agreed to meet on August 25th instead. They tentatively scheduled a Board of Finance meeting for September 8.

7. Expected Executive Session

Action, Resolution: 7.01 Authorization to Execute Contract for Bandwidth Acquisition - BT

Councilor Knodell inquired if this was discussed as part of their budget process. Stephen Barraclough, BT, stated it was. Councilor Knodell stated she believes that the Board of Finance should have as much information about BT's budget as possible.

City Council President Shannon inquired if this was covered in the presentation to the Council. Mr. Barraclough stated it was discussed in a summary form because the meeting was public and the information is confidential.

Motion finding that public discussion of the contract would place the City at a disadvantage.

Motion by Sharon Bushor, second by Karen Paul.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Move to enter executive session to discuss a contract at 6:20pm.

Motion by Sharon Bushor, second by Joan Shannon.

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Move to go out of executive session at 6:30pm.

Motion by Jane Knodell, second by Joan Shannon

Final Resolution: Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

Waive the Purchasing Policy Requirements, Approve the Contract, and Recommend City Council Approval

Motion by Karen Paul, second by Joan Shannon.

Motion Passes

Aye: Sharon Bushor, Jane Knodell, Karen Paul, Joan Shannon, Miro Weinberger

8. Communications

Information: 8.01 Open Meeting Law - City Attorney

9. Adjourn

Without objection, Mayor Weinberger adjourned the Board of Finance meeting at 6:30pm.