Board of Finance - Monday, June 18, 2018 at 5:30 p.m.
Conference Room 12, City Hall
6/18/2018

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

June 18, 2018

APPROVED – 7/16/18

MEMBERS PRESENT: Mayor Weinberger

Kurt Wright

Sharon Bushor

Karen Paul

Jane Knodell

OTHERS PRESENT: Beth Anderson, CAO

Rich Goodwin, DFO

Eileen Blackwood, City Attorney

Justin St. James, Assistant City Attorney

Jordan Redelll, Mayor's Office

Lynn Regan, HR

Gene Richards, Airport

Nic Longo, Airport

Shelby Losier, Airport

Chapin Spencer, DPW

Patrick Mulligan, DPW

Martha Keenan, DPW

Neale Lunderville, BED & Interim CEDO Director

Marcy Esbjerg, CEDO

Bill Ward, Code Enforcement

James Given, BED

Cindi Wight, Parks & Rec

Nina Safavi, Parks & Rec

Bill Ellis, Esq.

Richard Deane, City Council

Adam Roof, City Council

Matt Moore

Alma Gloval

Chris Boget

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the meeting to order at 5:38 PM on June 18, 2018.

1.01 Agenda

MOTION by Councilor Knodell, SECOND by Councilor Bushor, to approve the agenda as presented. VOTING: unanimous; motion carried.

2.0 PUBLIC FORUM

There were no comments from the public.

3.0 MINUTES

3.01 June 4, 2018

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve the 6/4/18 minutes with the following correction(s)/clarification(s):

- **Item 4.01, Airport Vendor Contracts – note that the individual contracts do not need separate review by legal counsel because the overall contract was reviewed.**
- **Item 5.01, Budget Discussion – note in the minutes the conversation on refinancing of debt.**
- **Item 5.02, Full Time Equivalent Counts – note the full time equivalent counts in the minutes.**

VOTING: 4 ayes, one abstention (Councilor Knodell); motion carried.

4.0 APPROVE AND RECOMMEND TO CITY COUNCIL

4.01 Annual Appropriation and Budget for Fiscal Year Beginning July 1, 2018

MOTION by Councilor Knodell, SECOND by Councilor Wright, to approve and recommend to City Council for approval the annual appropriation and budget for the fiscal year beginning July 1, 2018. VOTING: unanimous; motion carried.

4.02 Annual Tax Assessments on Property Grand List Fiscal Year Beginning 7/1/18

MOTION by Councilor Knodell, SECOND by Councilor Wright, to approve and recommend to City Council for approval the annual tax assessments on the property grand list for the fiscal year beginning July 1, 2018. VOTING: unanimous; motion carried.

4.03 Authorization for Public Improvement Bonds for Fiscal Year 2019

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council for approval the authorization for public improvement bonds for fiscal year 2019. VOTING: unanimous; motion carried.

4.04 Issuance of Grant Anticipation Notes for Airport Improvement Projects FY19

MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve and recommend to City Council for approval the issuance of grant anticipation notes for the costs of certain airport improvement projects for fiscal year 2019. VOTING: unanimous; motion carried.

4.05 Investment of Unassigned Fund Balance

MOTION by Councilor Knodell, SECOND by Councilor Bushor, to approve and recommend to City Council for approval the investment of unassigned fund balance as recommended.

DISCUSSION:

- **Councilor Bushor mentioned:**
- **Being able to identify community development money to address needs and to use the money to do an updated jobs and people study.**
- **Holding a Board of Finance meeting in July to discuss additional proposals for the unassigned fund balance.**
- **The lack of funding from United Way to address the issue of domestic violence. [Mayor Weinberger said there is a new contingency set up to address the matter.]**
- **Councilor Wright asked about funding for paving, phase out of the business personal property tax, and roll back on the hours of parking enforcement to 8 PM. Mayor Weinberger said the construction season is full with projects so it is difficult to add additional work. There is $1.1 million in unassigned fund balance above the 10% target that is not committed so more funding could be dedicated. Staff is working on possible phase**

out plans for the business personal property tax. The hours of enforcement for parking is policy driven. Funds are separate. The robust debate on parking will continue in the next months.

VOTING: unanimous; motion carried.

4.06 Lease Agreement with Junior League Champlain Valley - Airport

MOTION by Councilor Wright, SECOND by Councilor Bushor, to approve and recommend to City Council for approval the lease agreement with Junior League Champlain Valley and authorize the Aviation Director to execute the lease document(s) with Junior League of Champlain Valley. VOTING: unanimous; motion carried.

4.07 Amend Airport Budget for Fiscal Year 2018 – Airport

Deputy Aviation Director Longo explained the corrections to the budget including the amendment to the contract with Able Paint, Glass, and Flooring for $41,499 and the amendment for airport property repairs for $65,000.

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council for approval the amended FY18 Airport Budget to increase revenues by $310,000 and increase overall expenditures by $310,000. VOTING: unanimous; motion carried.

MOTION by Councilor Paul, SECOND by Councilor Knodell, to approve and recommend to City Council for approval the increase in spending with NICOM for runway crack sealing and apron joint sealing for the sum of $15,500, and the increase in the contract with Able Paint, Glass, & Flooring by $41,499 for a total amount of spending of $69,752. VOTING: unanimous; motion carried.

4.08 Necessary Subleases related to Old North End Community Center – Parks & Rec

Removed from agenda.

4.09 Amend Contract with VHB, Inc. – Parks & Rec

MOTION by Councilor Bushor, SECOND by Councilor Knodell, to approve and recommend to City Council for approval the amended contract with VHB, Inc. for an additional $63,953 (amended maximum price of the contract not to exceed $742,628) for resident engineering services and engineering design work, and to authorize the Director of Parks & Rec to execute the contract with any related documents to complete the project subject to review by the City Attorney.

DISCUSSION:

- **Councilor Bushor said it is important to note the source of the revenue is from the contingency fund for the $3 million bike path rehabilitation project.**

VOTING: unanimous; motion carried.

4.10 Reclassify Parks, Recreation & Waterfront Department – HR, Parks & Rec

MOTION by Councilor Paul, SECOND by Councilor Wright, to approve and recommend to City Council for approval the reclassification of the Parks, Recreation & Waterfront Department as presented. VOTING: unanimous; motion carried.

4.11 Amend Solid Waste Collection Tax Ordinance – DPW

Councilor Bushor asked what happens if the CSWD tip fee does not increase in September. DPW Director Spencer said the CSWD General Manager said the fee could be in excess of $50, but if the tip fee is not as expected the adjustment will be brought to the Board of Finance.

MOTION by Councilor Bushor, SECOND by Councilor Knodell, to approve and recommend to City Council for approval the increase in the solid waste collection tax.

DISCUSSION:

- **DPW Director Spencer explained the haulers collect the fee as part of their bill to customers and pay the city tax monthly. The increase is from $3.70 to $4.20 for weekly pickup. The tip fee tax must be listed separately. Any abuses by haulers will be investigated.**

VOTING: unanimous; motion carried.

4.12 2018-2023 Consolidated Plan for Housing & Community Development - CEDO

Assistant Director Marcy Esbjerg mentioned the need for more one bedroom units is reflected in the plan.

MOTION by Councilor Knodell, SECOND by Councilor Bushor, to approve and recommend to City Council for approval the 2018-2023 Consolidated Plan, 2018 Action Plan for Housing and Community Development, and project recommendations. VOTING: unanimous; motion carried.

4.13 Amend Chapter 18: Fees – Code Enforcement

MOTION by Councilor Paul, SECOND by Councilor Wright, to approve and recommend to City Council for approval the amendment to Chapter 18 – Fees.

DISCUSSION:

- **Councilor Knodell asked if the amendment will go to the Ordinance Committee. CAO Anderson said the**

amendment was discussed as part of the budget presentation.

VOTING: unanimous; motion carried.

4.14 Reimbursement from Public Improvement Bonds for Downtown TIF District – C/T

DFO Goodwin explained the $3 million for both TIF districts is a placeholder until the exact amount is known.

MOTION by Councilor Knodell, SECOND by Councilor Bushor, to approve and recommend to City Council for approval the 2018 TIF reimbursement resolutions for the Waterfront TIF District and the Downtown TIF District. VOTING: unanimous; motion carried.

4.15 Use of Council Initiative Funds in Support of Burlington Wildways – Richard Deane

Councilor Deane explained the request for $10,000 for Burlington Wildways to be used for capacity building, another summit, and another project. Private and grant funding will also be pursued.

Councilor Bushor observed there appears to be some overlap so all nonprofit agencies need to be smart in how the money is spent.

MOTION by Councilor Knodell, SECOND by Councilor Paul, to approve and recommend to City Council for approval the use of the Council Initiative Fund in support of Burlington Wildways. VOTING: unanimous; motion carried.

4.16 Market Factor Adjustment to BED General Manager Salary – Mayor

Councilor Wright said the BED General Manager salary needs to be reclassified. Action will be taken at the 6/25/18 City Council meeting.

MOTION by Councilor Wright, SECOND by Councilor Paul, to approve and recommend to City Council for approval a market factor adjustment to the salary of the Burlington Electric Department General Manager with a corresponding compensation range of $175,160 to $229,192 effective upon hiring a new General Manager.

DISCUSSION:

- **Mayor Weinberger said the BED reorganization decreased salaries by $500,000 per year by eliminating senior positions. More work was taken on by the General Manager without a salary adjustment. The position needs to be funded at a market competitive level.**
- **Councilor Bushor asked how long the other positions have been under the new pay scale. General Manager Lunderville said 2015.**

VOTING: unanimous; motion carried.

4.17 Create Beneficial Residential EV Charging Rate - BED

BED General Manager Lunderville and BED Director of Policy and Planning Given reviewed the three part strategy to increase the use of electric vehicles in the city by lowering upfront costs, decreasing ongoing costs, and improving convenience. The proposal reduces the charging cost by 45% for charging from 10 PM through noon (off peak hours). If the vehicle is charged during peak hours then all charges will be at the full rate. The charge is equivalent to 60 cents per gallon for gas.

MOTION by Councilor Paul, SECOND by Councilor Wright, to approve and recommend to City Council for approval the residential electric vehicle rate substantially in the form provided and to authorize BED to proceed before the Public Utility Commission for approval. VOTING: unanimous; motion carried.

4.18 Use of Conservation Legacy Fund for Rock Point Conservation Easement – Parks

Parks Director Wight and representatives from the Episcopal Dioceses and the Burlington Conservation Board explained the proposal to acquire the 94 acre Rock Point conservation easement and have public access on Rock Point west. There is already an easement on a 20 acre parcel on Rock Point east. The Diocese and Conservation Board are in support of the easement. Public access will be free, but any donations will be used to maintain the trails.

Mayor Weinberg noted this is the single largest appropriation out of the legacy fund since its creation so it may make sense to discuss the agreement in Executive Session.

Councilor Wright asked about the resource assessment. Matt Moore, Conservation Board, said the money is for the trails and the interaction with neighboring properties.

5.0 EXECUTIVE SESSION

5.01 BED Share of Highgate Converter Station – BED

5.02 Rock Point Conservation Easement – Parks

MOTION by Councilor Paul, SECOND by Councilor Bushor, to find that premature disclosure of the Highgate and Rock Point agreements and the effect on the city's interests will put the city at a disadvantage. VOTING: unanimous; motion carried.

MOTION by Councilor Paul, SECOND by Councilor Bushor, based on the finding of premature disclosure putting the

city at a disadvantage to go into Executive Session to discuss the option for land transfer related to Rock Point and to invite the Mayor, Mayor's Office, City Attorney and City Attorney's Office, CAO, DFO, Parks Director, and city councilors, Roof and Deane. VOTING: unanimous; motion carried.

MOTION by Councilor Paul, SECOND by Councilor Bushor, based on the finding of premature disclosure putting the city at a disadvantage to go into Executive Session to discuss the sale of the Highgate converter station shares and to invite the Mayor, Mayor's Office, CAO, DFO, and BED General Manager and BED staff. VOTING: unanimous; motion carried.

Executive Session was convened at 6:51 PM and adjourned at 7:04 PM.

ACTION FOLLOWING EXECUTIVE SESSION

MOTION by Councilor Wright, SECOND by Councilor Paul, to approve and recommend to City Council for approval the use of $230,000 from the Conservation Legacy Fund for a grant to purchase the easement and improvements to the 94 acre Rock Point property located to the west of the Burlington Greenway and authorize the Parks Director to executive the grant agreement and related documents to carry out the project subject to final grant agreement approval by the City Attorney with the stipulation to take the actions discussed in Executive Session. VOTING: unanimous; motion carried.

6.0 ADJOURNMENT

MOTION by Councilor Bushor, SECOND by Councilor Wright, to adjourn the meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 7:05 PM.

RScty: MERiordan