



Board of Finance - Monday, May 20, 2019 at 6:00 p.m. Conference Room 12, City Hall 5/20/2019

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF SPECIAL MEETING

May 20, 2019

APPROVED - 6/10/19

MEMBERS PRESENT: Mayor Miro Weinberger [arrived 6:25 PM]

Councilor Paul

Councilor Bushor

Council President Wright

Councilor Pine

OTHERS PRESENT: Beth Anderson, CAO

Rich Goodwin, DFO

Eileen Blackwood, City Attorney

Olivia Lavechin, Mayor's Office

Jordan Redell, Mayor's Office

Chapin Spencer, DPW

Norm Baldwin, DPW

Susan Molzon, DPW

Steve Roy, DPW

Adam Roof, city councilor

1.0 CALL TO ORDER and AGENDA

Until the arrival of Mayor Weinberger, CAO Anderson facilitated the meeting and called to order at 6:05 PM on May 20, 2019.



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1.01 Agenda

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

2.0 PUBLIC FORUM

There were no comments from the public at this time.

3.0 MINUTES

3.01 April 8, 2019

MOTION by Councilor Bushor, SECOND by Councilor Pine, to approve the 4/8/19 minutes as presented. VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.

Following further discussion, the April 8, 2019 were reconsidered for amendment.

MOTION by Councilor Bushor, SECOND by Councilor Paul, to amend Item 5.04 (Audit Services) in the 4/8/19 minutes to correct the acronym of FAB and clarify that a pool of auditors from selected firms was suggested by Councilor Bushor. VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.

3.02 April 15, 2019

MOTION by Councilor Bushor, SECOND by Councilor Pine, to approve the 4/15/19 minutes. VOTING: following discussion of possible amendments the motion was withdrawn and the minutes will be added to the agenda of the next Board of Finance meeting.

4.0 BOARD OF FINANCE APPROVAL

4.01 Change Order to Contract with J. Hutchins for Valve Boxes on Penny Lane – DPW

MOTION by Councilor Bushor, SECOND by Councilor Pine, to authorize the DPW Director to execute an amendment to the contract with J. Hutchins, Inc. that increases the total contract amount by \$3,500 for a maximum contract amount of \$91,322 in order to accommodate money committed by the Water Division for ongoing construction and water infrastructure work related to Waterfront Access North and Burlington Harbor Marina subject to approve by the City Attorney.

DISCUSSION:

- **Councilor Bushor said the motion should reflect that the change order approval is after the fact.**





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

5.0 APPROVE AND RECOMMEND TO CITY COUNCIL

5.01 Contract Amendment No. 14 to Clough Harbour Contract - DPW

DPW Engineer Baldwin explained the Cooperative Agreement is with the state because the state is funding the project. The contract with Clough Harbour is for design work. The amendment is because the state does not issue the full amount of funding, but pays to milestones.

Councilor Bushor commented the supplemental analysis of soil is being done late in the process. Councilor Bushor asked why the increase in cost is so large. DPW Engineer Baldwin said the milestone is to the completion of construction.

Councilor Pine asked if the soil analysis is an update. DPW Engineer Baldwin said most of the soil analysis is in the Pine Street corridor, but the right-of-way adjacent to the project is also being considered.

MOTION by Councilor Pine, SECOND by Councilor Bushor, to approve and recommend to City Council for approval the authorization of the DPW Director or designee to execute Contract Amendment No.14 to the Clough Harbour & Associates contract for engineering design services for the Champlain Parkway project which will increase the total contract amount by \$450,976.11 and the local match obligation by \$9,019.52 subject to review and approval by the City Attorney. VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.

5.02 Contract Amendment No.7 to Cooperative Agreement – DPW

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council for approval the authorization of the DPW Director or designee to execute Amendment No. 7 to the Cooperative Agreement for the Champlain Parkway Project for final design, bidding, and construction by increasing the maximum limiting amount of \$31,820,000 and the local match obligation by \$636,400 subject to prior review and approval by the City Attorney. VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.

6.0 COMMUNICATION

6.01 Champlain Parkway Project Update - DPW

DPW Director Spencer said the city is finding pathways to keep the Champlain Parkway project moving forward to the start date of December 2019. The city is working through the appeals. Susan Molzon is the Project Manager for the Champlain Parkway project and is doing an amazing job.



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6.02 Partner Rotation for Audit – C/T

Information was provided to the Board of Finance for review.

6.03 Financial Report – C/T

CAO Anderson reported the city is in good financial shape. A surplus is anticipated due to salaries and not filling positions right away, controlling spending, and investment income. Health and Workers Comp have seen big claims, but not new claims. A quarterly financial report will be provided when complete.

Council President Wright asked about the amount of the surplus. CAO Anderson said in the General Fund the surplus is about \$650,000. The unassigned fund balance as of the end of FY18 was \$9.7 million.

6.04 Open Items List – CAO

Information was provided to the Board of Finance for review.

6.05 FY20 Budget Discussion – CAO

Mayor Weinberger said the city is over the 15% threshold for fund balance. Even at the 10% threshold per the policy the reserve is significant. There is \$2.7 million in proposed new investments of the \$3.7 million available. CAO Anderson gave a breakdown of uses for the fund balance that included continuation of pilot projects, full time limited service position in the City Attorney's Office for public records requests, permit fee reserve, consolidated hauling study 2nd phase, warming shelter, housing trust fund, special projects, use of force proposal (public engagement process), sidewalks, paving, research of street franchise fee structure, records evaluation and digitalization.

Councilor Paul recalled the fund balance was to be used for one time expenses, special projects, pilots, studies, items not in the budget. Supporting a full time position in the City Attorney's Office is not really a one time expense, and if the position has been full time for a while then the position should have benefits. CAO Anderson said staff is trying to clarify the skills that are needed and the amount of time needed to do the work.

The budget report also has information on the \$806,000 from the fund balance approved last year for items and a list of potential future items. There will be \$2 million in spending from the BT funds for sidewalk plows.

Council President Wright asked how the city was able to grow the fund balance. CAO Anderson said the fiscal stability bond helped plus the city realized some unexpected revenues and surpluses. There was money in reserve for projects that were completed. Mayor Weinberger added staff has consistently not spent what was budgeted and is better at protecting non-salary expenses. The economy is strong and gross receipts and permitting revenues are up. Staff is counseled about the surplus not always being there in the future.



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Councilor Bushor said the initiatives are all worthy, but the threshold should only be reduced to 12%.

Councilor Pine expressed concern about the impact of the upcoming reappraisal and the shift of tax burden to homeowners.

7.0 ADJOURNMENT

With no further business and without objection the meeting was adjourned at 6:59 PM.

RScty: MERiordan