Board of Finance - Monday, April 30, 2018 at 5:00 p.m. Conference Room 12, City Hall
4/30/2018

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

April 30, 2018

APPROVED – 5/21/18

MEMBERS PRESENT: Mayor Weinberger

Kurt Wright [arrived 5:42 PM]

Jane Knodell

Sharon Bushor

Karen Paul

OTHERS PRESENT: Beth Anderson, Interim CAO, C/T

Rich Goodwin, DFO

Eileen Blackwood, City Attorney

Brian Lowe, Mayor's Office

Jordan Redell, Mayor's Office

Rebecca Sameroff, Clerk/Treasurer

Susan Leonard, HR

Stephanie Reed, HR

Chapin Spencer, DPW

Martha Keenan, DPW

Laura Wheelock, DPW

Noelle MacKay, CEDO

Kirsten Merriman Shapiro, CEDO

Cindi Wight, Parks & Rec

Nina Safavi, Parks & Rec

Gene Richards, Director of Aviation

Nic Longo, Deputy Director of Aviation

Shelby Losier, Director of Airport Transportation

Marie Friedman, Airport CFO

Doreen Kraft, City Arts

Ron Redmond, Church Street Marketplace

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the meeting to order at 5:05 PM on April 30, 2018.

1.01 Agenda

MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve the agenda with the amendment to move Item 5.01 (Chief Administrative Officer) to Item 5.11. VOTING: unanimous [Councilor Wright not present for vote]; motion carried.

2.0 PUBLIC FORUM

There were no comments from the public.

3.0 MINUTES

3.01 April 9, 2018

MOTION by Councilor Paul, SECOND by Councilor Knodell to approve the minutes of April 9, 2018 as presented. VOTING: all ayes except on abstention (Councilor Bushor) [Councilor Wright not present for vote]; motion carried.

4.0 BOARD OF FINANCE APPROVAL

4.01 Contract with Sealcoating, Inc. for FY19 Street Reconstruction-Pavement Preservation Project - DPW

MOTION by Councilor Bushor, SECOND by Councilor Knodell, to approve execution of any necessary documents with Sealcoating, Inc. by the DPW Director or designee for up to $89,999.09 and use of contingency funds up to an additional $8,000.91 for the FY19 Street Reconstruction-Pavement Preservation Project to be paid by the CIP Budget for a total of $98,000 subject to prior approval by the City Attorney with additional approval and authorization for any contract amendments up to the contingency limit to be signed by the DPW Director or

designee subject to and contingent on appropriation in the FY19 CIP Budget in an amount necessary to provide the level of funding. VOTING: unanimous [Councilor Wright not present for vote]; motion carried.

4.02 Contract with VHB, Inc. for Waterfront Park Regrading and Utilities Upgrade Project – Parks & Rec

MOTION by Councilor Paul, SECOND by Councilor Bushor, to authorize execution of the contract with VHB, Inc. for a price not to exceed $56,352 for conceptual design development and completion of 100% bid documents and oversight of the bid process for the Waterfront Park Regrading and Utilities Upgrade Project plus a project contingency of $5,635.20, and further, to execute the contract and any related documents needed to carry out the project subject to review by the City Attorney. VOTING: unanimous [Councilor Wright not present for vote]; motion carried.

5.0 APPROVE AND RECOMMEND TO CITY COUNCIL

5.01 Appointment of Chief Administrative Officer – Mayor's Office

Moved to Item 5.11 and later moved to Item 7.0 Executive Session.

5.02 Change Reporting Structure of Safety Manager Position to DPW Director – DPW, Parks & Rec, HR

Mayor Weinberger said the change will be helpful in filling the position. Councilor Bushor commented the responsibility of the position for citywide safety will be challenging for one person. Staff agreed, adding there may be a second position when funding is available. Modifications can be made moving forward.

MOTION by Councilor Knodell, SECOND by Councilor Paul, to approve and recommend to City Council for approval the change in reporting structure of the Safety Manager position from Human Resources to the Director of DPW. VOTING: unanimous; motion carried.

5.03 Amend Contract and Project Budget for Calendar Year 2017 Sidewalk & Curb Reconstruction RE Services – DPW

MOTION by Councilor Bushor, SECOND by Councilor Knodell, to approve and recommend to City Council for approval authorization of the DPW Director or designee to reduce the previously approved FY18 Capital Project Budget with SD Ireland Brothers Corp. in the amount of $50,000 for the CY17 Sidewalk & Curb Reconstruction Project to be used toward RE Services for the remaining work, and to authorize the DPW Director or designee to amend the contract with Staff Sterling Management, LLC up to $50,000 for the CY17 Sidewalk and Curb Reconstruction Project RE Services as part of the FY18 Capital Budget subject to review and approval by the City Attorney for a total maximum contract amount of $119,294. VOTING: unanimous; motion carried.

5.04 Contract with R. Parker Enterprises, Inc. for Replacement of Truck Storage Floor - DPW

MOTION by Councilor Paul, SECOND by Councilor Knodell, to approve and recommend to City Council for approval

authorization of the contract with R. Parker Enterprises, Inc. for replacement of the truck storage floor in the amount of $263,568.90 with a contingency of 10% for a total of $289,925.79 and to authorize negotiation and execution of the contract by the DPW Director subject to review and approval by the City Attorney. VOTING: unanimous; motion carried.

5.05 Resident Engineering/Construction Inspection Services Contract & Modification of FY18 Capital Project Budget for the Great Streets St. Paul Street Project – CEDO, DPW

Staff explained the design work is for St. Paul Street between Main Street and Maple Street. The resident engineer will ensure building to spec and to the plan and handle public relations. Three proposals were received from the RFP and the responsive bidder was chosen. The chosen bidder, EIV, was also the resident engineer for the bike path.

Councilor Bushor requested the three bidder names and amounts of the bids. Staff said the three firms were Stantec, EIV, and John Turner Consulting.

MOTION by Councilor Paul, SECOND by Councilor Knodell, to approve and recommend to City Council for approval authorization of the DPW Director to execute a contract with EIV Technical Services in the amount of $229,733 with additional authorization for any contract amendments up to the contingency limit of $35,000 for a total maximum of $264,733 for the resident engineering/construction inspection services for the Great Streets St. Paul Street Project subject to prior approval by the City Attorney. VOTING: unanimous; motion carried.

5.06 Sidewalk Café License Agreement – Church Street Marketplace

MOTION by Councilor Bushor, SECOND by Councilor Knodell, to approve and recommend to City Council for approval authorization for the Church Street Marketplace District Commission to enter into sidewalk café license agreements, May 2, 1018 through April 30, 2021 subject to prior approval by the City Attorney.

DISCUSSION:

- **Councilor Bushor asked if there is a wait period before a license is returned if it is revoked. Ron Redmond said there is an appeal process before the Church Street Marketplace Commission.**

VOTING: unanimous; motion carried.

5.07 Contract with Casella for Trash Compaction and Removal - Airport

Councilor Bushor asked if there is a cap on spending for the trash removal. Deputy Aviation Director Longo said there are two variables at this point in time, the hotel and the quick turnaround facility. Aviation Director Richards assured the airport will be diligent and only spend what is necessary.

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council for approval authorization of the Director of Aviation to enter into a contract with Casella for trash compaction and removal including compost and recycling services subject to final review and approval by the City Attorney and for a term ending April 30, 2023. VOTING: unanimous; motion carried.

5.08 Option Agreement and Ground Lease Agreement with BTV Hotel, LLC to Construct a Hotel at Burlington Airport - Airport

MOTION by Councilor Paul, SECOND by Councilor Knodell, to approve and recommend to City Council for approval the lease agreements between the City of Burlington and BTV Hotel, LLC, and to authorize the Director of Aviation to execute the lease documents.

DISCUSSION:

- **Aviation Director Richards said the contract is now available to the public. The deal is good for the airport and the city.**
- **Aviation Deputy Director Longo said the South Burlington DRB reviewed the plans and had favorable comments relative to zoning, height, and setbacks.**
- **Councilor Paul asked about public comments at the DRB meeting. Aviation Director Richards said the comments were mainly on traffic and parking.**
- **Councilor Knodell noted the hotel will add to the South Burlington tax base. Aviation Director Richards said the current footprint of the airport will be used and not land from the acquired homes.**

VOTING: unanimous; motion carried.

5.09 Amend Airport Budget Relative to Airline Surplus – Airport

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council for approval the resolution to amend the airport budget relative to the airline surplus as presented.

DISCUSSION:

- **Councilor Bushor said the information packet was well done and explained the matter thoroughly. Good work by the airport staff.**

VOTING: unanimous; motion carried.

5.10 Lease with Pine Street Studios, LLC – BCA

MOTION by Councilor Paul, SECOND by Councilor Knodell, to approve and recommend to City Council for approval the lease with Pine Street Studios, LLC as presented.

DISCUSSION:

- **Councilor Bushor asked if the art supplies or waste are problematic with respect to soil contamination. BCA Director Kraft said no.**

VOTING: unanimous; motion carried.

6.0 COMMUNICATION

6.01 Open Items List – C/T

The Board of Finance accepted the document.

6.02 December 18, 2017 City Council Resolution – C/T

It was noted the seniors' resolution is on City Council's deliberative agenda for discussion. Councilor Bushor said the matter should come back to the Board of Finance.

6.03 Moody's Report and Sweep Report March 2018 – C/T

Councilor Bushor asked if the Water Dept. is reviewed separately. DFO Goodwin said Moody's has not looked at a credit for the water enterprise in over a decade. There will be $1 million in borrowing by the Water Dept. Moody's gave them an "A-1" and "Stable" rating with no change in the outlook or rating.

Councilor Paul said pension liability is 3.9 times the general fund revenues which Moody's says is above the average. DFO Goodwin will research what is normal for a retirement multiplier for pension liability for a city the size of Burlington.

Councilor Knodell asked if the city will have a new rating with the opinion from Moody's. Mayor Weinberger said the rating was upgraded last fall.

There was discussion of debt and Moody's position. DFO Goodwin said new debt the city is taking on is not a material amount of debt as it relates to Moody's standards. Councilor Bushor pointed out 57% of the debt will be retired in 10 years so the city is able to pay down debt. DFO Goodwin said this is an attractive matrix. Most of the debt is a 20 year term and the city is retiring over 50% and moving in the right direction.

Councilor Bushor said the water report indicates Moody is anticipating rate increases on an annual basis. Mayor Weinberger said the voters were shown how rate increases are related to bonding costs. The updated budget shows this. The billing problem that the city had will also impact rates. Water rates are going up dramatically across the country, but Burlington is not increasing nearly as much. Even with taking on new investments and doing deferred maintenance the increase will be modest.

DFO Goodwin said Moody's rating was in November 2017. There is a requirement of a debt coverage ratio of 1.25. How to get to that debt coverage is figured into the FY19 budget. Mayor Weinberger said Moody's has been supportive of infrastructure financing, but conversations will continue.

The Sweep Report was postponed to the next meeting.

7.0 EXECUTIVE SESSION

7.01 Appointment of Chief Administrative Officer (formerly Item 5.01) – Mayor's Office

MOTION by Councilor Bushor, SECOND by Councilor Wright, to go into Executive Session to discuss a personnel matter. VOTING: unanimous; motion carried.

Executive Session was convened at 5:45 PM.

MOTION by Councilor Wright, SECOND by Councilor Bushor, to adjourn Executive Session and reconvene the regular meeting. VOTING: unanimous; motion carried.

Executive Session was adjourned and the regular meeting reconvened at 6:03 PM. The Board agreed to recommend the placement of Beth Anderson as CAO to City Council for approval.

8.0 ADJOURNMENT

With no further business and without objection the meeting was adjourned at 6:03 PM.

RScty: MERiordan