Board of Finance - Monday, April 16, 2018 at 5:00 p.m. Conference Room 12, City Hall
4/16/2018

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

April 16, 2018

APPROVED – 5/21/18

MEMBERS PRESENT: Mayor Weinberger

Kurt Wright

Jane Knodell

Karen Paul

Sharon Bushor [arrived 5:14 PM]

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

Rich Goodwin, DFO

Eileen Blackwood, City Attorney

Brian Lowe, Mayor's Office

Rebecca Sameroff, Clerk/Treasurer

Chapin Spencer, DPW

Martha Keenan, DPW

Norm Baldwin, 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

1.0 CALL TO ORDER and AGENDA

Until the arrival of Mayor Weinberger, Interim CAO Anderson facilitated the meeting calling to order at 5:09 PM on April 16, 2018.

1.01 Agenda

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

2.0 PUBLIC FORUM

There were no comments from the public.

3.0 MINUTES

3.01 March 26, 2018

MOTION by Councilor Paul, SECOND by Councilor Wright, to approve the minutes of March 26, 2018 as presented.

DISCUSSION:

- **Councilor Paul spoke of drafting a policy on how to note late arrival or departing a meeting in the minutes.**

VOTING: Prior to the vote action on the minutes was postponed.

4.0 BOARD OF FINANCE APPROVAL

4.01 Contract with Heritage Environmental, Inc. - DPW

Project Manager Keenan said Mary O'Neil was successful in securing a 50/50 grant for the BCA Firehouse Gallery in 2016. Only one proposal was received from a rehabilitator and that was Heritage Environmental. The state and Preservation Trust approved the bidder. Work will begin May 1st and is targeted to conclude August 31st.

MOTION by Councilor Wright, SECOND by Councilor Bushor, to approve execution of the contract with Heritage Environmental, Inc. in the amount not to exceed $65,470 including a 10% contingency with the authorization of the contract to be negotiated and executed by the Director of Public Works subject to review and approval by the City Attorney. VOTING: unanimous [Mayor Weinberger not present for vote]; motion carried.

5.0 APPROVE AND RECOMMEND TO CITY COUNCIL

5.01 Contracts and Budget Approval for Appletree Park Court Reconstruction - Parks

MOTION by Councilor Wright, SECOND by Councilor Paul, to approve and recommend to City Council for approval the contracts and budget for the Appletree Park court reconstruction.

DISCUSSION:

- **Parks & Rec Director Wight said one tennis court will be eliminated.**
- **Parks Planner Safavi said due to the high water table two courts will be reconstructed with proper drainage. Staff is looking at how the park is being used and opportunity for upgrades.**
- **Councilor Wright asked what has changed with use of the courts. Parks Planner Safavi said the high school is not using the courts (Leddy is the high school main court).**
- **Councilor Bushor said a court in disrepair will not be used so when doing the inventory it will appear the court is not needed because it is not being used.**

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

5.02 Memorandum of Understanding and Construction Quality Control Plan with Champlain College for St. Paul Street Construction – DPW, CEDO

DPW Director Spencer said DPW is coordinating the Great Streets work with the work at 194 St. Paul Street (Eagles Landing). Champlain College is ready for a certificate of occupancy for the buildings in July so DPW has worked out an agreement where Champlain College will construct a portion of the Great Streets improvements on St. Paul Street. The construction MOU outlines all the details.

Senior Project Specialist Shapiro said items constructed and per unit cost plus contingency credit for the original work is $47,872. The amount for reimbursement by TIF funding is up to $228,441.

MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve and recommend to City Council for approval subject to prior approval by the City Attorney authorization of the DPW Director to execute a Memorandum of Understanding and an Construction Quality Control Plan with Champlain College for restoration of a portion of the right-of-way as prescribed by the Great Streets St. Paul Street project in the amount of $228,441 to be reimbursed with 2015 voter approved TIF funds approved for the project. VOTING: unanimous; motion carried.

5.03 Contract for Pavement Markings and Marking Removal – DPW

MOTION by Councilor Paul, SECOND by Councilor Wright, to approve and recommend to City Council for approval authorization of the DPW Director to execute a contract with L&D Safety Marking Corp. in the amount of $175,960 for calendar year 2018 pavement marking and marking removal including non-appropriation terms and subject to prior approval by the City Attorney, and further, to authorize the use of an additional $17,596 in contingency funds at 10% of the contract cost for a contract total amount of $193,556 and to authorize the DPW Director to execute

any contract amendments up to the contingency limit subject to review and approval by the City Attorney.

DISCUSSION:

- **Councilor Bushor asked what streets are to be marked and if the bike lane delineation if not correct can be realigned. Staff said the list of streets is in Attachment B in the handouts. Removal of markings is done by grinding or water blasting.**

VOTING: unanimous; motion carried.

5.04 Contract for Landscaping Services – DPW

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council for approval authorization of the DPW Director to execute a contract with Pinnacle Properties in the amount of $148,224.62 for calendar years 2018-2020 for planter landscaping services including non-appropriation terms and subject to prior approval by the City Attorney, and further, to authorize the use of an additional $14,822.46 in contingency funds at 10% of the total cost over the life of the three year contract for a total amount of $163,047.08 and to authorize the DPW Director to execute any contract amendments up to the contingency limit subject to review and approval of the City Attorney.

DISCUSSION:

- **Councilor Bushor spoke in support of delineating with flowers.**

VOTING: unanimous; motion carried.

6.0 COMMUNICATION

6.01 Livable Wage Rates for FY2019 – C/T

Councilor Bushor said the financial information was insightful on the lag time for livable wage. City Attorney Blackwood said the information is for the next year. The information must be updated annually in order to get certification.

6.02 Phasing Out Tax on Business Personal Property – C/T

Councilor Bushor asked about next steps. Interim CAO Anderson said there will be further discussion by City Council then back to the Board of Finance.

Councilor Knodell asked about increasing the exemption (Option 5). Interim CAO Anderson said business personal property value less than $45,000 does not pay tax. Greater than $45,000 in value pays the tax without exemptions which means if an individual has $46,000 in business personal property the tax is paid on the total amount, not on the amount above the $45,000 threshold. Option 5 makes the situation more equitable.

Councilor Wright suggested exploring how small businesses with heavy investment in equipment, such as a brewery, can be helped.

Councilor Bushor observed Option 4 exempts assets over 20 years. Options 4 and 5 offer the least impact to the city over time.

Councilor Knodell asked if non-profit businesses pay the tax. Councilor Paul said if the business is labor intensive then the tax is not paid. Only capitalized businesses pay which is not fair.

7.0 EXECUTIVE SESSION

7.01 Managed Security Services

Interim CAO Anderson said an RFP was done for an outside firm to supply security services on the network. The service is needed to ensure security of the city's data. Practices, procedures, and protocols will be explored with the security firm.

Councilor Paul asked about maintaining data off site. Interim CAO Anderson said data backup is a separate service.

MOTION by Councilor Knodell, SECOND by Councilor Wright, to go into Executive Session to discuss municipal security measures the disclosure of which could jeopardize public safety, and to invite the Board of Finance, Mayor, Mayor's Office staff, Interim CAO, DFO, and City Attorney to attend. VOTING: unanimous; motion carried.

Executive Session was convened at 5:45 PM.

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

Executive Session was adjourned and the regular meeting reconvened at 5:50 PM.

ACTION FOLLOWING EXECUTIVE SESSION

MOTION by Councilor Bushor, SECOND by Councilor Wright, to authorize the Chief Innovation Officer to execute a one year contract with a vendor to provide managed security services in an amount up to $58,225 subject to approval by the City Attorney. VOTING: unanimous; motion carried.

7.02 Burlington Airport hotel Update

Aviation Director Richards and Deputy Aviation Director Longo gave an update on the proposed hotel at the airport. Staff has been working with DEW on the design and ground lease. A draft option agreement and lease agreement have been done.

MOTION by Councilor Wright, SECOND by Councilor Knodell, to find that premature disclosure of discussion of agreements under negotiation related to a real estate lease option will place the city at a disadvantage, and based on this finding to go into Executive Session for a presentation of the site plan, option agreement, and ground lease agreement for a planned hotel at Burlington International Airport, and to invite the Board of Finance, Mayor, Mayor's Office staff, Interim CAO, DFO, Burlington Airport Administration, and consultants to attend. VOTING: unanimous; motion carried.

Executive Session was convened at 5:52 PM.

MOTION by Councilor Wright, SECOND by Councilor Knodell, to adjourn Executive Session. VOTING: unanimous; motion carried.

Executive Session was adjourned at 6:02 PM.

8.0 ADJOURNMENT

With no further business and without objection the meeting was adjourned at 6:02 PM.

RScty: MERiordan