Board of Finance - Monday, March 13, 2017 at 6:00 p.m.
Conference Room 12, City Hall
3/13/2017

MINUTES SUBJECT TO CORRECTION BY BURLINGTON BOARD OF FINANCE. CHANGES, IF ANY, WILL BE RECORDED IN THE MINUTES OF THE NEXT MEETING OF THE BOARD.

BURLINGTON BOARD OF FINANCE **Approved**

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

March 13, 2017

MEMBERS PRESENT: Mayor Miro Weinberger

Councilor Sharon Bushor

Councilor Karen Paul

Councilor Kurt Wright

MEMBERS ABSENT: Councilor Jane Knodell

OTHERS PRESENT: CAO Bob Rusten

DFO Rich Goodwin

City Attorney Eileen Blackwood

Brian Lowe, Mayor's Office [arrived 6:29 PM]

Director of HR Susan Leonard

Margaret Williams, CEDO [arrived 6:18 PM]

Director of Parks and Rec. Jesse Bridges

Director of Public Works Chapin Spencer

Norm Baldwin, DPW

Martha Keenan, DPW

Director of Church Street Marketplace Ron Redmond

Morgan True, VT Digger

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the Board of Finance meeting to order at 6:04 PM on 3/13/17.

1.01 Agenda

MOTION by Councilor Paul, 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 February 27, 2017

MOTION by Councilor Bushor, SECOND by Councilor Wright, to approve the 2/27/17 minutes with the reminder to refer to city councilors and staff with their job title (i.e. Councilor Paul rather than Karen Paul and CAO Rusten rather than Bob Rusten). VOTING: unanimous; motion carried.

4.0 APPROVE AND RECOMMEND TO CITY COUNCIL

4.01 Borrow $5.2 Million for Parking Garage Repairs, Phases I and II

Councilor Bushor asked if free parking will continue for residents when the snow ban is in effect. DPW Director Spencer assured the plan is to continue with the snow ban free parking options. The nighttime lease opportunity has not been finalized as yet. Currently there is a charge for overnight parking and the marketplace garage gates are down so nighttime parking is not allowed. College Street and the Lakeview garages are open off hours. Hotel guests who leave before 8 AM do not have to pay for overnight parking. The new parking system will better capture existing traffic at two of the three municipal garages which is expected to increase revenues and shrink leakage.

Councilor Bushor asked about revenue derived from parking used to serve debt service referred to in the resolution (lines 38-41). Councilor Bushor also noted a report on the feedback from businesses downtown on extended parking hours and cost was not received. Mayor Weinberger stated projected revenues are more than anticipated to cover debt ratios through FY21 at a reasonable rate. DPW Director Spencer added the five year projections are without any rate increases and are achieved in part by increased efficiencies due to the investments into the garages. There is savings of $140,000 per year on the expense side in labor by making the garages operate better with the new infrastructure. Savings from labor, closing of leakage, and efficient lighting are a few of the reasons revenues will be strengthened and expenses decreased. For the next five years for this debt service rate adjustments are not expected. Mayor Weinberger said the language in the resolution (Section 4) is for the bond holders. DFO Rich Goodwin confirmed the language is for the bond counsel and local bank providing financing.

Councilor Wright asked for clarification on what is meant by using $1 million of the fund balance and leaving 125 days (or $1.5 million) cash on hand. DPW Director Spencer explained the figures show that after taking down the fund balance there will be enough money remaining for emergencies. Councilor Wright asked if there are other available funds. CAO Bob Rusten answered anything in the Traffic Fund. City Attorney Eileen Blackwood added any grant dollars outside the Traffic Fund are also a possibility.

MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve and recommend to City Council for approve the borrowing of $5.2 million for parking garage repairs, Phases I & II.

<u>DISCUSSION</u>: The following comments were made:

- **DPW Director Spencer stated crews are ready to make the necessary repairs to the College Street garage. Three-quarters of the garage will be closed for two months. It is expected to have a contract for construction by 3/27/17 for Phase II of the three phase project. The city is receiving $9 million worth of need for $6 million.**
- **Councilor Paul asked about funding to keep the garages looking nice as aesthetics are important. DPW Director Spencer said the ongoing maintenance plan is being reviewed to avoid the cycle of capital repair-no maintenance-capital repair. New lighting at the College Street garage will be a big help with the look of the garage.**
- **Councilor Wright asked if the plan at this point includes Sunday enforcement. DPW Director Spencer said the document does not discuss Sunday enforcement.**
- **DPW Director Spencer noted Phase III of the project is approximately $3 million and the city does not have a funding proposal as yet. The timing of Phase III depends on a number of other downtown projects going under construction, such as the Burlington Town Center, and the garage being out of service.**

There were no further comments.

VOTING: unanimous; motion carried.

4.02 Construction Contract with S.D. Ireland for CY17 Street Reconstruction Project

MOTION by Councilor Bushor, SECOND by Councilor Wright, to approve and recommend to City Council for approval the contract with S.D. Ireland for the street reconstruction project in calendar year 2017.

<u>DISCUSSION</u>: DPW engineer, Norm Baldwin, explained the difference between milling (grinding to a level within the surface of asphalt) and reclaiming (removing all the asphalt to the gravel base). Reclaiming is done on the beltline. There were no further comments.

VOTING: unanimous; motion carried.

4.03 Amend FY17 Wayfinding Capital Project Budget

MOTION by Councilor Bushor, SECOND by Councilor Wright, to approve and recommend to City Council for approval amendment of the FY17 Wayfinding Capital Project Budget from the unused FY16 Wayfinding Capital Project Budget.

<u>DISCUSSION</u>: The following was discussed:

- **Councilor Bushor asked what is left in the FY16 Wayfinding Capital Project Budget. DPW engineer, Norm Baldwin, explained all the funds available for the project are not being used ($173,198 of $193,000). Work that was not complete in FY16 is being done in FY17 so the budget needs to be adjusted.**
- **CAO Rusten clarified the original budget at the start of FY17 was $83,000 and the request is to increase that amount of $173,000 with the difference coming from unspent money in FY16.**

There were no further comments.

VOTING: unanimous; motion carried.

4.04 Eliminate Working Foreman Position and Create Arborist Technician Position

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council for approval the elimination of the Working Foreman position and creation of the Arborist Technician position.

<u>DISCUSSION</u>: Councilor Bushor pointed out a discrepancy in the cost savings as a result of the position changes. CAO Rusten clarified the savings annualized over the full year which will happen in FY18 is $8,600.

FRIENDLY AMENDMENT by Councilor Bushor, SECOND by Councilor Paul, to amend the resolution to reflect $2,600 for FY17 and not $8,600.

VOTING: unanimous; motion carried.

4.05 Termination of CCTA Kiosk and Transfer to the City

MOTION by Councilor Wright, SECOND by Councilor Paul, to approve and recommend to City Council for approval authorization for the Church Street Marketplace District to execute the Bill of Sale and termination of the CCTA kiosk and transfer to the city. VOTING: unanimous; motion carried.

4.06 Approve General Obligation Bond in the Amount of $8 Million

MOTION by Councilor Wright, SECOND by Councilor Paul, to approve and recommend to City Council for approval a general obligation bond in the amount of $8 million.

<u>DISCUSSION</u>: The following was discussed:

- **Councilor Wright asked how much of the bike path north of North Beach will be done with $3.1 million.**

Parks & Rec Director, Jesse Bridges, explained the bike path work will be north of North Beach to the bridge over the Winooski River at Colchester. The overpass at North Beach will not be redone.

- **Mayor Weinberger said the basic path reconstruction will be done as far and as quickly as possible this construction season. Work will begin after the marathon. The plan is to have additional amenities along the path, but this is not part of the $3.1 million basic reconstruction effort this summer.**
- **Parks & Rec Director Bridges said the city is pursuing 25% conceptual design drawings for three "pause places", one at Leddy Park, one at Starr Farm, and one at the Northshore outlook, possibly as a change order through the process. The focus is to complete the path and minimize closure impacts. The work this summer will include widening, repaving, striping, straightening, and plantings.**
- **Councilor Wright asked for an update on the remainder of the path. Mayor Weinberger said the $50 million five year plan was approved by the voters in November 2016. Philanthropic funds and institutional funding have been secured. More work is needed on institutional funding. It will take five years to build the $50 million plan. Gross receipts taxes are still being considered. A proposal will be brought forth at some point.**
- **Councilor Bushor asked the impact on taxes next year by drawing down on the bond and adding bond insurance. CAO Rusten will provide a schedule once the city goes out to bond and the interest rate is known. The cost of bond insurance will be included in the figures. The bond will be amortized over 20 years.**

There were no further comments.

VOTING: unanimous; motion carried.

5.0 ADJOURNMENT

The next Board of Finance meeting is 3/20/17 if needed.

With no further business and without objection the meeting was adjourned at 6:39 PM.

RScty: MERiordan