Board of Finance - Monday, February 26, 2018 at 5:30 p.m.
Conference Room 12, City Hall
2/26/2018

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

February 26, 2018

APPROVED – 3/12/18

MEMBERS PRESENT: Mayor Weinberger

Kurt Wright

Sharon Bushor

Karen Paul

Jane Knodell

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

Richard Haesler, Assistant City Attorney

Darlene Bayko, C/T

Gene Richards, Airport

Nic Longo, Airport

Shelby Losier, Airport

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the meeting to order at 5:36 PM on February 26, 2018.

1.01 Agenda

MOTION by Councilor Knodell, SECOND by Councilor Paul, to approve the agenda with the addition of Item 5.04 (waste water pump truck) and discussion of items in the minutes as Item 6.02. VOTING: unanimous; motion carried.

2.0 PUBLIC FORUM

There were no comments from the public.

3.0 MINUTES

3.01 January 8, 2018

MOTION by Councilor Bushor, SECOND by Councilor Knodell, to approve the minutes of 1/8/18 as written. VOTING: 4 ayes, one abstention (Councilor Paul); motion carried.

3.02 January 22, 2018

MOTION by Councilor Bushor, SECOND by Councilor Knodell, to approve the 1/22/18 minutes as written. VOTING: unanimous; motion carried.

3.03 January 29, 2018

MOTION by Councilor Bushor, SECOND by Councilor Wright to approve the 1/29/18 minutes as written. VOTING: unanimous; motion carried.

3.04 February 12, 2018

MOTION By Councilor Bushor, SECOND by Councilor Paul, to approve the 2/12/18 minutes with the amendment in Item 4.01 to change "Councilor Knodell commented…" to "Councilor Bushor commented…". VOTING: 4 ayes, one abstention (Councilor Knodell); motion carried.

4.0 BOARD OF FINANCE APPROVAL

4.01 Contract with VHB, Inc. for North Beach Overpass Design – Parks and Rec

MOTION by Councilor Wright, SECOND by Councilor Knodell, to approve and authorize the execution of a contract with VHB, Inc. for a price not to exceed $90,315 for the conceptual design development and completion of 100% bid documents and oversight of bid process for the North Beach Overpass Design Project plus a project contingency of $9,031.50, and to authorize the Director of Parks, Recreation & Waterfront to execute the contract and any related documents needed to carry out the project subject to review by the City Attorney's Office.

DISCUSSION:

- **Staff explained temporary work was done on the overpass last year as part of the capital plan. The contract is for the design of long term improvements. An alternative analysis of the overpass for firetruck access will be done. There is a master plan for North Beach and circulation. Refinement is needed on the circulation piece.**
- **Mayor Weinberger said it is exciting to see what can be done in this area. Taking a broader view would be**

good.

There were no further comments.

VOTING: unanimous; motion carried.

5.0 APPROVE AND RECOMMEND TO CITY COUNCIL

5.01 Office Lease Agreement with Queen City Kombucha - Airport

MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve and recommend to City Council for approval the lease agreement between the City of Burlington and Queen City Kombucha, and to authorize the Airport Director to execute the lease document(s).

DISCUSSION:

- **Councilor Bushor asked about the lease being terminated by the tenant. Mayor Weinberger explained lease rights are difficult to terminate. Airport Deputy Director Longo will double check the terminology. Attorney Haesler said if a tenant does not see a lease through to the end they are in breach and the city has remedies.**
- **Councilor Knodell asked if the lease had to go through zoning in South Burlington. Airport Director Richards said the 45 properties owned by the airport are in a master listing which was sent to South Burlington. A change in the master listing is a zoning change otherwise the matter is handled administratively. Public hearings are not required.**

There were no further comments.

VOTING: unanimous; motion carried.

5.02 Building and Ground Lease Agreement with Taylor Rental - Airport

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Councilor for approval the lease agreement between the City of Burlington and Taylor Rental, and to authorize the Airport Director to execute the lease document(s).

DISCUSSION:

- **Councilor Bushor mentioned the lease is triple net and asked if environmental issues are covered. Director Richards said staff will confirm all issues are addressed.**

VOTING: unanimous; motion carried.

5.03 Lease Agreement Extension with Federal Express - Airport

MOTION by Councilor Bushor, SECOND by Councilor Knodell, to approve and recommend to City Council for approval the lease agreement between the City of Burlington and Federal Express, and to authorize the Airport Director to approve the lease extension per the lease terms.

DISCUSSION:

- **Councilor Bushor asked if all conditions carry forward with the lease extension. Airport Deputy Director Longo said Section 5.B shows the terms and conditions of the extension and the annual escalation. FedEx requested the extension and the lease says the extension is granted with approval by City Council. Staff will check with the City Attorney to determine if a signature page is needed with the lease.**

VOTING: unanimous; motion carried.

5.04 Approve Purchase Financing for Waste Water Pump Truck – C/T

Staff explained the purchase of the pump truck was approved in August 2017, but the financing terms have changed. The increased rate is still within the 4% budgeted for the original approval of purchase. The increase will add $34 per month to the payment. There are ample funds in the budget line item to cover the increase. The purchase will close before the next City Council meeting. The new pump truck will replace the existing pump truck.

MOTION by Councilor Knodell, SECOND by Councilor Wright, to approve and authorize the Interim CAO or designee to execute the necessary financing document(s) related to the KS Bank financing proposal for the city's purchase of the DPW waste water pump truck (originally approve by City Council on August 28, 2017) at a new interest rate of 3.76% subject to review and approval of the document(s) by the City Attorney and to recommend that City Council ratify the action at the next scheduled meeting set for March 12, 2018, and further, to approve and authorize the Interim CAO and DPW Director or designees to execute any other necessary document(s) needed to purchase and finance the vehicle subject to review and approval of the document(s) by the City Attorney and to recommend that City Council ratify the action at the next scheduled meeting set for March 12, 2018. VOTING: unanimous; motion carried.

6.0 COMMUNICATION

6.01 January 2018 Sweep Report – C/T

Councilor Paul observed there is very little change or variance from the last report.

6.02 Items in the Minutes

Councilor Bushor asked for an update on the status of the following items noted in past minutes:

- Tracking and accountability list noted in the January 8, 2018 minutes – Interim CAO Anderson said the tracking list is started and will be presented with the monthly financials.
- Policy for fund balance being 10% or 15% - Interim CAO Anderson said the policy information will be reported at the meeting on 3/12/18 with the TIF report.
- Incorrect information about the number of people working at the Medical Center and UVM used in Moody's report and a memo from the Administration suggesting ways the city can improve its rating to "double A3" - Interim CAO Anderson said staff has been working on an action plan to address items identified to increase the city's rating and correct discrepancies and data in the Moody's report.

Councilor Paul asked for an update on the audit of the UVM water meters. Staff reported a report will be delivered with a memo at the next Board of Finance meeting. The audit is going well. Nothing significant was flagged.

Councilor Wright asked about the status of permit reform. Interim CAO Anderson said there will be a report at the next meeting.

Councilor Knodell asked if the TIF is being serviced on time, and if revenues are coming in when debt is issued. Attorney Haesler said the state report shows the city is servicing the debt. Traditionally as new projects come online, projections and surpluses are reported. Assurance is given there is enough leeway for payments to be made. The TIF will be covered in the budget process which begins early May. Councilor Bushor said the Board of Finance should be involved in the budget process sooner.

7.0 ADJOURNMENT

With no further business and without objection the meeting was adjourned at 6:18 PM.

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