Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM

5:00 pm, Bushor Conference Room, 1st Floor City Hall OR Remotely via ZOOM:

Please click the link below to join the webinar:
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Do not sign up in person and via Zoom - select one only

1. Agenda

Subject	**1.1. Motion to amend/adopt agenda**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	1. Agenda
Department	Council and Board
Type	Action Procedural
Recommended Action	Motion to amend/adopt agenda

2. Public Forum

Subject	**2.1. Verbal Comments**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	2. Public Forum
Department	Council and Board
Type	Action Procedural
Recommended Action	open Public Forum close Public Forum

3. Consent Agenda

Subject	**3.1. Motion to adopt the consent agenda and take the actions indicated**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	3. Consent Agenda
Department	Clerk/Treasurer's Office
Type	Action (Consent) Procedural
Recommended Action	Motion to adopt the consent agenda and take the actions indicated
Subject	**3.2. Amendment to Ground Lease Agreement between the City of Burlington and the Champlain Community Sailing Center, Inc. - CEDO**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	3. Consent Agenda
Department	Community & Economic Development Office (CEDO)
Type	Action (Consent)
Recommended Action	move to approve and recommend that the City Council approve and authorize the Mayor to execute “Amendment B” to the Ground Lease Agreement between the City of Burlington and the Lake Champlain Community Sailing Center, Inc., in order to adjust the allowable amount of Community Service Credit and include provisions related to public access, upon final review by the City Attorney’s Office
Subject	**3.3. Request to Execute a Five Year Contract with Casella Waste Systems, Inc/ for Resource Recovery Services - Waste Recycling and Compost Removal Services - Airport**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	3. Consent Agenda
Department	Airport
Type	Action (Consent)
Recommended Action	to approve and recommend to the City Council that the Director of Aviation be authorized to execute a five year contract with Casella Waste Systems, Inc. for Resource Recovery Services which includes Receptacle and Container Supply, Training, Waste, Recycling and Compost Removal Services subject to the review of the City Attorney’s Office
Subject	**3.4. Approval of ARPA Community Infrastructure Grant agreement with the Burlington City Arts Foundation - BCA**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM

Category	3. Consent Agenda
Department	City Arts
Type	Action (Consent)
Recommended Action	to approve and recommend that City Council approve an ARPA Community Infrastructure Project Grant paid from the City of Burlington to the Burlington City Arts Foundation in the amount of $500,000, and authorize the Director of Burlington City Arts to execute a grant agreement memorializing the same, subject to review by the City Attorney's Office

4. For Approval and Recommendation to the City Council

Subject	**4.1. Request to Execute a Contract Amendment with Jacobs Engineering Group, Inc. for the completion of Design, Permitting, Construction Contractor Coordination and Construction Oversight Services for the North Concourse Replacement Project (Project NEXT) - Airport**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	4. For Approval and Recommendation to the City Council
Department	Airport
Type	Action
Recommended Action	to approve and recommend to the City Council that the Director of Aviation be authorized to execute an amended contract with Jacobs Engineering Group Inc. for an amount up to $4,525,288.00, with a 15% contingency, totaling up to $5,204,081, as allowed under a potential FAA grant, for the final design, permitting, CMAR coordination and construction oversight services of the North Concourse Replacement Project (Project NEXT), subject to review and approval of the City Attorney's Office
Subject	**4.2. Authorization For Reimbursement Of Waterfront TIF District And Downtown TIF District Related Costs For FY 2023 - C/T**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	4. For Approval and Recommendation to the City Council
Department	Clerk/Treasurer's Office
Type	Action Resolution
Recommended Action	to recommend that the City Council approve the attached resolution
Subject	**4.3. Update to the 2019 Investment Policy Statement - BERS/CT**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	4. For Approval and Recommendation to the City Council
Department	Clerk/Treasurer's Office

Type	Action
Recommended Action	to approve and recommend that the City Council approve and ratify the attached Investment Policy Statement for the Burlington Employees’ Retirement System
Subject	**4.4. Presentation and Approval of Solar Eclipse Budget and Program - BCA**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	4. For Approval and Recommendation to the City Council
Department	City Arts
Type	Action
Recommended Action	move to approve and recommend that the City Council create and approve the Solar Eclipse Public Health, Safety, Amenities and Events plan budget as detailed in the chart herein, in an amount not to exceed $439,335 and to authorize the Chief Administrative Officer to make any necessary budgetary amendments and transfers of funds to carry out this initiative
Subject	**4.5. FY25 Operating Budget - Winooski Valley Park District**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	4. For Approval and Recommendation to the City Council
Department	Clerk/Treasurer's Office
Type	Action
Recommended Action	Move to approve and recommend that the City Council approve the amount of $129,573 regarding the Winooski Valley Park District's FY25 Operating Budget

5. Adjournment

Subject	**5.1. Motion to adjourn**
Meeting	October 16, 2023 - Board of Finance Meeting - Monday, October 16, 2023, 5:00 PM, Bushor Conference Room 1st Floor, City Hall OR REMOTELY via ZOOM
Category	5. Adjournment
Department	Council and Board
Type	Action Procedural
Recommended Action	Motion to adjourn

COMMUNITY & ECONOMIC DEVELOPMENT OFFICE

149 CHURCH STREET • ROOM 32 • CITY HALL • BURLINGTON, VT 05401
(802) 865-7144 • (802) 865-7024 (FAX)
www.burlingtonvt.gov/cedo

TO: Burlington Board of Finance & City Council

FROM: Brian Pine, CEDO Director

CC: Katherine Schad, Chief Administrative Officer
Jared Pellerin, Acting City Attorney
Samantha Dunn, CEDO

RE: **Amendment to Ground Lease Agreement between the City of Burlington and the Champlain Community Sailing Center, Inc.**

DATE: October 16, 2023

Request:
This memo requests the Board of Finance to approve the enclosed resolution and recommend the City Council to approve and authorize the same. The resolution is to amend the Ground Lease agreement between the City of Burlington and Lake Champlain Community Sailing Center, Inc. (CSC) for the following purposes:

- Increase the amount of *Community Service Credit* available to the CSC at the time of the Base Rent increase; and
- Memorialize general public access to portions of the facility.

Background:

Community Service Credit
In March of 2016, the City and the CSC entered into a Development agreement and ground lease for the development and operation of an educational and recreational waterfront center on City-owned land at 505 Lake Street. The Ground Lease is the subject of this amendment request.

As part of Ground Lease, the Base Rent paid to the City by Sailing Center shall be adjusted on an annual basis based upon the level of community service provided by the Sailing Center in the previous year (the Community Service Credit). The Community Service Credit shall provide the Sailing Center with a direct (dollar for dollar) credit of up to $40,000 toward the annual Base Rent for direct costs specifically associated with providing scholarships or subsidies to non-profit organizations, primary and secondary schools or individuals for Sailing Center mission based programs, and activities.

Per the Ground Lease, the Base Rent will increase from $50,000 to $60,000 in 2024. The proposed amendment would also increase the amount of Community Service Credit available to the CSC at the same time, providing one dollar of credit for every two dollars of scholarship offered up to an additional ten thousand dollars of credit against the annual Base Rent for a possible total of $50,000 in Community Service Credit. If the CSC maximizes the Community Service Credit, they will make an annual Base Rent payment to the City of $10,000. (In addition to the Base Rent, the CSC pays a Percentage Rent annually based on the gross revenue for certain activities as detailed in the Ground Lease.)

The CSC provides education and access to Lake Champlain to thousands of Burlington residents (and others) annually through a wide range of educational and recreational programs available to everyone regardless of age, gender, race, physical ability, or the means to pay. In 2022, the CSC provided over $90,000 in scholarships through its Floating Classrooms, Leader Ship Program, Adaptive Watersports Program, and Summer Camp & Adult Program Scholarships - this is more than double the scholarships provided in previous years. This lease amendment will allow the CSC to maintain the level of base rent as it continues to expand the level of scholarship provided. This lease amendment will allow the CSC to maintain the level of Base Rent as it continues to expand the level of scholarship provided.

<u>General Public Access</u>
The second component of the lease amendment, memorializes general public access to the restrooms at the CSC whenever the facility is open (the CSC allowed general public access to the restrooms this summer as a condition of federal funding received for their waterfront improvements slated to be begin construction this fall). In addition to access to the restrooms, the lease ensures general public access to, and use of, the new, sloped ramp, being installed as part of the waterfront improvements.

Attachments:

- Ground Lease Agreement between the City of Burlington and Lake Champlain Community Sailing Center, Inc. (Executed 2016, Amended 2018)
- Amendment B to Ground Lease Agreement between the City of Burlington and Lake Champlain Community Sailing Center, Inc.

Resolutions:
Board of Finance Motion:

Move to approve and recommend that the City Council approve and authorize the Mayor to execute "Amendment B" to the Ground Lease Agreement between the City of Burlington and the Lake Champlain Community Sailing Center, Inc., in order to adjust the allowable amount of Community Service Credit and include provisions related to public access, upon final review by the City Attorney's Office.

City Council Motion:

Move to approve and authorize the Mayor to execute "Amendment B" to the Ground Lease Agreement between the City of Burlington and the Lake Champlain Community Sailing Center, Inc., in order to adjust the allowable amount of Community Service Credit and include provisions related to public access, upon final review by the City Attorney's Office.

GROUND LEASE AGREEMENT BETWEEN THE CITY OF BURLINGTON AND LAKE CHAMPLAIN COMMUNITY SAILING CENTER, INC.

March 21, 2016

GROUND LEASE

This Lease is between THE CITY OF BURLINGTON, VERMONT, a municipal corporation (sometimes referred to as the "City" or "Lessor") and LAKE CHAMPLAIN COMMUNITY SAILING CENTER, INC., with a principal place of business in Burlington, Vermont (sometimes referred to as the "Sailing Center" or "Lessee"). The Sailing Center and the City may sometimes be referred to collectively as the "Parties."

The City is the owner of real estate located on the City of Burlington, Lake Champlain Waterfront and the Sailing Center desires to lease a certain parcel on the waterfront for use as an educational and recreational community waterfront center, all as more particularly set forth in this Ground Lease (sometimes referred to as "Lease").

In consideration of the mutual promises contained in this Lease and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I
Property

1.1 Leased Property. Upon the terms and conditions set forth in this Lease and in consideration of the payment of the rents and the prompt performance by the Sailing Center of the covenants and agreements herein, to be kept and performed by the Sailing Center, the City does hereby lease, let, and demise to the Sailing Center and the Sailing Center hereby leases from the City, the following described premises, situate, lying and being in the City of Burlington, County of Chittenden and State of Vermont (sometimes referred to as the "Property"):

> The property is depicted in Exhibit A attached to this Lease and incorporated by reference. The Property includes any improvements permanently affixed to the real estate that merge into and become part of the real estate, regardless of when constructed or installed during the term of this Lease and includes fixtures subject to the rights of the Sailing Center in fixtures. The Parties agree that subsequent to execution of this Lease, they will perform or update a boundary survey of the Property, which will be recorded in the Burlington land records, and will control the boundary description of the Property.

This Ground Lease is made subject to:

1.1.1 Easements, rights of way, conditions, restrictions and limitations, if any, now appearing in the City of Burlington land records;

1.1.2 Real property rights reserved to the City described in the Memorandum of Understanding dated August 19, 2014, including a right of way for a public promenade;

1.1.3 All rights of way and easements reasonable and necessary to complete the Waterfront Access North Project, which do not unreasonably interfere with the operation of the Sailing Center;

1.1.4 The Sailing Center's public access obligations for the development and operation of the Sailing Center, including any conservation easement requirements under any agreement to which the City is a party or required by any local state or federal agencies or regulatory bodies with respect to public access, stormwater mitigation, shoreline erosion mitigation or similar waterfront issues.

1.1.5 The Public Trust Doctrine as more fully described in *State v. Central Vermont Railway;* 571 A.2d 1128 (1989) and codified in the City of Burlington Zoning Ordinance Article 4.4.1. Nothing in this Lease shall be construed to be in conflict with the requirements of the Public Trust Doctrine;

1.1.6 Zoning ordinances and land use regulations of the City of Burlington, County of Chittenden, and State of Vermont, and of any other governmental body now existing or which may hereafter exist by reason of any legal authority during the life of this Lease;

1.1.7 The proper performance by the Sailing Center of all of the terms and conditions contained in this Lease; and

1.1.8 The City's prior written approval of any structures to be placed on the Property.

ARTICLE II
Term

2.1 Construction Term. There shall be an initial Construction Term to commence on April 1, 2016 which shall end the earlier of twenty-four (24) months from the date of commencement (March 31, 2018) or the date on which the Sailing Center is issued a Certificate of Occupancy for the Property.

2.2 Operations Term. The initial Operations Term shall commence immediately following termination of the Construction Term and last for thirty (30) years.

2.3 Renewal Operations Term. The Lease shall automatically renew at the end of the Initial Operations Term for a second thirty (30) year term unless either Party gives six (6) months written notice of non-renewal to the other Party, but only if the Sailing Center is not in breach of any of the covenants, warranties, terms, and conditions of this Lease.

2.4 Possession. The Sailing Center shall have and is entitled to exclusive possession of the Property subject only to the rights of the City to enter the Property from time to time, the rights reserved by the City, the rights of the City and others identified in the Property Description, and the rights of the City and others shown on a survey of record in the Burlington land records. The rights of the City and others include, but are not limited to, the Vermont Housing and Conservation Board Grant of Development Rights and Conservation Restrictions for the Urban Reserve recorded in the City of Burlington Land Records at Vol. 456 pages 509-520.

ARTICLE III
Rent

3.1 Construction Term Rent. For so long as the Sailing Center complies with all terms and conditions of this Lease applicable to the Construction Term, including, but not limited to, payment of all required costs and fees, there shall be no other rent during the Construction Term.

3.2 Operations Term Annual Base Rent and Adjustments.

3.2.1 Base Rent. The Sailing Center shall pay Burlington an Annual Base Rent as follows:

- There shall be a Base Rent of $50,000 for years one through five of the Operational Term, provided the gross revenues of the Sailing Center do not exceed $1,250,000. In the event that the Sailing Center revenues exceed $1,250,000, the Base Rent shall be $60,000 for the following year and every year thereafter until year 30.

- For year six through thirty of the Operational Term, base rent shall be $60,000 with adjustment based on the Consumer Price Index (CPI) compounded annually for the duration of the tenancy.

3.2.2 Consumer Price Index Adjustment. The Base Rent shall be adjusted annually, beginning January 1 of the calendar year immediately after the commencement of the Initial Operations Term and continuing until this Lease terminates, based on the United States Department of Labor, Bureau of Labor Statistics, CPI-U for the Northeast Census Region Consumer Price Index. In the event the CPI-U is discontinued, comparable statistics on the purchasing power of the consumer dollar published by the Bureau of Labor and Statistics of the United States Department of Labor shall be used for making the computation. In the event the Bureau of Labor and Statistics shall no longer maintain statistics on the purchasing power of consumer dollars, comparable statistics published by a responsible financial periodical or recognized authority selected by the City shall be used for making the adjustment. In the event that the Base Year or other Base Year used in computing the CPI-U is changed, the figure used in making the adjustment in each year shall accordingly be change so that all increases in the CPI-U are taken into account notwithstanding any such change in the Base Year.

3.2.3 Community Service Credit. The Base Rent shall be adjusted annually based on the level of community service provided by the Sailing Center in the prior calendar year. The Community Service Credit shall provide the Sailing Center with a direct, dollar for dollar, credit of up to Forty Thousand Dollars ($40,000.00) against the Annual Base Rent for documented direct costs specifically associated with the Sailing Center's mission based programs and activities providing scholarship or subsidy to non-profit organizations, schools or individuals. As of the date of this Lease, The City has accepted the following categories of programs and activities for Community Service Credit eligibility:

- Floating Classrooms and the Burlington School District initiative providing standards-based STEM curriculum for hands-on experimental learning opportunities for the Burlington School District and local Burlington students;

- Leadership Program providing youth character development and life skill programming to local non-profits;

- Women in Wind providing leadership and STEM education to gender specific programming to girls and women;

- Adaptive Water Sports Program providing outdoor recreational and watersports competition opportunities for individuals with cognitive or physical disabilities; and

Future approval for other mission based community access and recreation programs as may be developed by the Center and its community partners shall not be unreasonably withheld.

3.2.3.1 The Community Service Credit shall be limited to the bulleted items above, unless additions are specifically authorized by the City. The Sailing Center shall submit notice of proposed new programs or program expansion or modification by January 1 of each calendar year. The City shall have a reasonable time to approve or reject proposals, but approval of new programs or existing program expansion or modification shall not be unreasonable withheld.

3.2.3.2 The Community Service Credit Limit shall be adjusted at the end of each calendar year based upon the Consumer Price Index Adjustment set forth in paragraph 3.2.2.

3.2.3.3 In order for the City to calculate the Annual Community Service Credit, the Sailing Center shall provide the City with documentation of direct costs specifically for approved programs, which documentation may include, but is not limited to, contracts or agreements with the Burlington School District, with local not-for-profit organizations, with social service agencies, or with other entities affiliated with any programs, tax returns, grant agreements and any other written or digital material that identifies direct costs. The documentation shall be provided annually to the City on or before January 1 of each calendar year. The Sailing Center shall promptly supply additional documentation reasonably related to calculating the Annual Service Credit when reasonably requested by the City within a reasonable period. Failure to supply documentation on or before the due date, or within a reasonable amount of time when reasonably requested by the City shall void the Community Service Credit arising from any impacted element(s) of the Community Service Credit for that calendar year.

3.2.4 Base Rent Payment Schedule. The net Base Rent, after adjustment for Consumer Price Index increases and for Community Service Credits shall be payable in four (4) equal installments at the end of the first month after each calendar quarter (April 30, July 31, October 31 and January 31).

3.3 Percentage Rent. In addition to the Base Rent, the Sailing Center shall pay to the City a Percentage Rent calculated annually based on a percentage of the gross revenue for the following activities for each calendar year as follows:

- Public Boat Storage (summer): 5%
- Public Boat Storage (winter): 10%
- Public Boat Rentals: 5%
- Facility Use Fees and any revenue from City approved sublease: 15%
- University/College Facility Use Fees: 15%
- Concessions: 5%

3.3.1 Commencement of Annual Percentage Rent Obligation. The commencement of the obligation to pay Annual Percentage Rent is the date the initial Operations Term begins, but not later than May 1, 2017, unless a different commencement date is agreed to in a writing signed by the Parties.

3.3.2 Percentage Rent Payment. The Annual Percentage Rent Payment is due in arrears on the same due date for the second calendar year quarter Base Rent Payment, on or before July 31 of each calendar year, as follows:

- Ten percent (10%) of the calculated Annual Percentage Rent for Year One.
- Fifty percent (50%) of the calculated Annual Percentage Rent for Year Two through Five.
- One hundred percent (100%) of the calculated Annual Percentage Rent for Year Six and all subsequent years until this Lease terminates.

3.3.3 Obligation of Sailing Center to Documentation of Revenue. The Sailing Center shall within sixty (60) days of calendar year end, provide the City with all documents necessary to calculate gross revenue for each element of revenue listed in 3.3 above and any documents reasonably requested by the City. If the Sailing Center shall fail to provide the required documentation within the specified time, the gross revenue for any element without proper revenue documentation shall be deemed to be two (2) times the prior year's gross revenue and the annual percentage rent payment for that element of gross revenue shall be the applicable percentage in 3.3.

3.4 Rent Proration. Rent shall be payable on a calendar year basis. The commencement of the initial Operations Term may be on a date other than the beginning of a calendar year. In the event the Operations Term begins on such a date, the Annual Base Rent and the Community Service Credit shall be prorated for the time between the commencement of the initial Operations Term and the end of the calendar year. The first Base Rent Payment after the commencement of the initial Operations Term shall be the last day of the month immediately following the calendar year quarter in which the initial Operations Terms begins.

3.5 Net Lease. All rent shall be net to the City, except as otherwise specifically provided in this Lease. Accordingly, except if otherwise specifically provided, all costs, expenses and obligations of every kind or nature, whatsoever, relating to the Property or any improvements on the Property which may arise or become due during the Term of this Lease, shall be paid by the Sailing Center and the City shall be indemnified and saved harmless by the Sailing Center from and against the same. Nothing in this paragraph shall be deemed to require the Sailing Center to pay or discharge any liens or mortgages that may hereafter be placed upon the Property by the affirmative act of the City.

ARTICLE XXIV
Calendar Year Lease

4.1 Initial Lease Period. This Lease shall operate on a Calendar Year basis except for the purpose of calculating the Construction and Operations terms. Where ever in this lease a time period begins other than the first day of the calendar year the initial period between the start date and the next January 1 (the "initial period") shall be counted as the first calendar year, or year one of any particular sequence or phase in, and any payments due shall be prorated for the number of days in the initial period. The second calendar year or year two shall start the January 1 immediately following the end of the initial period.

4.2 CPI Adjustment for Initial Period. For the purpose of applying the Consumer Price Index Adjustment to the initial period, the Adjustment percent shall be modified by the number of days in the initial non-calendar period divided by 365 days and then applied. For the purpose of the Community Service Credit, the amount of the Credit, the amount of the Credit annual maximum and the amount of the Default Threshold shall be modified by the number of days in the initial non calendar period divided by 365 days and then applied.

4.3 Final Lease Period. Where ever in this lease a time period ends other than the last day of the calendar year, December 31, the final period between January 1 and the end date shall be the "final period." Any payments due shall be the amount due during the final calendar year or final year and prorated for the number of days in the final period.

ARTICLE V
Real Estate Taxes

5.1 Sailing Center Obligations. The Sailing Center shall pay, before any fine, penalty, interest, or cost may be added, or become due or be imposed for nonpayment thereof, all taxes, assessments, water and sewer rents, rates and charges, charges for public utilities, excises, levies, licenses and permit fees and other governmental charges, general and special, ordinary and extraordinary, unforeseen and foreseen, of any kind and nature, whatsoever, which at any time during the term of this Lease may be assessed, levied, confirmed, imposed upon, or grow or become due and payable out of or in respect of, or become a lien on, the Property, or any improvements thereon, or any part thereof or any appurtenance thereto, or otherwise arising out of the rent and income received by the Sailing Center from use of the Property.

5.2 Mode of Payment. The Sailing Center shall pay the taxes and other charges as enumerated in this Article and shall deliver official receipts evidencing such payment to the City, which payment of taxes or assessments shall be made and the receipts delivered, at least 10 days before the tax, itself, would become delinquent in accordance with the law then in force governing the payment of such tax or taxes.

5.3 Sailing Center's Default. If the Sailing Center shall fail, refuse, or neglect to make any of the payments required in this Article, then the City may pay the same, and the amount or amounts of money so paid, including reasonable attorneys' fees and expenses which might have been reasonably incurred because of or in connection with such payments, together with interest on all such amounts, at the rate of 18% per annum, shall be repaid by the Sailing Center to the City, upon the demand of the City, and the payment thereof may be collected or enforced by the City in the same manner as though such amount were an installment of rent specifically required by the terms of this Lease to be paid by the Sailing Center to the City, upon the day when the City demands repayment thereof or reimbursement therefor of and from the Sailing Center; but the election of the City to pay such taxes or other charges shall not waive the default thus committed by the Sailing Center.

5.4 Proration. The foregoing notwithstanding, the parties hereto understand and agree that the taxes for the first and last years of the term shall be prorated proportionately between the City and the Sailing Center.

5.5 Fee for Service Agreement. In the event the Sailing Center obtains a full or partial property tax exemption, the Sailing Center and the City will enter into a Fee for Service Agreement for a payment that is good faith compensation for municipal services provided to the Sailing Center Property, including the grounds and facilities, by City departments (including, but not limited to, Police, Fire, Emergency services, Public Works, Streets and Parks) during the term of the Lease and commensurate with the fees paid by other tax-exempt organizations which have entered into fee for service agreements with the City for similar such municipal services. The Fee for Service minimum payment shall not be less than $9,000.00 annually. The Fee for Services payment shall be adjusted annually by the Consumer Price Index Adjustment of Section 3.2.2.

ARTICLE VI
Obligations During Construction Term

6.1 Construction of Improvements. The Construction Term of this Lease provides time for the Sailing Center to construct the Sailing Center Project, as approved in advance by the City, on the Property. The Sailing Center Project is the design for allocation of uses and construction of permanently affixed buildings, including operational and storage buildings, out buildings whether or not permanently affixed, parking areas, outdoor storage areas, docks, whether permanently affixed or fixtures, moorings, harbor improvements, water control features and including any other designs or improvements depicted on the design of the Sailing Center attached as Exhibit B, approved and permitted by applicable local, state and federal authorities (the “Sailing Center Project”). Any modifications thereto shall comply with Section 6.3 below.

6.2 Land Use Permitting. The Sailing Center shall bear the responsibility for securing and maintaining any and all permits needed relative to construction of the Sailing Center Project and, if necessary, for Sailing Center operation of the Sailing Center Project. The Sailing Center shall be obligated for all costs associated with any such permits, including permit fees and the costs of compliance, and this obligation for permitting fees and costs for compliance shall apply to any pre-existing permits held by or for the benefit of the City which are modified on account of the Sailing Center Project construction and operations or require compliance actions on account of the construction or operation of the Sailing Center Project. The City shall have no liability for any such costs, and the Sailing Center shall indemnify and hold the City harmless therefrom. See Section 5.1 above. The parties may enter into a Memorandum of Understanding regarding common or shared permit compliance in order to formalize their good faith with regard to these provisions.

6.2.1 Environmental Remediation. The City shall, however, contribute up to $372,799.27 of TIF funds dedicated to public improvements in support of this project for remediation costs relative to the property's compliance with the Corrective Action Plan (CAP) so long as such costs are incurred during the construction phase of this lease and are for work pursuant to the Sailing Center's existing permit as of the date of the execution of this lease. Said remediation may include, but not be limited to, testing, excavation, and transfer to the City's approved interim soil management site (referred to as "the Flying A site" and located on the City's adjacent property in the Urban Reserve) of development soils in an amount not to exceed 1,750 cubic yards, environmental oversite, and soil capping pursuant to the CAP. Upon completion of the CAP, to the extent there are costs related to management of any contaminated soils or related substances pursuant to any government hazardous waste permits or agreements thereafter, Sailing Center obligations and liability under this section are limited to those arising due to actions of, or for the benefit of, the Sailing Center. The Sailing Center shall not be responsible for any continuing obligations, financial or otherwise, relative to soils from the Property which are placed at the Flying A site in compliance with the CAP.

6.3 Design, Modification or Alteration. The City shall have the right of approval, which shall not be unreasonably withheld, of all designs for any structures to be permanently affixed to the Property and any fixtures attached to the Property (for example, removable docks, removable moorings, etc.), and for any modification or alteration of same, whether during construction, or after completion of construction, any modification or alteration of any improvements permanently affixed to the Property or any fixtures. No such approval by the City shall have the legal effect of relieving Sailing Center of any obligation or liability under the provisions of Section 6.2.1 of this agreement.

6.4 Accommodation of Rights of Way, Easements and Rights and Interest of the City and Others. All construction on the Sailing Center and all operations of the Sailing Center on the Property shall accommodate all easements, rights of way, conditions, restrictions, limitations and real property rights set forth in 1.1 and to which the Property is subject.

6.5 Certificate of Occupancy. The Sailing Center shall have the sole obligation to obtain a Certificate of Occupancy at the earliest possible date and shall immediately give City notice of the issuance of the Certificate of Occupancy.

6.6 Completion of Construction and Commencement of Operations. The Parties agree that the Sailing Center shall make good faith efforts to open the new Sailing Center on the Property on or before May 1, 2017.

6.7 Obligation of City. The City shall be obligated to cooperate with any reasonable requests of the Sailing Center in meeting the Sailing Center obligations under this Lease. This obligation to cooperate shall not be construed as an obligation to undertake any financial obligations except for those specifically described in this Lease and assumed by the City.

6.8 Construction of Infrastructure and Utilities. The City shall be responsible for the construction of $500,000.00 of infrastructure and utilities supporting the Property. The obligation of the City includes the obligation to invest $500,000.00 of Tax Increment Financing funds in direct support of the construction of the Sailing Center facilities. The Tax Increment Financing funds can be used to fund construction of infrastructure improvements that "but for" such investment, the Sailing Center Project would not have been feasible (the "Sailing Center TIF Funds"). Sailing Center TIF Funds have been used by the City to offset infrastructure and associated development costs on the Property incurred by the Sailing Center or the City under the Waterfront Access North (WAN) contract in the amount of $372,200.73 (See attached WAN project reconciliation spreadsheet – Exhibit C). The remaining balance of $127,799.27 in TIF funds for the project shall, as a first priority, be utilized for environmental remediation purposes pursuant to Section 6.2.1 of this agreement. Any remaining balance may then be applied to such infrastructure improvements to the Property being made to the Property under the existing permit of even date as may be mutually agreed upon by the parties and as are permissible under Vermont law applying to the use of TIF funds. Such application of these funds may include some allocation to the so-called Bid Alt A portion of the contract referenced in Exhibit C.

6.9 Sailing Center Financial Commitment. Before commencing any construction of the Sailing Center Project, the Sailing Center covenants and warrants that it shall have the financial capacity or shall have arranged for sufficient financing for the financial capacity to complete the construction of the Sailing Center Project as originally designed.

6.10 Project Meetings. The Parties shall commit to meeting not less than quarterly for Sailing Center Project progress meetings during the entire Construction Term which meetings shall regularly include capital campaign updates for the duration of any capital fund raising campaigns. The City can require additional project meetings for subsequent modification or extension of the Sailing Center Project, or subsequent development campaigns.

ARTICLE VII
Lease Commencement Dates and Delivery Procedures

7.1 Commencement Date of Construction Term. The Construction Term shall commence April 1, 2016.

7.2 Execution and Delivery of Lease. Simultaneous with the commencement of the Construction Term, the Parties shall execute the Lease and it shall be delivered to the City to be held unrecorded until construction of the Sailing Center Project and the Construction Term are completed, the Certificate of Occupancy has been issued by the applicable City of Burlington Department(s), and the initial Operations Term has begun. Upon occurrence of all conditions, the City shall deliver the Lease to the Sailing Center. The Sailing Center at its expense, shall record a Memorandum of Ground Lease in a form substantially similar to that attached as Exhibit D in the Burlington land records.

7.3 Operations Term. The initial Operations Term of thirty (30) years shall begin the earlier of twenty-four (24) months from the date of commencement of the Construction Term (March 31, 2018) or the date on which the Sailing Center is issued a Certificate of Occupancy for the Property.

ARTICLE VIII
Representations and Warranties for Ground Lease Preconditions

8.1 Development Agreement Compliance. The Sailing Center hereby warrants and covenants that it has complied with all requirements and obligations of the Development Agreement dated September 9, 2015.

8.2 Payment to City for Reimbursement of Costs. The Sailing Center hereby covenants and warrants that it has made payment, or has otherwise committed to payment by a date certain to the City for reimbursement of costs incurred by the City for materials purchased for the benefit of the Sailing Center (see the so-called Bid Alternate A portion of Exhibit C) in the amount of $76,774.90 This figure may, by mutually agreement of the parties, be reduced by applying an offset against any remaining TIF fund balance (if such balance exists) after TIF allocations have been applied under Section 6.2.1 of this agreement. Such offsets must first, by mutual agreement of the parties, be determined to have satisfied all legal requirements for qualification as appropriate TIF fund expenditures.

8.3 Permit Acquisition and Compliance. The Sailing Center hereby covenants and warrants that it has obtained all necessary permits to begin construction of the Sailing Center Project as designed and as approved by the City to be constructed on the Property, including, but not limited to, Harbor Master, City of Burlington Land Use Regulation Divisions, Vermont Agency of Natural Resources and United States Army Corps of Engineer approvals and is now and shall be throughout the construction period in compliance with same.

8.4 Financing Commitment. The Sailing Center hereby covenants and warrants that it has available the funds necessary to complete construction of the Sailing Center Project as approved by the City or that it has arranged for adequate financing to complete construction of the Sailing Center Project.

8.5 Construction Contract. The Sailing Center covenants and warrants that it has entered into a Construction Contract for the Sailing Center Project with a qualified contractor which contract provides that the Sailing Center Project will be built as approved by the City for the costs set forth in the Contract.

8.6 Completion Guaranty. The Sailing Center covenants and warrants that it has completed and delivered to the City a completion guaranty for completion of construction of the Sailing Center Project as approved by the City which completion guaranty is reasonably satisfactory to the City.

ARTICLE IX
Mechanics' Liens

9.1 No Lien. The Sailing Center shall not have the power to subject the interest of the City in the premises to any mechanics' or materialmen's liens or lien of any kind, unless a specific provision to the contrary authorizing in specific terms the creation of such lien or liens is elsewhere herein contained.

9.2 Release of Lien. The Sailing Center will not permit or suffer to be filed or claimed against the interest of the City in the Property during the continuance of this Lease, any lien or claim of any kind, and if such lien be claimed or filed, it shall be the duty of the Sailing Center, within 30 days after the City shall have been given written notice of such claim and shall have transmitted written notice of the receipt of such claim unto the Sailing Center (whichever 30 day period expires earlier) to cause the premises be released from such claim, either by payment or by the posting of bond or by the payment to the court of the amount necessary to relieve and release the premises from such claim, or in any other manner which, as a matter of law, will result, within such period of 30 days, in releasing the City and the title of the City from such claim; and the Sailing Center covenants and agrees, within such period of 30 days, so as to cause the premises and the City's interest therein to be released from the legal effect of such claim.

ARTICLE X
Governing Law, Cumulative Remedies

10.1 Governing Law. All of the rights and remedies of the respective parties shall be governed by the provisions of this instrument and by the laws of the State of Vermont, as such laws relate to the respective rights and duties of landlords and tenants.

10.2 Cumulative Remedies. During the continuance of the Lease, the City shall have all rights and remedies, which this Lease and the laws of the State of Vermont assure to it. All rights and remedies accruing to the City shall be cumulative, that is, the City may pursue such rights as the law and this Lease affords to it in whatever order the City desires and the law permits without being compelled to resort to any one remedy in advance of any other.

ARTICLE XI
Indemnification of the City

11.1 Indemnification of the City. During the entire term of the Lease, the Sailing Center will indemnify and save harmless the City against any and all claims, debts, demands, or obligations which may be made against the City or against the City's title in the premises, arising out of, or in connection with, any alleged act or omission of the Sailing Center or any person claiming under, by, or through the Sailing Center; and if it becomes necessary for the City to defend any action seeking to impose any such liability, the Sailing Center will pay the City all costs of court and attorneys' fees incurred by the City in effecting such defense in addition to any other sums which the City may be called upon to pay by reason of the entry of a judgment against the City in the litigation in which such claim is asserted.

ARTICLE XII
Insurance

11.1 Public Liability. From the time when the Sailing Center commences construction on the Property or any part thereof, or from and after any earlier date when the Sailing Center makes actual use of and occupies the Property, or any parts thereof, the Sailing Center shall cause to be written a policy or policies of insurance in the form generally known as public liability policies, and boiler insurance, and elevator insurance policies, when there are boilers and elevators included in any improvements located on the Property, insuring the Sailing Center against any and all claims and demands made by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the premises, improvements, and buildings located on the Property or for any other risk insured against by such policies, each class of which policies shall have been written within the following limits:

11.1: Special Perils Property Insurance. The Community Sailing Center (CSC) at its own cost and expense, shall keep the building or buildings at the premises insured during the entire term of the lease agreement against loss or any other natural consequence. Such insurance is to be written on an "Special Perils" form and by an insurance company or companies authorized to do business in the State of Vermont. The building(s) are to be insured to the full replacement cost of such building(s). The property insurance coverage will also include coverage for ordinance or Law (demolition, increased cost of construction and undamaged portion of building) in the amount of $250,000.

11.1.2: Commercial General Liability Insurance. Throughout the term of the lease agreement, CSC shall maintain commercial general liability insurance covering the premises/operations and products/completed operations of CSC in amounts not less than 1,000,000 each event/2,000,000 annual aggregate. Such policy shall name the City of Burlington as an additional insured to be issued on a primary, non-contributory basis.

11.1.3. Auto Liability Insurance. Throughout the term of the lease agreement, CSC shall maintain commercial auto liability insurance covering owned and/or non-owned and hired autos in amounts not less than 1,000,000 combined single limit. For owned auto's only, CSC shall name the City of Burlington as an additional insured to be issued on a primary, non-contributory basis.

11.1.4 Protection and Indemnity Insurance. Throughout the term of the lease agreement, CSC shall maintain Protection and Indemnity Insurance covering all waterborne and watercraft related operations in amounts not less than 1,000,000 each event for bodily injury/1,000,000 each event property damage. CSC shall name the City of Burlington as an additional insured to be issued on a primary, non-contributory basis.

11.1.5 Marine Umbrella Insurance. Throughout the term of the lease agreement, CSC shall maintain Marine Umbrella or excess liability coverage covering all on-shore and waterborne/watercraft activities in amounts not less than 2,000,000 each event/2,000,000 annual aggregate. CSC shall name the City of Burlington as an additional insured to be issued on a primary, non-contributary basis.

11.1.6 Workers' Compensation and Employers Liability. CSC shall obtain workers' compensation insurance per the Vermont State statute and Employers Liability coverage in minimum amounts of 500,000 each accident, 500,000 disease-per employee and 500,000 disease-policy limit. CSC shall agree to provide a policy endorsement waiving their rights of subrogation in favor of the City of Burlington.

11.2 All such policies shall name the Sailing Center and the City, as their respective interests may appear, as the persons assured by such policies; and the original or a duplicate original of each of such policy or policies shall be delivered by the Sailing Center to the City promptly upon the writing of such policies, together with adequate evidence of the fact that the premiums are paid.

12.2 <u>Loss of Damage and Extended Coverage</u>. From and after the time when the Lease commences, the Sailing Center will keep insured any and all buildings and improvements upon the said premises against all loss or damage by fire and windstorm, together with "extended coverage," which said insurance will be maintained in an amount which will be sufficient to prevent any party in interest from being or becoming a co-insurer on any part of the risk, which amount shall not be less than one hundred (100%) of the full insurable value, and all of such policies of insurance shall include the name of the City as one of the parties insured and shall fully protect both the City and the Sailing Center as their respective interests may appear. In the event of destruction of the said buildings or improvements by fire, windstorm, or other casualty for which insurance shall be payable and as often as such insurance money shall have been paid to the City and the Sailing Center, said sums so paid shall be deposited in a joint account of the City and the Sailing Center in a bank located in Chittenden County, Vermont, designated by the Sailing Center, and shall be made available to the Sailing Center for the construction or repair, as the case may be, of any building or buildings damaged or destroyed by fire, windstorm, or other casualty for which insurance money shall be payable and shall be paid out by the City and the Sailing Center from said joint account from time to time on the estimate of any reliable architect licensed in the State of Vermont having jurisdiction of such reconstruction and repair, certifying that the amount of such estimate is being applied to the payment of the reconstruction or repair and at a reasonable cost therefor; provided, however, that the total amount of money necessary for the reconstruction or repair of any building or buildings destroyed or injured has been provided by the Sailing Center for such purpose and its application for such purpose assured. In the event of the destruction or damage of the buildings and improvements or any part thereof, and as often as any building or improvement on said Property shall be destroyed or damaged by fire, windstorm, or other casualty, the Sailing Center shall rebuild and repair the same in such manner that the building or improvement so rebuilt and repaired, and the personal property so replaced or repaired, shall be of the same or higher value as the said building or improvement and the personal property upon the Property prior to such damage or destruction, and shall have the same rebuilt and ready for occupancy within twelve (12) months from the time when the loss or destruction occurred, unless otherwise agreed to by the Parties. The twelve (12) month period for reconstruction shall be enlarged by delays caused without fault or neglect on the part of the Sailing Center by act of God, strikes, lockouts, or other conditions (other than matters of finance) beyond the Sailing Center's control.

12.3 Delivery of Policies. The originals of all such policies shall be delivered to the City by the Sailing Center along with the receipted bills evidencing the fact that the premiums therefor are paid; but nothing herein contained shall be construed as prohibiting the Sailing Center from financing the premiums where the terms of the policies are for three years or more and in such event the receipts shall evidence it to be the fact that the installment premium payment or payments are paid at or before their respective maturities.

12.4 Proceeds Payable to Mortgagee. If any mortgagee holding a mortgage created pursuant to the provisions of Article XV elects, in accordance with the terms of such mortgage, to require that the proceeds of the insurance be paid to the mortgagee, then such payment shall be made, but in such event, it shall still be obligatory upon the Sailing Center to create the complete fund in the manner set forth in this Article to assure and complete the payment for the work of reconstruction and repair.

12.5 Damages; Insurance Proceeds; Joint Bank Account. Any excess of money received from insurance remaining in the joint bank account after the reconstruction or repair of such building or buildings, if the Sailing Center is not in default, shall be paid to the Sailing Center, and in the case of the Sailing Center not entering into the reconstruction or repair of the building or buildings within a period of six months from the date of payment of the loss, after damage or destruction occasioned by fire, windstorm, or other cause, and prosecuting the same with such dispatch as may be necessary to complete the same within I5 months after the occurrence of such damage or destruction, then the amount so collected, or the balance thereof remaining in the joint account, as the case may be, shall be paid to the City and it will be at the City's option to terminate the Lease and retain such amount as liquidated and agreed upon damages resulting from the failure of the Sailing Center to promptly, within the time specified, complete such work of reconstruction and repair. The twelve (12) month period for reconstruction shall be enlarged by delays caused without fault or neglect on the part of the Sailing Center by act of God, strikes, lockout, or other conditions (other than matters of finance) beyond the control of the Sailing Center.

12.6 Direct Repayment. The foregoing notwithstanding, in the event the insurance proceeds are the sum of $25,000.00 or less, then such proceeds shall be paid directly to the Sailing Center without the necessity of creating the joint bank account, and the Sailing Center shall use such funds to make the replacements or repairs.

12.7 Worker's Compensation Insurance. The Sailing Center shall have an affirmative obligation to take all necessary steps to determine and require that any contractor or subcontractor working on the Sailing Center Project or any subsequent modifications or improvements to the Property or the fixtures on the Property has adequate worker's compensation coverage that is sufficient to protect the interests of the Sailing Center and the City. The Sailing Center agrees that it shall hold harmless and indemnify the City for any claim for injury to workers on the Property covered by Vermont Worker's Compensation Law, including any attorney's fees reasonably incurred by the City in connection with any such claim. In addition, the Sailing Center shall carry worker's compensation insurance on its own account for its own employees and for contract workers working on the Property as required by Vermont statute.

ARTICLE XIII
Insurance Premiums

13.1 Payment of Insurance Premiums. The Sailing Center shall pay premiums for all of the insurance policies which the Sailing Center is obligated to carry under the terms of this Lease, and will deliver to the City evidence of such payment before the payment of any such premiums become in default, and the Sailing Center will cause renewals of expiring policies to be written and the policies or copies thereof, as the Lease may require, to be delivered to the City at least ten (10) days before the expiration date of such expiring policies.

ARTICLE XIV
Assignment

14.1 Written Assignment; Filing. This Lease cannot be assigned without written approval from the City, which shall not be unreasonably withheld, and any such unapproved assignment shall be void *ab initio*. For an assignment to be approved by the City and therefore valid and enforceable, the Assignee shall expressly assume and agree to perform each and every covenant of this Lease which, by the terms hereof, the Sailing Center agrees to keep and perform, which assumption shall be evidenced by written, recordable instrument (either by joinder in the assignment itself, or by separate instrument), and such assignment shall not be deemed valid, unless the assignment and the assumption agreement are promptly filed for record in the Burlington land records, and an executed original delivered to the City.

14.2 Sailing Center's Primary Liability. If the Sailing Center's interest in and to this Lease Agreement is assigned, the Sailing Center's liability for the performance of any of the terms, conditions, covenants, and agreements contained herein to be performed by the Sailing Center, shall remain in full force and effect.

14.3 Sublet. The Sailing Center may sublet up to thirty percent (30%) of the land area of the Property or of the principal operations buildings on the Property or sublet any equal or smaller percentages that result in sublettor(s) operating up to forty percent (40%) of the Sailing Center combined programs and activities, but only with advanced approval of the City, which approval shall not be unreasonably withheld, and on the condition that any such sublets comply with the Sailing Center educational and recreational mission and with the Public Trust Doctrine. The Sailing Center may provide non-profit partner organizations with indoor and outdoor space under terms and conditions as it deems appropriate for its educational and recreational mission and its goals, but such activity, when combined with any sublet use or activity shall not exceed the limits of this section.

ARTICLE XV
Condemnation

15.1. Eminent Domain; Cancellation. If, at any time during the continuance of this Lease, the Property or the improvement or building or buildings located thereon, or any portion thereof is taken or appropriated or condemned by reason of eminent domain, there shall be such division of the proceeds and awards in such condemnation proceedings and such abatement of the rent and other adjustments made as shall be just and equitable under the circumstances. If the City and the Sailing Center are unable to agree upon what division, annual abatement of rent or other adjustments as are just and equitable, within 30 days after such award has been made, then the matters in dispute shall, by appropriate proceedings, be submitted to a court having jurisdiction of the subject matter of such controversy for its decision and determination of the matters in dispute. If the legal title to the entire premises were wholly taken by condemnation, the Lease shall be cancelled.

15.2 Apportionment. Although the title to the building and improvements placed by the Sailing Center upon the Property will merge with the real estate and vest in the City, nevertheless, for purpose of condemnation, the fact that the Sailing Center placed such buildings on the Property shall be taken into account, and the deprivation of the Sailing Center's use of such buildings and improvements shall, together with the term of the lease remaining, be an item of damage in determining the portion of the condemnation award to which the Sailing Center is entitled. In general, it is the intent of this Section that, upon condemnation, the parties hereto shall share in their awards to the extent that their interests, respectively, are depreciated, damaged, or destroyed by the exercise of the right of eminent domain. In this connection, if the condemnation is total, the parties agree that the condemnation award shall be allocated so that the then value of the property, as though it were unimproved property, shall be allocated to the City, and the then value of the building or buildings thereon shall be allocated between the City and the Sailing Center after giving due consideration to the number of years remaining in the term of this Lease and the condition of the buildings at the time of condemnation.

ARTICLE XVI
Mortgage Financing

16.1 Mortgage. The Sailing Center and every successor Lessee is given and has the right to mortgage or assign its interest in this Lease as collateral for loans from time to time, without the City's prior consent, providing that no such mortgage shall extend to or affect the fee or the estate of the City in and to any land or building and improvements now or hereafter erected on the leased property. If the City or any successor or assign shall mortgage this leasehold, then so long as such mortgage shall remain in effect the following provisions shall apply:

16.1.1 Nonbinding Effect on the City. No mortgage or assignment of this Lease shall be binding upon the City in the enforcement of its rights under this Lease, nor shall the City be deemed to have any notice thereof, unless and until a fully conformed copy of each instrument effecting such mortgage or assignment, in proper form for record, shall have been delivered to the City.

16.1.2 Notice of Lease Default. If the holder of any such mortgage shall give the City, before any default shall have occurred in this Lease, a written notice containing the name and post office address of such holder, the City shall thereafter give to such holder a copy of each notice of default by the Sailing Center at the same time as any such notice of default shall be given by the City to the Sailing Center. The copy of such notice of default shall, in each instance, be deemed duly given to the holder of such mortgage when deposited with any United States Post Office enclosed in a securely sealed envelope, postpaid, and addressed to such holder at the post office address of such holder last furnished to the City.

16.1.3 Cure of Default. The City will accept performance by the holder of any such mortgage of any term of this Lease required to be performed by the Sailing Center with the same force and effect as though performed by the Sailing Center, if at the time of such performance the City shall be furnished with evidence satisfactory to the City of the interest in the Property claimed by the person, firm, or corporation tendering such performance or payment. The holder of such mortgage shall have seven (7) days after receipt of any such notice of default within which to cure any default in the payment of rent or additional rent, required to be paid under this Lease, and shall have thirty (30) days from the date of written notice from the City of any other default to cure such default.

16.1.4 Modification of Lease. The City will not accept any surrender or enter into any modification of this Lease without the prior written consent of the leasehold mortgagee.

16.1.5 Mortgagee Assignment of Lease. If a lending institution or its nominee or wholly owned subsidiary corporation shall hold a mortgage upon this Lease and shall thereafter acquire a leasehold estate, derived either from such mortgage or from the City, and if such institution, nominee or corporation shall desire to assign this Lease or any new Lease obtained from the City (other than to a nominee or to a wholly owned subsidiary corporation as permitted by the provisions to be incorporated in the mortgage as set forth above) to an assignee who will undertake to perform and observe the conditions in such lease required to be performed by the Sailing Center, the City shall not unreasonably withhold its consent to such assignment and assumption, and any such lending institution, nominee, or subsidiary shall be relieved of any further liability under such lease form and after such assignment.

16.1.6 Insurance. The name of the leasehold mortgagee may be added to the "Loss Payable Endorsement" of any and all insurance policies required to be carried by the Sailing Center hereunder. The City will make available jointly to the Sailing Center and to the leasehold mortgagee, all insurance or condemnation proceeds to which the Sailing Center may be entitled hereunder, for purposes of restoration of the leased property.

16.1.7 Priority of Lease over Mortgages. This Lease and all rights of the Sailing Center hereunder are and shall be prior, superior, and paramount to the lien of any mortgage that may now or hereafter affect the City's fee interest in the leased property or any part thereof. The City represents that the lien of any existing mortgage on the fee has been duly and validly subordinated to this Lease and to all rights of the Sailing Center hereunder.

16.8 Subordination. Any lender taking possession of the rights and interests of the Sailing Center under the Ground Lease shall take subject to the provisions of the Ground Lease.

ARTICLE XVII
Default

17.1 Sailing Center's Default. Each of the following events shall constitute a default on the part of the Sailing Center with respect to its obligations hereunder, and a breach of this lease:

17.1.1 Community Service Credit Default Threshold. In the event the Community Service Credit is calculated at the end of any calendar year to be less than thirty thousand dollars ($30,000.00) as adjusted by the Consumer Price Index Adjustment (the Default Threshold) for two (2) consecutive calendar years, the Sailing Center acknowledges and agrees that it shall be a default of the covenant and warranty to fulfill the community based mission of the Sailing Center and accordingly in default of this Lease. In the event the City gives written notice of the default within six (6) months, the Sailing Center shall have until the end of the third (3rd) consecutive calendar year to increase the Community Service Credit to more than the Default Threshold. In the event the Sailing Center fails to cure, the City may immediately and without further notice, terminate the lease and take possession of the Property.

17.1.2 <u>Sailing Center Failure to Perform</u>. The failure to make any payment required under this Lease, whether rent or otherwise, to perform any condition, requirement, obligation, or take or refrain from taking an action or a failure or determination of untruth of any representation, covenant or warranty under this Lease, shall be a default under and breach of this Lease. If such default shall continue for a period of thirty (30) days after City has provided notice in writing of such default to Sailing Center and failure of Sailing Center or someone on its behalf to cure such default within thirty (30) days, the City shall have the right to terminate this lease with no further notice. Notwithstanding the foregoing thirty (30) day limitation, if such default shall be of such nature that same cannot be completely cured within such thirty (30) day period but the curing thereof has been commenced within the thirty (30) day period and shall thereafter be continuing with reasonable diligence, then in such event, Sailing Center's default, violation or failure to perform shall not be considered a default during the period Sailing Center or someone on its behalf is acting with due diligence to cure such alleged default, violation or failure of Sailing Center to perform unless the default is not cured within a reasonable period of time

17.1.3 <u>Abandonment; Inhabitability</u>. The Sailing Center abandons the maintenance, operation, or management of the Property or allows the Property to remain in an uninhabitable condition for a period of three (3) consecutive months;

17.1.4 <u>Insolvency</u>. The filing of a voluntary petition for bankruptcy or the adjudication of the Sailing Center as a bankruptcy or insolvent, or the appointment of a receiver or trustee of all or substantially all of the Property of the Sailing Center, on assignment by the Sailing Center for the benefit of its creditors.

17.1.5 <u>Possession of the Property to City</u>. Upon occurrence of any such default and the expiration of any applicable cure period set forth in this section, Sailing Center shall immediately vacate the Property and surrender the same to the City and the City shall have the right to immediate possession of the Property.

<u>ARTICLE XVIII</u>
<u>Repair Obligations</u>

18.1 <u>Repair and Maintenance</u>. During the continuance of this Lease, the Sailing Center shall keep in good state of repair and in first class condition any and all buildings, furnishings, fixtures, and equipment that are brought, constructed, or placed upon the Property by the Sailing Center. The Sailing Center shall not suffer or permit any strip, waste, or neglect of any building or other property to be committed. The Sailing Center shall repair, replace, and renovate such property as often as it may be necessary in order to keep the buildings and other property, which is the subject matter of this Lease in first class repair and condition.

ARTICLE XIX
Demolition

19.1 Conditions Precedent to Demolition by Sailing Center. Although it is the Sailing Center's duty under the terms hereof to keep and maintain any buildings and improvements on the Property in good repair, this shall not be construed as empowering the Sailing Center to demolish any buildings on the Property or any substantial part thereof or to cause any item of major repair and construction to be made unless and until the Sailing Center:

19.1.1 New Design Approval. Causes plans for the new buildings or the new construction to be prepared in full accordance with the Sailing Center mission, the Public Trust Doctrine, the applicable laws, building codes, zoning ordinances, and all applicable statutes and ordinances, and deliver the plans to the City for its approval (which approval shall not be unreasonably withheld) at least 30 days before the work proposed to be done pursuant thereto is actually commenced;

19.1.2 Bond. Furnishes the City with a performance and payment bond with corporate surety, guaranteeing the doing and completion of the work; or, in lieu of furnishing such bond creates an escrow fund with any bank or trust company selected by the Sailing Center, into which there shall be paid by the Sailing Center the full cost of the work of repair and replacement, which cost shall be evidenced by the bona fide bid of a responsible general contractor or the aggregate of the bona fide estimates of reliable subcontractors and materialmen, all of which evidence must be submitted by the Sailing Center to the City not later than 30 days before the work itself starts, which escrow fund will be utilized to pay for the work as it progresses upon the requisition of the contractor and the certificate of an architect supervising the work, but disbursements from which escrow fund will be made upon the written order of the City and the Sailing Center, the City binding itself, if it elects to exercise such joint control over the escrow fund, to approve or cause to be approved progress payments promptly so long as the balance remaining in the escrow fund is sufficient to cause the work to be carried through to completion and paid for, and full and final waivers and releases procured from all persons who furnish work, labor, services, and/or materials to the job.

19.2 Replacement Value. The work of reconstruction, repair, and replacement must have a value of not less than the value of the building or buildings or the portion thereof then being demolished and replaced and repaired.

19.3 Demolition Defined. For the purpose of this Article, no work will be deemed a "demolition" or a major repair so as to bring it within the terms of this Section of the Lease unless it constitutes either the actual destruction of a building or a substantial part thereof or unless it constitutes a remodeling which, in substance, requires the tearing down of a substantial part of a building. The changing of openings or the removal and/or relocating of partition walls, or other work inside the building designed to accommodate itself to better occupancy, shall not be deemed major repair and construction within the meaning of this Article. The provisions of this Article shall not be applicable to the removal of any building or structure on the premises at the time of the execution of this Lease.

ARTICLE XX
Additional Covenants of Lease

20.1 Use of Property. The Sailing Center covenants and agrees that its use of the Property shall be consistent with the Public Trust Doctrine and the Sailing Center mission to provide educational and recreational programs on Lake Champlain to the Community related to on-the-water educational and recreational activities, and the Property will be used for legal purposes only.

20.2 Insurance Claims. No damage or destruction to any building or improvements by fire, windstorm, or any other casualty shall be deemed to entitle the Sailing Center to surrender possession of the premises or to terminate this Lease or to violate any of its provisions or to cause any rebate or reduction in the rent when due or thereafter become due under the terms hereof; and if the Lease shall be cancelled for the Sailing Center's default at any time while there remains outstanding any obligation from any insurance company to pay for the damage or any part thereof, then the claim against the insurance company shall, upon the cancellation of the within Lease, be deemed immediately to become the absolute and unconditional property of the City.

20.3 Termination. At the termination of this Lease the Sailing Center will peaceably and quietly deliver possession of the Property including all improvements permanently affixed to the land, and including any furnishings, fixtures, and equipment that the Sailing Center may have brought, placed, or constructed upon the premises to the City.

20.4 Costs of Suit. If, at any time, the City is required to enforce this Lease or to defend any action arising out of the facts connected with or caused by reason of the ownership by the Sailing Center of this Lease or the occupancy of the premises pursuant hereto, the Sailing Center shall owe and shall pay to the City all costs of court and reasonable attorneys' fees incurred or expended by them in conducting such defense or in enforcing the terms of this Lease. The amount of such costs and fees may, at the option of the City, be collected just as though such amount were an amount of rent then maturing and coming due.

ARTICLE XXI
Quiet Enjoyment

21.1 <u>Quiet Enjoyment of the Property</u>. The City covenants and agrees with the Sailing Center that so long as the Sailing Center keeps and performs all of the covenants and conditions by the Sailing Center to be kept and performed, the Sailing Center shall have quiet and undisturbed and continued possession of the Property, free from any claims against the City and all persons claiming under, by, or through the City.

ARTICLE XXII
Right of Entry

22.1 <u>City Right of Entry on the Property.</u> The City and its agents shall have the right to enter upon the Property at all reasonable times to examine the condition and use thereof, provided only that such right shall be exercised in such manner as not to interfere with the Sailing Center in the conduct of the Sailing Center's business on the Property; and if the Property is damaged by fire, windstorm, or by any other casualty which caused the Property to be exposed to the elements, then the City may enter upon the Property to make emergency repairs; but if the City exercises its option to make emergency repairs, such act or acts shall not be deemed to excuse the Sailing Center from its obligation to keep the Property in repair and the Sailing Center shall, upon demand of the City, immediately reimburse the City for the cost and expense of such emergency repairs.

ARTICLE XXIII
Miscellaneous

23.1 <u>Force Majeure</u>. In the event that the City or the Sailing Center shall be delayed, hindered in, or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive government laws or regulations, riots, insurrection, the act, failure to act or default of the other party, war or other reason beyond their control, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

23.2 <u>Estoppel Certificates</u>. Either party shall, without charge, at any time and from time to time hereafter, within ten days after written request of the other, deliver a written Certification duly executed and acknowledged to any mortgagee or purchaser or approved assignee or proposed mortgagee or proposed purchaser or proposed approved assignee, or any other person, firm, or corporation specified in such request. Any such certificate may be relied upon by the party who requested it and any other person, firm, or corporation to whom the same may be exhibited or delivered, and the contents of such certificate shall be binding on the party executing it. The Certificate may make representations of the following facts:

23.2.1 Whether this Lease has been supplemented or amended, and, if so, the substance and manner of such supplement or amendment;

23.2.2 The validity and force and effect of this Lease, in accordance with its tenor as then constituted;

23.2.3 The existence of any default thereunder;

23.2.4 The existence of any offsets, counterclaims, or defenses thereto on the part of such other party;

23.2.5 The commencement and expiration dates of the term of this Lease; and

23.2.6 As to any other matters as may reasonably be so requested.

23.3 Consent not to be Unreasonably Withheld. Whenever the Sailing Center requests any consent, permission, or approval that may be required or desired by the Sailing Center pursuant to the provisions hereof, the City shall not unreasonably withhold or postpone the grant of such consent, permission, or approval.

23.4 Covenants Running with Land. All covenants, promises, conditions, and obligations herein contained or implied by law are covenants running with the land and shall attach and bind and inure to the benefit of the City and Sailing Center and their respective heirs, legal representatives, successors, and assigns, except as otherwise provided herein.

23.5 No Waiver. No waiver of a breach of any of the covenants in this Lease shall be construed to be a waiver of any succeeding breach of the same covenant.

23.6 Arrears. All arrearages in the payment of rent shall bear interest from the date when due at the rate of eighteen percent (l8%) per annum until paid.

23.7 Written Modifications. No modification, release, discharge, or waiver of any provisions hereof shall be of any force, effect, or value unless in writing signed by the City, or its duly authorized agent or attorney.

23.8 Entire Agreement. This instrument contains the entire agreement between the Parties as of this date. The execution hereof has not been induced by either party by representations, promises, or understandings not expressed herein and there are no collateral agreements, stipulations, promises, or undertakings whatsoever upon the respective parties in any way touching the subject matter of this instrument which are not expressly contained in this instrument.

23.9 Notices. If either party desires to give notice to the other in connection with and according to the terms of this Lease, such notice shall be given by registered or certified mail and it shall be deemed given when deposited in the United States mails with postage prepaid and such notices shall be addressed as follows:

For the City:

Burlington City Attorney
Burlington City Attorney's Office
City Hall, 149 Church Street
Burlington, VT 05401

For the Sailing Center:

Executive Director
Lake Champlain Community Sailing Center
PO Box 64818
Burlington VT 05406-4818

Nothing herein contained shall be construed as prohibiting the parties respectively from changing the place at which notice is to be given, but no such change shall be effective unless and until it shall have been accomplished by written notice given in the manner set forth in this Section.

23.10 Facility Expansion. Any expansion of the Sailing Center Project, including both land side and water side improvements, whether or not permanently affixed and accordingly merged with the Property or fixtures shall be approved by the City prior to construction or installation and may result, in the sole discretion of the City in commensurate adjustments to the Leased term, including rent and fee for service adjustments.

ARTICLE XXIV
Reversion Rights Upon Termination

24.1 Reversion Rights of City. Upon the termination of the Ground Lease, whether during a Construction Term, the initial Operations Term or the renewal Operations Term, and whether the termination is voluntary or occurs as a result of uncured breach of this Lease by the Sailing Center, the City shall immediately have ownership of the Property, including all improvements permanently affixed and merged into the Property, and all fixtures on or attached to the Property including, but not limited to all docks not permanently affixed to and merged into the Property, and moorings.

IN WITNESS WHEREOF, the City and the Sailing Center have hereunto set their hands and seals this 21 day of March 2016.

CITY OF BURLINGTON

Witness Jennifer Kaulius

By: ______________________
Miro Weinberger, Mayor of the City of Burlington

LAKE CHAMPLAIN COMMUNITY SAILING CENTER

Witness Kate Neubauer

By: ______________________
Mark Naud
Executive Director

STATE OF VERMONT
COUNTY OF CHITTENDEN, SS:

At Burlington, this 21 day of March, 2016, Miro Weinberger, Mayor of the City of Burlington, personally appeared, and acknowledged this instrument, by him sealed and subscribed, to be his free act and deed, and the free act and deed of the City of Burlington

Before me, ______________________
Notary Public Jordan Redell
My Commission Expires: 2/10/19

STATE OF VERMONT
COUNTY OF CHITTENDEN, SS:

At Burlington, this 21 day of March, 2016, Mark Naud, Executive Director of the Lake Champlain Community Sailing Center, personally appeared, and acknowledged this instrument, by him sealed and subscribed, to be his free act and deed, and the free act and deed of the City of Burlington

29

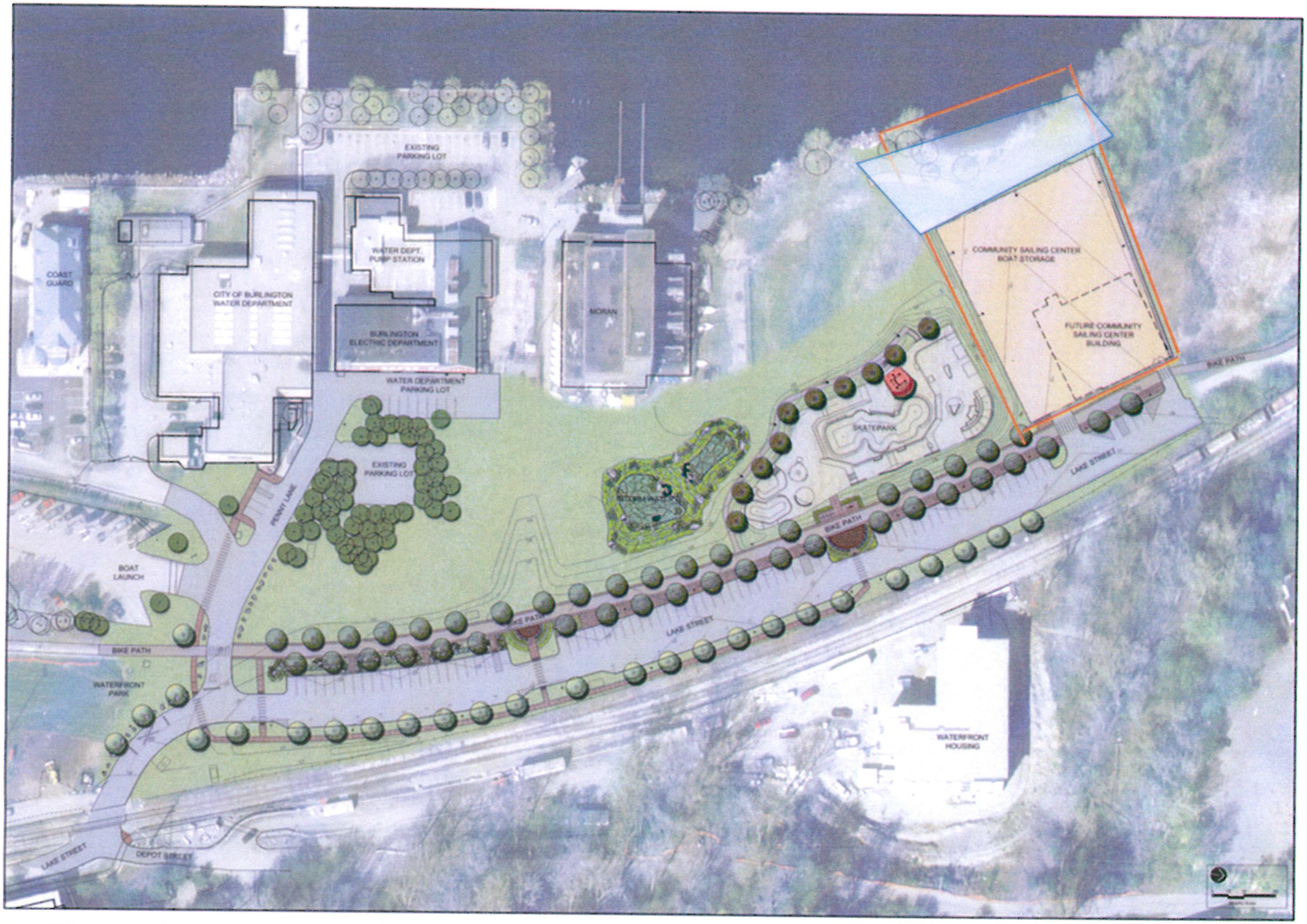
Before me, James R. Fordham

Notary Public

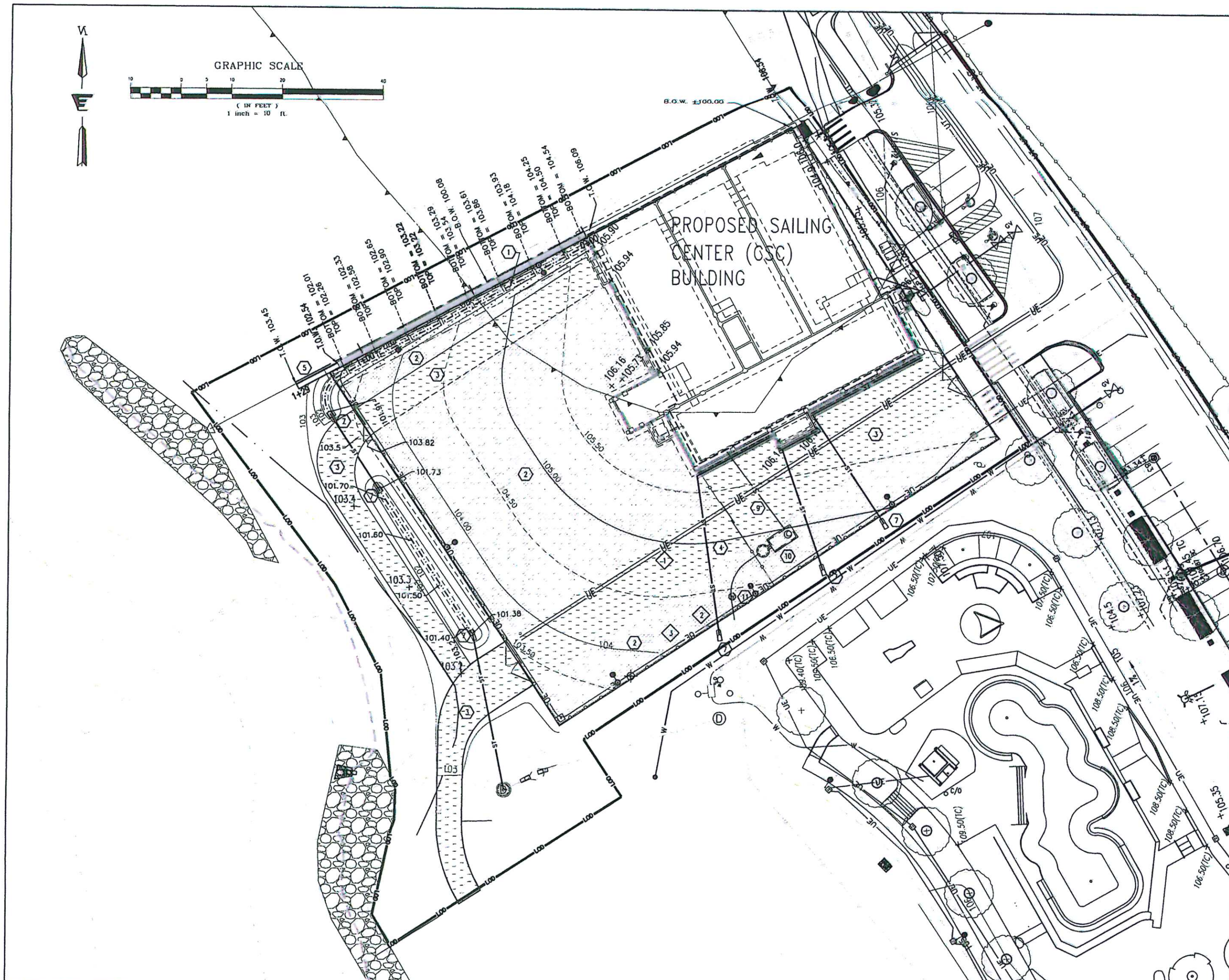
My Commission Expires: 2/10/19

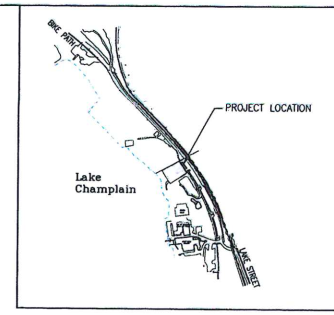
EXHIBIT

A



Area within orange lines is the general area of the ground lease. The area denoted with light blue represents public access to be maintained.





LOCATION MAP

NOT TO SCALE

EXISTING CONDITIONS NOTES

1. EXISTING (2) 4" SCH80 PVC CONDUIT. *
2. EXISTING SITE LIGHTING AND CONDUIT. *
3. EXISTING FENCE *

PROPOSED SITE AND UTILITY NOTES

1. WATER QUALITY SWALE. REFER TO DETAILS 4,5/C2.0
2. TURF GRAVEL PARKING SURFACE. REFER TO DETAIL 1/C2.0
3. GRAVEL DRIVE AISLE SURFACE. REFER TO DETAIL 1/C2.0
4. PROPOSED FENCE AND GATE TO MATCH EXISTING* PERIMETER FENCE.
5. EXTEND EXISTING* SEGMENTED BLOCK WALL
6. 12" HDPE. REFER TO DETAIL 7/C2.0
7. FLARED END SECTION. REFER TO DETAIL 3/C2.0
8. GRATE DRAIN. REFER TO DETAIL 9/C2.0
9. 6" PVC BUILDING SEWER, MINIMUM 2% SLOPE TO PUMP STATION. REFER TO DETAIL SHEET C2.3
10. PUMP STATION AND VALVE VAULT. REFER TO DETAIL SHEET C2.3.
11. 2" PVC FORCEMAIN. CONNECT TO EXISTING*.
12. EXTEND 4" C900 PVC WATER SERVICE INTO NEW CSC BUILDING.

* IN SOME CASES, 'EXISTING' REFERS TO ITEMS INSTALLED AS PART OF THE WATERFRONT ACCESS NORTH PROJECT.

LEGEND

	NEW
CONTOUR	100
SWALE	
SANITARY SEWER LINE	S
STORM LINE	ST
WATER LINE	W
UNDERGROUND ELECTRIC	UE
LIGHTING CONDUIT	
FLARED END SECTION	
CATCH BASIN	
STORM MANHOLE	
GATE VALVE	
HYDRANT	
WATER SHUT OFF	

EXHIBIT
B
3/14/16

Rev. No.	Description	Chkd.
1	Water/Waste Water Permit – 07/24/15	
2	Building Label Added, Water Line Note Revised – 08/18/15	
3	REISSUED FOR C. O. 10/08/15	

Stamp

ENGINEERING VENTURES PC
208 Flynn Avenue, Suite 2A Burlington, VT 05401
tel. 802.863.6225 • fax 802.863.6306
85 Mechanic Street, Suite 350A, Lebanon, NH 03766
tel. 603.442.9333 • fax 603.442.9331
www.engineeringventures.com

Client: Lake Champlain Community Sailing Center
Burlington, VT
802-864-2499

Sheet Title: Site Plan

Project Title: Community Sailing Center
Burlington, Vermont

Designed By:	PB
Checked By:	PB
Drawn By:	WC
Scale:	As Noted
Date:	April 2015

C1.1

EV#13376

EXHIBIT C

WAN Contract Reconciliation Spreadsheet

February 12, 2016

Unit Item	Description	Unit	Unit Cost	Quantity	CSC MOU Cost	Line Item Totals	CSC Materials purchased/not installed	Notes
CSC Base Bid								
204.20	Trench Excavation of Earth	CY	$ 25.00	416.67	$ 10,416.67	$ 10,416.67		
604.22	Sanitary Sewer Manhole	EACH	$ 3,000.00	1.00	$ 3,000.00	$ 3,000.00		
628.35	PVC Sewer Pipe	LF	$ 45.00	270.00	$ 12,150.00	$ 12,150.00		
629.27	Gate Valve with Valve Box. 4"	EACH	$ 700.00	1.00	$ 700.00	$ 700.00		
678.21	Electrical Conduit (4" Sch 80 PVC)	LF	$ 17.00	1,080.00	$ 18,360.00	$ 10,462.50		
900.62	S.P. (Emergency Storage Tank)	EACH	$ 12,000.00	1.00	$ 12,000.00	$ 12,000.00		
900.64	S.P. (2" PVC Force Main)	LF	$ 50.00	480.00	$ 24,000.00	$ 23,600.00		
				TOTAL	$ 80,626.67	$ 72,329.17		
CSC Shared Base Bid						[redacted]		
	Mob/Demob	Pro-rated cost			$ 6,717.94	$ 6,717.94		
	Traffic Control	Pro-rated cost			$ 174.49	$ 174.49		
	Soil Handling	Pro-rated cost			$ 3,745.27	$ 3,745.27		
	Stormwater	Pro-rated cost			$ 65,488.05	$ 65,488.05		
				TOTAL	$ 76,125.75	$ 76,125.75		
CSC Shared Soft/Design/Admin Costs						[redacted]		
	Consultant Design Engineering (RSG/JCO)	Pro-rated cost			$ 23,109.95	$ 23,109.95		
	Contract Administration (Stantec, RSG)	Pro-rated cost			$ 59,458.66	$ 59,458.66		
	DPW Force Account Engineering	Pro-rated cost			$ 12,413.29	$ 12,413.29		
	Fee for Services - CEDO	Pro-rated cost			$ 5,585.98	$ 5,585.98		
	Environmental Soil Management (JCO)	Pro-rated cost			$ 31,913.95	$ 31,913.95		
	Construction Material Purchase	Pro-rated cost			$ 69.80	$ 69.80		
	Soil Disposal	Pro-rated cost			$ 2,948.91	$ 2,948.91		
	Contingency	Pro-rated cost			$ 12,109.74	$ 1,295.50		Tracer wire for sewer line and common excavation
				TOTAL	$ 147,610.28	$ 136,796.04		
CSC Coal Tunnel Outfall (from Phase 1)						[redacted]		
	Stormwater Portion	Pro-rated cost			$ 23,372.36	$ 23,372.36		
	CTO Soft Costs	Pro-rated cost			$ 59,243.16	$ 59,243.16		
				TOTAL	$ 82,615.52	$ 82,615.52		
				SUM TOTAL ABOVE	$ 386,978.22	$ 367,866.48		
CSC Storage Yard Bid Alternate A						[redacted]		
Unit Item	Description	Unit	Unit Cost	Quantity	Cost			
204.20	Trench Excavation of Earth	CY	$ 30.00	170	$ 5,100.00	$ 772.50		
204.30	Granular Backfill For Structures	CY	$ 40.00	40	$ 1,600.00			
301.35	Subbase of Dense Graded Crushed Stone	CY	$ 40.00	1270	$ 50,800.00	$ 777.00		
401.10	Aggregate Surface Course	CY	$ 40.00	640	$ 25,600.00			
678.21	Electrical Conduit (4" Sch 80 PVC)	LF	$ 16.00	460.00	$ 7,360.00	$ 2,784.75		
678.23	Wired Conduit (2" Sch 80 PVC)	LF	$ 18.00	520.00	$ 9,360.00			
678.24	Electrical Wiring	LF	$ 7.00	220.00	$ 1,540.00			
679.21	Junction Box	EACH	$ 500.00	1.00	$ 500.00			
900.620	S.P. (14' Double Swing Gate 10" Tall)	EACH	$ 11,000.00	2.00	$ 22,000.00		$ 5,062.00	12-foot slide gate
900.620	S.P. (20' Double Slide Gate 10" Tall)	EACH	$ 15,000.00	2.00	$ 30,000.00		$ 8,796.00	20-foot slide gate
900.620	S.P. (Light Fixture B)	EACH	$ 7,500.00	5.00	$ 37,500.00		$ 17,634.05	Light Fixture B
900.620	S.P. (Meter Pedestal Unit)	EACH	$ 2,500.00	1.00	$ 2,500.00			
900.640	S.P. (Ornamental Fence)	LF	$ 130.00	653.00	$ 84,890.00		$ 40,403.65	ornamental fencing
900.670	S.P. (Segmental Concrete Block Retaining Wall)	SF	$ 40.00	1400.00	$ 56,000.00			
				SUBTOTAL	$ 334,750.00	$ 4,334.25		
				15% Contingency	$ 50,212.50		$ 4,879.20	jute netting
				TOTAL	$ 384,962.50			
				TOTAL CSC Allocation	**$ 771,940.72**	**$ 372,200.73**	**$ 76,774.90**	

City Allocation	$	500,000.00
Total spent	$	372,200.73
Remaining	**$**	**127,799.27**

EXHIBIT D

MEMORANDUM OF LEASE

This is a Memorandum of Lease made and entered into as of this ___ day of _________, 2016, by and between, the City of Burlington, a Vermont municipal corporation (hereinafter "Landlord"), with a principal place of business at 149 Church Street, Burlington, VT, and the Lake Champlain Community Sailing Center, Inc., a Vermont non-profit corporation (hereinafter "Tenant"), with a principal place of business at 234 Penny Lane, Burlington, VT, upon the following terms:

1. **Lease.** The provisions set forth in a written lease between the parties hereto dated March ___, 2016 ("The Ground Lease"), are hereby incorporated by reference into this Memorandum.

2. **Demised Premises.** The Demised Premises which are the subject of the Ground Lease are more particularly described and as depicted in Exhibit A. The Premises or Property is subject to easements, rights of way, conditions, restrictions and limitations, including public access obligations pursuant to Vermont Housing and Conservation Board Grant of Development Rights and Conservation Restrictions, Public Trust Doctrine and other real property rights as recorded in the City of Burlington land records and more particularly described in the Ground Lease.

3. **Commencement Date of Lease.** The Lease shall be deemed to have commenced April 1, 2016, as set forth within the terms of the Lease.

4. **Term.** The Construction Term shall commence on the date hereof and terminate on upon the receipt of a Certificate of Occupancy from the City of Burlington or two years from the date of execution of the corrected Development Agreement (as approved by the City of Burlington City Council on March 7, 2016), whichever is sooner.
The Operational Term shall be for Thirty years (30) commencing at the conclusion of the Construction Term. Tenant shall have the right, at its election, to extend the term of the Lease by one (1) extension period of Thirty years (30) or in any other such manner as prescribed in the Lease.
The Operational Term Base Rent, Community Service Credit and Percentage Rent terms are more particularly described in the Development Agreement, Ground Lease and related Exhibits noted above.

5. **Duplicate Copies** of the originals of the Lease are in the possession of the Landlord and Tenant and reference should be made thereto for a more detailed description thereof and for resolution of any questions pertaining thereto. The addresses for Landlord and Tenant are as follows:

LANDLORD:	City of Burlington - City Hall 149 Church Street, Burlington, VT 05401
TENANT:	Community Sailing Center PO Box 64818 Burlington, VT 05406-4818

6. **Purpose.** It is expressly understood and agreed by all parties that the sole purpose of this Memorandum of Lease is to give record notice of the Lease; it being distinctly understood and agreed that said Lease constitutes the entire lease and agreement between Landlord and Tenant with respect to the Demised Premises and is hereby incorporated by reference. The Lease contains and sets forth additional rights, terms, conditions, duties, and obligations not enumerated within this instrument which govern the Lease. This Memorandum is for information purposes only and nothing contained herein may be deemed in any way to modify or vary any of the terms or conditions of the Lease. In the event of any inconsistency between the terms of the Lease and this instrument, the terms of the Lease shall control. The rights and obligations set forth herein shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease pursuant to due authorization on the dates herein acknowledged.

THE CITY OF BURLINGTON

By: ______________________
Miro Weinberger, Mayor
Duly Authorized Agent

STATE OF VERMONT
COUNTY of CHITTENDEN, SS.

At Burlington, in said County, on the ___ day of _________, 2016, personally appeared, Miro Weinberger, Mayor of the City of Burlington and acknowledges this instrument by him, sealed and subscribed to be his free act and deed, and the free act and deed of the City of Burlington.

Before me,

____
Notary Public

____
Commission Expires

LAKE CHAMPLAIN COMMUNITY SAILING CENTER, INC.

By: ______________________
Mark Naud, Executive Director
Duly Authorized Agent

STATE OF VERMONT
COUNTY OF CHITTENDEN, SS.

At Burlington, in said County, on the ___ day of ___________, 2016, personally appeared, Mark Naud, Duly Authorized Agent of the Lake Champlain Community Sailing Center, Inc., and acknowledges this instrument by him, sealed and subscribed to be his free act and deed, and the free act and deed of the Lake Champlain Community Sailing Center, Inc..

Before me,

____
Notary Public

____
Commission Expires

Amendment A to Ground Lease Agreement between the City of Burlington and Lake Champlain Community Sailing Center, Inc.

This Amendment to the Ground Lease ("Lease") between the City of Burlington, Vermont (the "City") and Lake Champlain Community Sailing Center, Inc. ("Lessee") is made this __ day of ______, 2018. The City agrees to this Amendment solely for the purpose of assisting Lessee in obtaining financing from the Mascoma Bank or its successors or assigns ("Mascoma Bank") in an amount up to $1,330,000.00 for the purpose of financing the costs of its building)(the "Mascoma Loan").

In consideration of the mutual promises contained in the Lease and other good consideration, the Parties hereby agree:

A. This Amendment shall apply only in the case of default by Lessee on its obligations to the Mascoma Bank (or its successors or assigns) under the Mascoma Loan that is the subject of this Amendment (a "Default"). A Default for the purposes of this agreement shall occur when Mascoma Bank, in compliance with the terms and conditions of the mortgage between Mascoma Bank and Lessee (the "Mascoma Mortgage;" which term includes any note(s) totaling up to $1,330,000.00 given by Lessee to Mascoma and secured by the mortgage) sends a Notice of Default to Lessee with a copy to the City and the cure period provided Lessee has expired. Mascoma Bank shall give notice to the City within 15 days of the expiration of the cure period of Lessee. Beginning on the date of receipt of notice, the City shall have a 90 day period in which to exercise an option to purchase the Mascoma Mortgage for the outstanding amount due, or enter into a written agreement mutually satisfactory to Mascoma Bank and the City resolving the Default. In the event the City exercises the option to purchase the Mascoma Mortgage, all right, title, and interest of Mascoma Bank in the Property shall immediately be extinguished and this Amendment A shall terminate, and all liability and obligations of Lessee under the Mascoma Mortgage shall run to the City . In the event the City neither exercises the option nor enters into a written agreement mutually satisfactory to Mascoma Bank and the City resolving the Default, Mascoma Bank may proceed to foreclose or otherwise enforce the Mascoma Mortgage.

B. In the event of a Default and subsequent failure of the City to exercise the option or enter into an agreement with Mascoma Bank as allowed under Section A above, the City shall accept as a successor Lessee any entity with sufficient financial resources to reasonably perform under the Lease ("Successor Entity") that can meet the broad mission of Lease: "To encourage and celebrate the responsible use and long-term stewardship of Lake Champlain by fostering educational and recreational opportunities for all members of our community."

C. Article III, Section 3.2.3 is amended to add the following:

The Community Service Credit will be applied to a Successor Entity for documented direct costs associated with activities that meet the Lessee's general mission as stated in paragraph B above by making available to low-income participants or individuals with disabilities:

- Educational programs or activities;
- Leadership and life skills training;
- Recreational and watersports activities;
- STEM education, skills, or training.

The City and the Successor Entity may negotiate the category of programs that are eligible for Community Service Credit. In the event of a Default, Section 3.2.3.1 shall be deleted.

D. Article III, Section 3.3

The City, Mascoma Bank and a Successor Entity shall negotiate appropriate replacement categories of Percentage Rent that are applicable, appropriate and reasonably related to the services and offerings of the Successor Entity.

E. Article VI, Section 6.9 of the Lease is amended as follows: When Lessee obtains the Mascoma Loan, the City shall consider Lessee to have met this financial commitment.

F. Article XIV, Section 14.3.

As to a Successor Entity, "Sailing Center educational and recreation mission" shall be the Lessees General Mission as set forth in Sections B and C of this Amendment A.

E. Article XVI, Section 16.1.8 of the Lease is amended by adding the following:

Notwithstanding this provision, the City agrees to subordinate its interest in the building constructed by Lessee to the Mascoma Loan.

F. Article XVII, Section 17.1.1 of the Lease shall be suspended and not applicable during the period of time Mascoma Bank is holding the Property as Lessee pending resale and assignment to a Successor Entity and shall restart for the purposes of calculation of duration of Community Service Credit Default Threshold when a qualifying third party becomes Lessee. The City and the Successor Entity may negotiate the amount and duration of Community Service Credit Default Threshold to ensure that Section 17.1.1 is appropriate for the category of programs that are eligible for the Community Service Credit.

G. Article XX, Section 20.1 shall be amended to add the following:

Any Successor Entity covenants and agrees that its use of the Property shall be consistent with the Public Trust Doctrine and the broad mission of Lessee: “To encourage and celebrate the responsible use and long-term stewardship of Lake Champlain by fostering educational and recreational opportunities for all members of our community.”

H This Amendment terminates and becomes ineffective on the date the final payment is made by Lessee on the Mascoma Loan. No provision of this Amendment shall apply to any other loan, financing, or obligation of Lessee. Nothing in this Amendment precludes Lessee from requesting future amendments of the Ground Lease, subject to the absolute discretion of the City to determine whether to consider such requests.

IN WITNESS WHEREOF, the City and the Lessee have hereunto set their hands and seals this ___ day of __________, 2018.

CITY OF BURLINGTON

____________________________ By: ______________________________

Witness

Miro Weinberger, Mayor of the City of Burlington

STATE OF VERMONT

COUNTY OF CHITTENDEN, SS:

At Burlington, this ___ day of_________, 2018, Miro Weinberger, Mayor of the City of Burlington, personally appeared, and acknowledged this instrument, by him sealed and subscribed, to be his free act and deed, and the free act and deed of the City of Burlington

Before me, _______________________________

Notary Public

My Commission Expires: 2/10/19

LAKE CHAMPLAIN COMMUNITY
SAILING CENTER

______________________________ By: ________________________________

Witness

Owen Milne

Executive Director

STATE OF VERMONT

COUNTY OF CHITTENDEN, SS:

At Burlington, this ____ day of __________, 2018, Owen Milne, Executive Director of the Lake Champlain Community Sailing Center, personally appeared, and acknowledged this instrument, by him sealed and subscribed, to be his free act and deed, and the free act and deed of the City of Burlington

Before me, _________________________________

Notary Public

My Commission Expires: 2/10/19

.

AMENDMENT B TO GROUND LEASE AGREEMENT BETWEEN THE CITY OF BURLINGTON AND LAKE CHAMPLAIN COMMUNITY SAILING CENTER, INC.

This amendment to the Ground Lease ("Lease") between The City of Burlington (the "City") and Lake Champlain Community Sailing Center, Inc. ("Lessee) is made this ___ day of October, 2023.

Background

A. The parties entered into that certain agreement, dated as of March 21, 2016 (the "Ground Lease"), and as amended July 2018, in order to facilitate the development and operation of an educational and recreational community waterfront center.

B. The parties desire to enter into this second Amendment in order to:

1) Increase the Community Service Credit Cap; and

2) Memorialize general public access to portions of the facility.

NOW THEREFORE, in consideration of the Background described above and other good and valuable consideration, IT IS AGREED by and between the City and the Lessee as follows:

1. In Section 3.2.3 (Community Service Credit), paragraph one the original text shall be revised as follows, with deletions indicated by strikethroughs and additions indicated by underlines:

   The Base Rent shall be adjusted annually based on the level of community service provided by the Sailing Center in the prior calendar year. The Community Service Credit shall provide the Sailing Center with a direct, dollar for dollar, credit of up to Forty Thousand Dollars ($40,000.00) against the Annual Base Rent for documented direct costs specifically associated with the Sailing Center's mission-based programs and activities providing scholarship or subsidy to non-profit organizations, schools. or individuals. <u>At the time the base rent increases to $60,000, the Community Service Credit shall provide the Sailing Center with an additional direct, dollar credit for every two dollars of scholarship offered for up to an additional Ten Thousand Dollars ($10,000) of credit against the Annual Base Rent.</u>

2. In Article XXIII (Miscellaneous) a new paragraph shall be added:

   <u>Section 20.5 General Public Access.</u>

a. <u>Restroom facilities shall be available to the general public when the facility is open. No members of the general public will be denied access to restroom facilities.</u>
b. <u>Upon completion of the expansion project, access and use of the sloped launch shall be available for use by the general public when the facility is open.</u>

3. Except as specifically amended by the terms of this second Amendment, the Agreement remains in full force and effect. Unless specifically defined in this second Amendment, all terms shall have the meanings contained in the Agreement.

IN WITNESS WHEREOF, this second Amendment is executed as of the day and date first above written.

CITY OF BURLINGTON, VERMONT

By: ______________________________
Miro Weinberger, Mayor
Duly Authorized Agent

COMMUNITY SAILING CENTER, LLC

By: ______________________________
Owen Milne, Executive Director
Duly Authorized Agent

Board of Finance and City Council Submission Checklist

Department: CEDO Submitter: Samantha Dunn

Title/Subject: Community Sailing Center Ground Lease Amendment

	Approval:	Meeting Date:
☒	Board of Finance	10/16/2023
☒	City Council	10/23/2023
☐	Concurrent	Click or tap to enter a date.

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	10/11/2023	Brian Pine
Mayor's Office informed and approved memo	Yes	10/11/2023	Jordan Redell
Board/Commission, if required	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	Yes	10/11/2023	Jared Pellerin
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	10/11/2023	Jared Pellerin
CAO has reviewed budget, financing, and memo	Yes	10/11/2023	Katherine Shad
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	Choose an item.	Click or tap here to enter text.
Additional Materials, if necessary	Yes	Ground Lease and Proposed Amendment
Draft Resolution or Motion?	Yes	Within the memo
If for submission to Council, are sponsors identified?	Choose an item.	Click or tap here to enter text.

Patrick Leahy Burlington International Airport
1200 Airport Drive, Suite 1
South Burlington, VT 05403

TO: City of Burlington, Board of Finance
City of Burlington, City Council

FROM: Patrick Leahy Burlington International Airport
Nic Longo, Director of Aviation
Larry Lackey, Director of Planning, Engineering and Sustainability

DATE: October 16, 2023

SUBJECT: Request to Execute a Five Year Contract with Casella Waste Systems, Inc. for Resource Recovery Services - Waste, Recycling and Compost Removal Services

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REQUEST

The Patrick Leahy Burlington International Airport ("Leahy BTV") seeks approval and authorization:

1. To execute a five year contract with Casella Waste Systems, Inc. for Resource Recovery Services which includes Receptacle Supply, Training, Waste, Recycling and Compost Removal Services.

EXECUTIVE SUMMARY

The services to be performed by Contractor includes receptacle supply, recycling/waste training services, and recycling, waste and compost removal. Specifically, the contract includes:

a. Furnishing and installation of two 35 cubic yard trash compactors at the Airport suitable for containment and compaction of waste generated at the Airport;
b. Removal and disposal of waste from the Airport on a regular basis to insure that capacity of the compactors will not be exceeded or at such times as the

capacity gauge (and warning light) indicates that the compactor is over 90% filled;

c. Maintain and repair the waste compactor to the satisfaction of the Director of Aviation, including but not limited to ensuring that the trash compactor is at all times free from leaks and odors and operating in a safe condition;
d. Furnishing enclosed recycling container(s), suitably equipped for the collection of corrugated cardboard, white paper, newspapers, cans, bottles, plastics and other recyclables;
e. Removal and reprocessing of recyclables placed in containers outlined in above on a set schedule or "as needed" basis to be determined depending on amount of materials that are recycled;
f. Furnishing container(s), suitably equipped for the collection of compost, oil and grease;
g. Removal and the proper reprocessing of compost, oil and grease;
h. Working with the airport, and the airport's tenants, on ways to reduce waste and increase products that can be recycled. To include the appropriate training at a minimum of once per year and on an as needed basis;
i. Supply of new resource recovery receptacles with appropriate markings at the airport.

PROJECT APPROACH

On June 16, 2023, Leahy BTV advertised a Request for Proposals (RFP) to provide these services for the next 5 years. A pre-proposal meeting was held on June 29, 2023 for venders wanting to provide these services. Proposals were due on July 28, 2023 by 10:00 AM. After thorough review and analysis of the proposal by Casella, which was the only proposal, it was determined based on scope of services, experience and cost that Casella was the preferred vendor. Total cost of this service will be based on volumes of materials processed with an annual cost increase of 3% starting in year 2. Last year's costs were approximately $50,000.

FUNDING & BUDGET

The Airport's Fiscal Year 2024 budget already includes an amount for FY 2024 resource recovery contract services. Each subsequent budget will appropriate funds to cover this essential service.

PROPOSED MOTION:

Board of Finance

1. “To approve and recommend to the City Council that the Director of Aviation be authorized to execute a five year contract with Casella Waste Systems, Inc. for Resource Recovery Services which includes Receptacle and Container Supply, Training, Waste, Recycling and Compost Removal Services subject to the review of the City Attorney’s Office.”

City Council

1. “To approve and authorize the Director of Aviation to execute a five year contract with Casella Waste Systems, Inc. for Resource Recovery Services which includes Receptacle and Container Supply, Training, Waste, Recycling and Compost Removal Services subject to the review of the City Attorney’s Office.”

Board of Finance and City Council Submission Checklist

Department: Airport Submitter: H. Dusablon

Title/Subject: Request to execute a contract with Casella Waste Systems Inc. for Resource Recovery Services

	Approval:	Meeting Date:
☒	Board of Finance	10/16/23
☒	City Council	10/23/23
☐	Concurrent	

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	9/29/2023	N. Longo
Mayor's Office informed and approved memo	Yes	10/12/2023	S. Sheehan
Board/Commission, if required	Yes	10/4/2023	
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	10/12/2023	K. Sturtevant
CAO has reviewed budget, financing, and memo	Yes	10/10/2023	K. Schad
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	N/A	Click or tap here to enter text.
Additional Materials, if necessary	N/A	Click or tap here to enter text.
Draft Resolution or Motion?	N/A	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	N/A	Click or tap here to enter text.

To: Board of Finance and City Council

From: Kara Alnasrawi, Director of Business and Workforce Development and Doreen Kraft, Executive Director of Burlington City Arts

Date: October 16, 2023/October 23, 2023

Subject: Approval of ARPA Community Infrastructure Grant agreement with the Burlington City Arts Foundation

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On May 1, 2023, the City Council approved the use of $2 million of ARPA funds for a number of Community Infrastructure projects throughout the city that would improve existing or build new community spaces, and this includes the renovation of 405 Pine Street in the South End in the amount of $500,000. The renovation of 405 Pine Street is being undertaken by the Burlington City Arts Foundation. In order to comply with accounting best practices, we are seeking approval of a grant agreement with the Burlington City Arts Foundation for this purpose.

Motions

Board of Finance Motion:

To approve and recommend that City Council approve an ARPA Community Infrastructure Project Grant paid from the City of Burlington to the Burlington City Arts Foundation in the amount of $500,000, and authorize the Director of Burlington City Arts to execute a grant agreement memorializing the same, subject to review by the City Attorney's Office.

City Council Motion:

To approve an ARPA Community Infrastructure Project Grant paid from the City of Burlington to the Burlington City Arts Foundation in the amount of $500,000, and authorize the Director of Burlington City Arts to execute a grant agreement memorializing the same, subject to review by the City Attorney's Office.

Board of Finance and City Council Submission Checklist

Department: Burlington City Arts Submitter: Doreen Kraft

Title/Subject: Approval of ARPA Community Infrastructure Grant agreement with the Burlington City Arts Foundation

	Approval:	Meeting Date:
☒	Board of Finance	10/16/2023
☒	City Council	10/23/2023
☐	Concurrent	Click or tap to enter a date.

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	10/6/2023	Doreen Kraft
Mayor's Office informed and approved memo	Yes	10/11/2023	Click or tap here to enter text.
Board/Commission, if required	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	Yes	10/11/2023	Hayley McClenahan
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	10/11/2023	Hayley McClenahan
CAO has reviewed budget, financing, and memo	Yes	10/10/2023	Click or tap here to enter text.
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	N/A	Click or tap here to enter text.
Additional Materials, if necessary	Choose an item.	Click or tap here to enter text.
Draft Resolution or Motion?	Choose an item.	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	Choose an item.	Click or tap here to enter text.

Patrick Leahy Burlington International Airport
1200 Airport Drive, Suite 1
South Burlington, VT 05403

TO: City of Burlington, Board of Finance
City of Burlington, City Council

FROM: Burlington International Airport
Nic Longo, Director of Aviation
Larry Lackey, Director of Planning, Engineering and Sustainability

DATE: October 10, 2023

SUBJECT: Request to Execute a Contract Amendment with Jacobs Engineering Group, Inc for the completion of Design, Permitting, Construction Contractor Coordination and Construction Oversight Services for the North Concourse Replacement Project (Project NEXT).

REQUEST

The Patrick Leahy Burlington International Airport ("Leahy BTV") seeks approval and authorization:

1. To execute a contract amendment with Jacobs Engineering Group Inc. (JEG) from $1,044,430 for the initial 30% design adding $3,480,858 to a total contract amount of $4,525,288.00 for completion of Final Design, Permitting, Construction Contractor Coordination and Construction Oversight Services for the North Concourse Replacement Project (NEXT).

EXECUTIVE SUMMARY

On October 4, 2022, The Airport Commission reviewed a contract with Jacobs Engineering for the initial design work associated with Project Next, the new North Concourse wing of the airport. This was subsequently approved and authorized by City Council on October 17, 2022. The initial scope of work included up to 30% design and preparation of bid documents for a Construction Manager at Risk (CMAR) contract. We have since designed approx. 30% of the project as discussed at past Commission meetings and have bid the project out as a CMAR contract. The Airport will bring forward a construction contract authorization at subsequent meetings. The project consists of the final design, permitting, Construction Contractor coordination, and construction oversight for demolition and removal of the existing outdated north concourse and the new north terminal concourse, Project Next. The outdated area would then be used for airport apron, allowing additional space between the terminal building and Taxiway Alpha. Currently the dimensions of this apron between building and active taxiways is far too small to allow the appropriate sized aircraft to park, resulting in unusable gate/apron space for the majority of the commercial aircraft utilized by our partner airlines requiring access.

The North Concourse Replacement Project (Project NEXT) includes new concourse replacement (approximately 25,000 SF of new gross floor area on the second level, with the first level available for storage); four (4) new aircraft gate replacements; four (4) new passenger boarding bridge replacements, new passenger circulation and hold room space. Also, included is a third for where the Airport Administration will be relocated due to the new passenger circulation plan within the existing terminal. Also, an observation area is being considered as part of the third floor. Part of the sustainable design of the building components is consideration of embodied carbon. This includes the potential use of a mass timber structure. Also, we are considering the installation of geothermal for heating and cooling, and heat pumps.

Once the maximum guaranteed construction price is established and agreement is reached with the CMAR, the Airport will be back to the City Council for approval of the constriction contract.

BENEFITS ANTICIPATED:

This upgrade will provide the much needed shift to the new north concourse. This will provide a significant level of comfort and safety where passengers have adequate room to wait for the flight. The interior of the new building will be designed according to FAA standards and provide the space needed for passenger quantities, which currently does not exist, for all of the aircraft sizes that use Leahy BTV.

This project includes the demolition of the existing North Concourse, which causes encroachment on the Taxiway A Object Free Area when aircraft are maneuvering into and out of their gate positions. The Terminal expansion will be located 150'+ farther from Taxiway A, thus improving airfield safety.

PROJECT APPROACH

JEG was selected to provide the engineering design and bidding services through the Airport's qualification selection process meeting requirements by the FAA for this project. This price is determined through an extensive pricing process established by the FAA for all Airport Improvement Program (AIP) grant funded projects.

FUNDING SOURCES &

The funding is anticipated from the FAA through the typical Airport Improvement Program (AIP) process, with the funds coming from a Federal Fiscal Year 2023 Congressional Directed Spending Bill appropriation which provides 90% funding once the project is bid and grant offer received. The remaining 10% is the local share. The airport included an estimate for design work in the FY24 approved budget. The construction oversight portion will be included in the FY 25 budget.

PROPOSED MOTION:

Board of Finance

1. "To approve and recommend to the City Council that the Director of Aviation be authorized to execute an amended contract with Jacobs Engineering Group Inc. for an amount up to $4,525,288.00, with a 15% contingency, totaling up to $5,204,081, as allowed under a potential FAA grant, for the final design, permitting, CMAR coordination and construction oversight services of the North Concourse Replacement Project (Project NEXT), subject to review and approval of the City Attorney's Office."

City Council

1. "To approve and authorize the Director of Aviation to execute an amended contract with Jacobs Engineering Group Inc. for an amount up to $4,525,288.00, with a 15% contingency, totaling up to $5,204,081, as allowed under a potential FAA grant, for the final design, permitting, CMAR coordination and construction oversight services of the North Concourse Replacement Project (Project NEXT), subject to review and approval of the City Attorney's Office."

Board of Finance and City Council Submission Checklist

Department: Airport Submitter: H. Dusablon

Title/Subject: Request to execute a contract amendment with Jacobs Engineering Group, Inc. for completion of Design, Permitting, and Construction Coordination and Project oversight for North Concourse Replacement Project (Project NEXT).

	Approval:	Meeting Date:
☒	Board of Finance	10/16/23
☒	City Council	10/23/23
☐	Concurrent	

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	9/29/2023	N. Longo
Mayor's Office informed and approved memo	Yes	10/12/2023	S. Sheehan
Board/Commission, if required	Yes	10/4/2023	
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	10/12/2023	K. Sturtevant
CAO has reviewed budget, financing, and memo	Yes	10/10/2023	K. Schad
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	N/A	Click or tap here to enter text.
Additional Materials, if necessary	N/A	Click or tap here to enter text.
Draft Resolution or Motion?	N/A	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	N/A	Click or tap here to enter text.

Resolution Relating to

AUTHORIZATION FOR REIMBURSEMENT OF WATERFRONT TIF DISTRICT AND DOWNTOWN TIF DISTRICT RELATED COSTS FOR FY 2023

RESOLUTION________

Sponsor(s): Bd. of Finance
Introduced: ____________________
Referred to: ____________________
____
Action: ________________________
Date: __________________________
Signed by Mayor: ________________

CITY OF BURLINGTON

In the year Two Thousand Twenty-Three...……………………………………………………………

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, the City sought and received approval from the voters in November 2012 and March 2014 to utilize Waterfront Tax Increment Financing funds to cover the costs of public improvements and related costs relating to the Burlington Bike Path project, the Waterfront Access North project and the Public Investment Action Plan (PIAP) projects serving the Waterfront Tax Increment Financing (TIF) District; and

WHEREAS, the City sought and received approval from the voters in November 2016 to utilize Waterfront Tax Increment Financing funds to cover the costs of public improvements and related costs relating to the CityPlace Burlington project, to include acquisition, construction, streetscape improvements and upgrades for up to eight City blocks (two new streets – St. Paul and Pine, as well as two blocks of Bank Street and up to four blocks of Cherry Street); and

WHEREAS, the City sought and received approval from the voters in March 2015 and March 2022 to utilize Downtown Tax Increment Financing funds to cover the costs of public improvements and related costs relating to specific segments of the Great Streets Project, improvements to downtown parking facilities and for environmental remediation costs associated with Brown's Court property which was owned then by the City; all projects serving the Downtown Tax Increment Financing (TIF) District; and

WHEREAS, under 24 V.S.A. § 1891 (6), related costs means "expenses incurred and paid by the municipality, exclusive of the actual cost of constructing and financing improvements, that are directly related to the creation and implementation of the tax increment financing district, including reimbursement of sums previously advanced by the municipality for those purposes;" and

WHEREAS, under 24 V.S.A. § 1891 (6), related costs "may include direct municipal expenses such as departmental or personnel costs related to creating or administering the district to the extent they are paid from the tax increment realized from municipal and not education taxes and using only that portion of the municipal increment above the required percentage in servicing the debt as determined in accordance with subsection 1894(f);" and

WHEREAS, appropriate public notice was provided of anticipated TIF project budgets and their related costs and of the fact that the City's Community and Economic Development Office (CEDO) and

Department of Public Works (DPW) staff time related to administering the above referenced projects and to creating and administering the two districts would be included as reimbursable related costs for these districts and were correspondingly authorized by the above referenced public votes in 2012, 2014, 2015, 2016 and 2022; and

WHEREAS, CEDO has inventoried said reimbursable staff time and expenses relating to appropriately authorized Waterfront TIF District projects and to the administration of the district for FY 2023 and has submitted the inventory of such related costs, amounting to $74,074.09, to the Clerk/Treasurer’s Office for reimbursement under Vermont law with municipal tax increment only; and

WHEREAS, CEDO has inventoried its other related costs expenditures relating to appropriately authorized Waterfront TIF District projects and to the administration of the district for FY 2023 and has submitted the inventory of such costs, amounting to $307,672.14 to the Clerk/Treasurer’s Office for reimbursement under Vermont law with appropriate available tax increment; and

WHEREAS, the Clerk/Treasurer’s Office has inventoried additional FY 2023 related cost expenditures resulting from the State Auditor’s Office required audit of the City’s Waterfront TIF District and has submitted the inventory of such costs, amounting to $238,736.00, for reimbursement under Vermont law with appropriate available tax increment; and

WHEREAS, CEDO & DPW have inventoried said reimbursable staff time and expenses relating to appropriately authorized Downtown TIF District projects and to the administration of the district for FY 2023 and has submitted the inventory of such related costs, amounting to $32,788.34 and $70,000.00 respectively, to the Clerk/Treasurer’s Office for reimbursement under Vermont law with municipal tax increment only; and

WHEREAS, the Clerk/Treasurer’s Office has inventoried other related costs expenditures relating to appropriately authorized Downtown TIF District projects and to the administration of the district for FY 2023 and has submitted the inventory of such costs, amounting to $95,483.05, for reimbursement under Vermont law with appropriate available tax increment; and

WHEREAS, all of these related costs meet the criteria of voter approved related costs; and

WHEREAS, the Clerk Treasurer’s Office maintains the Waterfront TIF District Fund of accumulated tax increment for the service of Waterfront TIF District debt and related costs; and

WHEREAS, the Clerk Treasurer’s Office maintains the Downtown TIF District Fund of accumulated tax increment for the service of Downtown TIF District debt and related costs; and

WHEREAS, the Waterfront TIF District (created in 1996) and the Downtown TIF District have established sufficient escrows of accumulated tax increment for reimbursement of these related costs (including escrowed municipal increment maintained for reimbursement of departmental or personnel costs related to creating or administering the district which constitute related costs which can be reimbursed with municipal increment only); and

WHEREAS, on October 16, 2023, the Board of Finance reviewed and recommended City Council approval of a resolution authorizing the Clerk Treasurer's Office to utilize accumulated tax increment from the Waterfront TIF District Fund in such manner as is prescribed by Vermont law to reimburse the above related cost expenditures in a total amount of $620,482.23 for the FY 2023 in accordance with Vermont law relative to tax increment financing and to make such budget adjustments as necessary to effect same; and

WHEREAS, on October 16, 2023, the Board of Finance reviewed and recommended City Council approval of a resolution authorizing the Clerk Treasurer's Office to utilize accumulated tax increment from the Downtown TIF District Fund in such manner as is prescribed by Vermont law to reimburse the above related cost expenditures in a total amount of $198,271.39 for the FY 2023 in accordance with Vermont law relative to tax increment financing and to make such budget adjustments as necessary to effect same;

NOW, THEREFORE, BE IT RESOLVED that the Clerk Treasurer's Office is authorized to utilize accumulated tax increment from the Waterfront TIF District Fund in such manner as is prescribed by Vermont law to reimburse the above related cost expenditures in a total amount of $620,482.23 for the FY 2023 in accordance with Vermont law relative to tax increment financing; and

BE IT FURTHER RESOLVED that the Clerk Treasurer's Office is authorized to utilize accumulated tax increment from the Downtown TIF District Fund in such manner as is prescribed by Vermont law to reimburse the above related cost expenditures in a total amount of $198,271.39 for the FY 2023 in accordance with Vermont law relative to tax increment financing; and

BE IT FURTHER RESOLVED that the Clerk/Treasurer's Office is hereby authorized to make any needed budget amendment/adjustment to reflect and/or permit the above reimbursements.

City of Burlington Capital Program

Date: October 16, 2023

To: Board of Finance
City Council

Cc: Katherine Schad, CAO
Brian Pine, CEDO Director
Chapin Spencer, Department of Public Works

From: Ashley Parker, Capital Program Director
Andrea Gunther, Senior Accountant

Re: Waterfront/Downtown TIF Districts Related Cost Reimbursement for FY23

Overview:

In November 2012, March 2014, and November 2016, the City received approval from the voters to utilize Tax Increment Financing (TIF) funds to cover costs of public improvements associated with the Waterfront Tax Increment Financing (TIF) District. This includes expenses related to the following projects: the Burlington Bike Path, Waterfront Access North, the Public Investment Action Plan (PIAP), and the Burlington Town Center (BTC) (aka CityPlace Burlington (CPB)). Similarly, in March 2015 and March 2022, the City received approval from the voters to utilize tax increment financing funds to cover costs of public improvements related to projects in the City's Downtown TIF District. This includes expenses for the Great Streets project, Public Garage improvements, and for environmental remediation related to the Brown's Court property, which the City sold to Champlain College in December 2016.

According to the Vermont TIF statutes, certain related costs are eligible for reimbursement. The definition of a related cost is the non-capital expenses not typically covered by the bonding for a project. Outside consultants utilized by the City for pre-development aspects (e.g. design and permitting) of these voter-approved and VEPC- approved City projects are classified as related costs. These expenses can be reimbursed with available state education tax increment and municipal tax increment. Additionally, certain municipal costs such as departmental or personnel costs related to creating or administering a TIF district and/or its projects can be reimbursed, but only with the available municipal tax increment generated by the district. In line with this, for FY23, both the DPW and the CEDO budgets were built based on the premise that staff time focused on TIF related work should be funded by TIF revenues.

FY23 Request:

The City's TIF Administration Team, composed of representatives from the Clerks/Treasurers Office, DPW, and CEDO, is advancing a resolution that will close out the City's accounting of related cost expenditures for FY23 for the above referenced projects, including eligible department staff time on those projects. The Team would like to note that there was $238,736.00 of unplanned expenses within the

Waterfront TIF District due to a statutory requirement that requires the municipality being audited cover the State Auditor's costs for conducting a TIF Audit. A similar, albeit expected to be lower, expense will affect the Downtown TIF District in FY24 for the same reason. There was also an increase in total related costs in the Waterfront District following the VEPC approval of the BTC/City Place project at the end of March 2023. The Downtown District saw a slight increase in related costs expenditures due to the kick-off of the Main Street Great Streets project post voter approval in March 2022 and the City's bonding in August 2022.

We ask that the attached resolution be approved for the reimbursement of FY23 Related Costs as identified in the table below with the appropriate accrued tax increment for the related costs referenced herein.

Total FY23 Expenditures to be Reimbursed	**Downtown TIF District Voter Approved**	**Waterfront TIF District Voter Approved**
CEDO Salary and Benefits	$32,788.34	$74,074.09
DPW Salary and Benefits	$70,000.00	$0.00
Professional Consultant Services	$95,483.05	$307,672.14
State Auditor's Office (billed through CT Office)	N/A	$238,736.00
Total	**$198,271.39**	**$620,482.23**

New TIF Admin Procedures:

The TIF Administration Team began incorporating new procedures into the City's administration of the Downtown and Waterfront TIF Districts based on recommendations that resulted from the City's Waterfront TIF District State Audit. This includes procedures that provide guidance to City staff on how to review, document, process, and reimburse TIF eligible expenses, like related costs. The Team continues to revise these procedures based on experience, but has had success implementing them across the Downtown TIF District in FY23. The new procedures have led to more detailed documentation from project teams, as well as better budget tracking overall.

Moving forward, the TIF Administration Team will continue to implement these procedures across both Districts. Next year, the Team expects to include related cost budgets for both TIF Districts in the City's annual budgeting process. Once approved through the budget process, these budgets will be the reference point for project teams looking to reimburse related costs annually, and as a result, the TIF Administration Team will not need to come back to City Council to consider a reimbursement request at the end of the year, as has been typically the case. Instead, the only need to return to Council will be through the normal budget amendment process if there are unexpected impacts to the related cost budgets. One example of this for FY23 would be the cost associated with the State Auditor's Office invoicing for the Waterfront Audit.

Motions:

We respectfully request the Board of Finance move to recommend that the City Council adopt the attached resolution authorizing the Clerk/Treasurer's Office to utilize accumulated tax increment from the Waterfront and Downtown TIF Districts as is prescribed by Vermont law to reimburse the City's related cost expenditures as detailed above.

We respectfully request the City Council adopt the attached resolution authorizing the Clerk/Treasurer's Office to utilize accumulated tax increment from the Waterfront and Downtown TIF District as is prescribed by Vermont law to reimburse the City's related cost expenditures as detailed above.

If there are any questions related to this request, please contact Ashley Parker, at: aparker@burlingtonvt.gov.

Board of Finance and City Council Submission Checklist

Department: CT Office Submitter: Ashley Parker

Title/Subject: FY23 TIF Related Costs Reimbursement Request

	Approval:	Meeting Date:
☒	Board of Finance	10/16/2023
☒	City Council	10/23/2023
☐	Concurrent	Click or tap to enter a date.

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	10/10/2023	Katherine Schad
Mayor's Office informed and approved memo	Yes	10/11/2023	Jordan Redell
Board/Commission, if required	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	N/A	10/5/2023	
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	10/10/2023	Jared Pellerin
CAO has reviewed budget, financing, and memo	Yes	1/10/2023	Click or tap here to enter text.
Human Resources, if personnel action -Identify HR Manager in note	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	Choose an item.	Click or tap here to enter text.
Additional Materials, if necessary	Choose an item.	Click or tap here to enter text.
Draft Resolution or Motion?	Yes	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	Choose an item.	Click or tap here to enter text.

City of Burlington Vermont

OFFICE OF THE CLERK/TREASURER
City of Burlington

City Hall, Room 20, 149 Church Street, Burlington, VT 05401 Voice (802) 865-7000

To: Board of Finance
City Council

From: Katherine Schad, Chief Administrative Officer for the
Board of the Burlington Employees Retirement System (BERS)

Date: October 16 and 23, 2023

Subject: Updates to the 2019 Investment Policy Statement

Executive Summary

The investment consulting firm for the City's retirement system, Fiducient Advisors, has reviewed Burlington's Investment Policy Statement (IPS) and recommended changes in line with industry best practice and current market conditions. The BERS Board has thoroughly reviewed and approved these changes.

Detailed Changes

As a part of a regular calendar of education and policy review for BERS, Fiducient reviewed the City's IPS, which had not been updated since 2019. Fiducient has recommended the following specific changes which are redlined in the updated draft. These include:

- Adding a section to espouse the purpose of the plan and the IPS
- Updating the duties section, including adding the responsibilities of the consultant, investment manager, and custodian
- Expanding the investment strategy section
- Adding a section on evaluation and oversight of our investment manager
- Adjusting the asset allocations to reflect the current market and conditions of the system

Motions

Board of Finance Motion:
To approve and recommend that the City Council approve and ratify the attached Investment Policy Statement for the Burlington Employees' Retirement System.

City Council Motion:
To approve and ratify the attached Investment Policy Statement for the Burlington Employees' Retirement System.

INVESTMENT POLICY STATEMENT
CITY OF BURLINGTON, VERMONT
BURLINGTON EMPLOYEES' RETIREMENT SYSTEM

CURRENT VERSION: ~~OCTOBER 3, 2019~~ __________________, 2022

Revised October 3, 2019
Revised November 19, 2015
Revised December 3, 2009
Revised June 23, 2005
Revised February 2, 2000
Revised June 27, 1997
Revised September 18, 1996
Revised October 28, 1993
Revised September 24, 1992
Revised May 28, 1992
Revised November 2, 1989
Adopted March 19, 1987

I. OVERVIEW

The Burlington Employees' Retirement System ("BERS" or the "Plan") is a defined benefit pension plan established to provide retirement benefits to participants in accordance with the benefit structure adopted by the City of Burlington, Vermont.

The Plan is governed by Chapter 24 of the City of Burlington Code of Ordinances as authorized by Title VII of the City of Burlington Charter.

~~This Investment Policy Statement (the "IPS") shall establish the process to be followed in making and executing investment policy. The various outcomes of this process -- the assumed investment return, asset allocation, and measurement criteria -- shall be included in the investment addendum.~~

This Investment Policy Statement (IPS) amends, supersedes and restates in its entirety all prior BERS Investment Policy Statements.

If any terms of this IPS conflict with the Plan documents, the terms and conditions of the plan documents shall prevail.

II. PURPOSE OF THE PLAN AND IPS

The Plan's purpose is to provide retirement benefits to employees who are eligible to receive benefits under the Plan.

The purpose of the IPS is to outline the following general provisions affecting the Plan by:

- Assisting the Board to fulfill its fiduciary responsibilities;
- Conveying the Plan's purpose, investment objective, investment strategy and constraints;
- Establishing a decision-making framework to promote the effectiveness of the Plan;
- Intending for the Plan to be maintained in compliance with applicable laws and regulations;
- Setting forth the roles and responsibilities of the Board, Investment Consultant ("Consultant") and other relevant parties.

III. STANDARDS AND DUTIES

A. Fiduciary Standards

Assets of BERS shall be managed in a manner consistent with fiduciary standards. Investments shall be made with the care, skill, and diligence that a prudent person would use in achieving the aims outlined in this IPS.

B. Board Duties

The Board has the responsibility of establishing and maintaining policies governing management of BERS' financial assets (the "Fund"), including:

1. Act solely in the best interest of the Plan beneficiaries and the Plan's objectives.
~~1.~~2. Setting of investment policy;
~~2.~~3. Choosing an asset allocation to balance risk and return;
~~3.~~4. Selecting and evaluating professionals to manage those assets;
~~4.~~5. Communicating guidelines to those professionals.
6. Monitoring performance of the plan.
7. Avoid prohibited transactions and conflicts of interest.

C. Consultant Duties

1. Assist in the development and periodic review of the investment policy.
2. Proactively recommend changes to enhance the effectiveness of the investment policy, investment strategy or asset allocation.
3. Make proactive investment manager hire and fire recommendations.
4. Monitor aggregate and manager-level performance to ensure compliance with stated objectives.
5. Provide the Board with quarterly performance updates.
6. On a timely basis, notify the Board if there are pertinent developments with any of the Plan's investment managers.

D. Investment Managers

1. Manage assets in accordance with the guidelines and objectives outlined in prospectuses (mutual funds), investment agreements (commingled funds, private partnerships, etc.), or manager-specific investment guidelines (separate accounts).
2. Exercise investment discretion to buy, manage and sell assets held in the portfolios.
3. Promptly vote proxies and related actions in a manner consistent with the long-term interest of the Plan as an investor.

4. Communicate all organizational changes in a timely manner, including but not limited to ownership, organizational structure, financial condition and professional staff.
5. Seek “best price and execution” for transactions. Both explicit and implicit transactions costs should be considered.

E. Custodian(s)

1. Safeguard portfolio assets.
2. Accurately value portfolio holdings.
3. Execute buy/sell orders and cash transfers in a timely manner as directed by the Board.
4. Collect all income and dividends owed to the Plan.
5. Settle all transactions (buy/sell orders) initiated by separate account investment managers.
6. Provide reports at least quarterly that detail transactions, cash flows, securities values and changes in the value of each security and the overall portfolio since the previous report.
7. Provide all requested portfolio information to the Consultant and Board in a timely manner.

IV~~III~~. INVESTMENT GOAL

The long-term goal of the portfolio is to earn the actuarial return assumption net of fees over a long period of time such as 20 years while assuming only as much risk as the Board believes is needed to achieve that return. The return assumption shall not be used to justify taking excessive risk.

The following philosophy should be followed in pursuing that goal:

A. Philosophy

1. Adhere to a long-term perspective;
2. Align strategy with goals and risk tolerance;
3. Maintain consistent exposure to the capital markets;
4. Use simple investment structures that the Trustees understand;
5. Minimize investment costs.

~~The following strategy should be followed in implementing this philosophy:~~

~~**B. Implementation Strategy**~~

~~1. Diversify;~~
~~2. Focus primarily on asset allocation;~~
~~3. Rebalance to targets, selling on strength and buying on weakness;~~
~~4. Emphasize index management;~~

~~5. Keep manager and asset turnover low.~~

~~I~~V. INVESTMENT ~~GUIDELINES~~STRATEGY

The Plan is expected to be maintained in perpetuity. Future amendments to the Plan may occur, but the optimal investment strategy will be determined based on the plan provisions as they exist at any point in time.

The Board acknowledges that the Plan's asset allocation strategy is likely to be its primary determinant of performance. The following strategy should be followed in implementing this philosophy:

1. Diversify;
2. Focus primarily on asset allocation;
3. Rebalance to targets periodically, which is likely to result in reducing exposure to investments that have recently outperformed and/or adding to investments that have recently underperformed;
4. Emphasize index management where appropriate;
5. Keep manager and asset turnover low

With the assistance of its Consultant, the Board intends to review or revise the target allocation to asset classes periodically to ensure the investment strategy remains consistent with the Plan's investment objectives, as those objectives may evolve over time given the plan's funding status and other factors.

In addition to achieving the investment objectives previously outlined in this Statement, the goal of the overall investment strategy is to meet or exceed (a risk-appropriate) benchmark over full market cycles. The benchmark will constitute underlying market indices appropriate for the strategy, and its components will be illustrated in the periodic performance report provided by the Consultant.

VI. INVESTMENT MANAGER SELECTION

The Plan may select investment managers through a variety of investment vehicles including, but not limited to, separate accounts, mutual funds, commingled funds or private partnerships.

The underlying investment managers selected for the Plan are intended to be selected with the care, skill and diligence that would be applied by a prudent person acting in a like capacity and knowledgeable about investing.

With the assistance of its Consultant, the Board will examine investment managers' investment objectives and processes; historical adherence to stated objectives and processes; depth of resources; quality of personnel; historical performance (including risk) versus various appropriate benchmarks; appropriateness of diversification; reasonableness of fees; and any other metric that may be material when evaluating investment managers' capabilities. The Board will use all available information and its best judgment when seeking to hire skillful investment managers. The Board may also select low cost, passively managed investment products where appropriate.

The Trustees understand that should Burlington choose to invest in a commingled fund, the investment policies governing that fund take precedence over the policies in this IPS. When investing in any commingled structure, the Trustees should consider whether those guidelines are sufficiently compatible with BERS own goals.

Should the Trustees decide to invest in any individual account that must conform to standards set forth in this IPS, those standards shall be set forth in the manager's contract and attached to this IPS following the Investment Addendum.

VII. INVESTMENT MANAGER EVALUATION AND OVERSIGHT

With the assistance of its Consultant, the Board intends to periodically review the performance of the underlying investment managers. Investment manager performance will be evaluated against proper indices, peer group comparisons and risk-adjusted performance metrics. They will also be evaluated against other metrics that may include but are not limited to expenses, consistency of strategy or style or other qualitative factors.

Investment managers may be considered for possible termination if they fail to meet performance or other guidelines enumerated in the Plan's periodic performance report provided by the Consultant. The performance summary section of the most recent performance report, including managers and their various benchmarks, will serve as an appendix to this IPS.

With the assistance of its Consultant, the Board intends to use all known information and its best judgment to determine if and when terminating a manager is warranted. Events that may trigger a termination include but are not limited to illegal or unethical behavior on the part of the manager; failure to follow investment guidelines; underperformance; turnover among key personnel; a change in investment style or strategy; insufficient infrastructure to keep pace with asset growth; significant increase in expenses or fees; and any other observation the Board deems may prevent the manager from carrying out its duties effectively. In addition, managers may be terminated at any time for any reason at the discretion of the Board.

VIII. LIQUIDITY

The Board intends to construct the portfolio to provide adequate liquidity to meet the obligations of the retirement system. Due to market volatility and the uncertain nature of commitments, drawdowns, and distributions, it may not be possible to monitor liquidity continuously. However, attempts will be made to manage liquidity to the greatest extent possible and illiquid assets in the portfolio will be sufficiently limited to ensure all obligations can be met.

IX. PROXY VOTING

For separately managed accounts, if applicable, investment managers will be expected to vote proxies in the best interest of the Plan as an investor. When applicable, mutual fund proxies are intended to be voted in the best interest of the Plan.

INVESTMENT APPENDIX

The following sets out the Board's current choices regarding the ~~actuarial assumption,~~ asset allocation targets and acceptable ranges ~~and performance measurement standards~~.

~~A. Actuarial Assumption: 7.5%~~

B. Asset Allocation

The asset allocation and allowable ranges are effective August 2022:

Asset Allocation Guidelines:	**Lower Limit**	**Target**	**Upper Limit**
Fixed Income and Cash Equivalents	~~10%~~ 15%	~~18%~~ 25%	~~30%~~ 35%
Publicly Traded Global Equity	~~60%~~ 50%	~~74.5%~~ 67.5%	~~90%~~ 85%
Domestic Equity	*30%*	*~~41.5%~~ 40%*	*~~55%~~ 50%*
International Equity	*20%*	*~~33%~~ 27.5%*	*~~45%~~ 35%*
Real Estate	0%	6%	10%
Timber	0%	1%	3%
Private Equity	0%	0.5%	3%

Cash flow should be managed to maintain each allocation close to the target. Rebalancing becomes mandatory within a 90 day period if an allocation falls outside the range.

~~C. Performance Measurement~~

~~1. Time Period. Measurement of return for both the portfolio and for individual managers will be over a market cycle assumed for simplicity to be 3-5 years. Trustees are encouraged to make judgments over time periods sufficiently long to encompass both up and down market trends.~~

~~2. Portfolio Goal. The short-term goal of the portfolio is to rank in the upper half of a universe of similar portfolios. The long-term goal of the portfolio is to earn the actuarial assumption over a long period of time such as 20 years while assuming only as much risk as needed to achieve that return.~~

~~3. Manager Goals. Each manager shall be measured by an assigned benchmark. Active managers are expected to out perform their benchmark over a market cycle net of fees, and to perform in the upper half of a universe of managers in a similar style. Passive managers are expected to nearly match their benchmark on a monthly basis gross of fees.~~

BCA

To: Board of Finance and City Council

From: Doreen Kraft, BCA Director

Date: October 12, 2023

Subject: Presentation and Approval of Solar Eclipse Budget and Program

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Executive Summary

On April 8, 2024, Burlington will be in the path of totality for a rare solar eclipse, along with several other Vermont cities and towns including Montpelier, St. Albans and St. Johnsbury. Cities across the globe become destinations when they are in the path of totality, and as a result, must develop a safety plan to manage a substantial increase in vehicular traffic and influx of visitors. Many cities also develop culture and tourism plans to encourage spending and return visits by a new audience generated by the eclipse. Estimates for Burlington range from 50,000 to 150,000 visitors between April 6 and 9, 2024. BCA is seeking budget approval for the event of up to $439,335 to ensure that the City is prepared to manage the public health, safety and amenity requirements for the influx of visitors, and to invest in Burlington's immediate and long-term economic future and community building through Burlington's substantial arts, culture and learning opportunities.

Background

Total solar eclipses are rare - the last total eclipse in Burlington was in 1932 and the next one will not be until in 2106. People across the globe travel to total solar eclipse locations to experience the cosmic event, to learn more about the phenomenon, and to explore the culture and history of the places where they occur.

On May 15, 2023, the Burlington City Council adopted resolution 6.02 stating that the City and Council planned to produce an "unprecedented and unique event" around the total solar eclipse. Hello Burlington will feature an eclipse tourism expert at their Destination BTV summit on November 15, 2023 to help regional businesses prepare for the eclipse, and work has also been done to assist in promoting regional accommodations and amenities for a number of months, in an effort to help drive visitors to the area. Burlington hotel searches this summer for April 5 to 8, 2024 were up 4,515%. Recent Expedia searches show very little availability left with rooms going for $646 a night in

South Burlington and $884 a night in Burlington, and $1000 per night for AirBnB. This indicates that people intend to flock here as they have for other cities.
Examples from the 2017 total eclipse include:

- Hopkinsville, Kentucky, population of 30,800, over 100,000 visitors
- Sweetwater, Tennessee, population 6,000, 50,000 visitors
- The Idaho Falls area saw an estimated 300,000 visitors over the days around the eclipse. The Idaho DOT tracked visitors from Austria, Australia, Canada, China, Denmark, France, India, Ireland, Mexico, Japan, New Zealand, Poland, and the UK with approximately 71,000 more cars entering their state than average
- Glendo, Wyoming, population of just over 200, 70,000 to 90,000 visitors

Burlington's Plan
BCA's event and communication staff will spearhead plans to prepare for the influx of visitors in collaboration with many city departments in the model of the Resource and Recovery Center activities during the pandemic. The highest priority will be placed on providing basic health and safety services (see budget outlined on page 3) alongside public communications to ensure a safe, enjoyable visit for all and that visitors use public locations for viewing the eclipse that the City has prepared, to ensure crowd management and to protect residents from unwanted neighborhood traffic as much as possible.

To maximize the economic impact for our community, City Departments including Burlington's Business and Workforce Development Department will collaborate with BCA communications efforts to amplify and promote the activities of our business and institutional partners. BCA will also produce programming geared to promote Burlington's artists and creatives, its' cultural learning opportunities, world-class local cuisine, and unique shops and businesses to encourage visitors to return to BTV in the years ahead. Additionally, BCA will facilitate opportunities for neighborhoods to connect with one another and make this phenomenon a special memory.

To meet basic obligations to public safety, we propose the following sources:

- City Contribution. The City budget will contribute $120,000 to this effort which can be done without affecting the unassigned fund balance through a reallocation of unspent ARPA funds that will be used to replace under budget revenues from FY23.
- City Council Initiative Fund. Upon the recommendation of Councilor Paul, we are requesting $30,000 of this fund be used for Solar Eclipse expenses – please note this amount was rolled over as unused funds in FY23

We will look for opportunity to recover some of the general fund money spent.
Earned Revenues are proposed conservatively as follows:

- Parking and Camping Fees. We expect to collect $30,000 in fees for temporary parking sites designed in partnership with the police and fire departments, and additional temporary camping sites added on Perkins Pier in partnership with the Parks Department and BED. The implementation of the temporary parking spaces may require further approvals from this body and we shall seek authorization as necessary.

- Sales of merchandise. Income is budgeted conservatively to cover costs (currently budgeted at $59,335), but we believe there is potential for greater sales that could positively benefit BCA and the general fund.

We expect to fundraise $200,000 from the private sector which roughly matches the City's funding. The City's funding will go towards public health and safety and additional funds raised will support the enhancements that invest in Burlington's economics immediately and for the future.

- Corporate Donations. Hello Burlington has confirmed participation in an enhanced event by Burlington hotels. A recent presentation by the Mayor and BCA staff to several potential corporate funders was positively received. We have confidence in our ability to raise $200,000 to ensure a memorable event; however, if a total of $200,000 is not raised by November 15, expenses and programs will be reduced to ensure a balanced outcome that does not impact the general fund.

Proposed Expense Budget and Sources (see next page):

PUBLIC HEALTH, SAFETY AND BASIC AMENITIES BUDGET	
Event Staff (in addition to regular positions)	32,000
Communication and promotion	49,000
Police Fire and Emergency Operations	9,935
Traffic Control	27,760
Security	8,130
Bathroom Rentals	11,960
Trash/Recycling	6,500
Site preparations, supplies,and clean up	29,825
Shuttle	7,760
Merchandise	52,325
TOTAL PUBLIC HEALTH, SAFETY AND BASIC AMENITIES	**235,195**
EVENT AND TOURISM INVESTMENT BUDGET	
Event Marketing	20,500
Ancillary weekend programming	24,000
Performers and Talent	22,000
Local Astronomist and Host	5,000
Turf Protection	15,000
Stage sound, lighting, video	57,000
Audio Streaming	4,000
Site Design and infrastructure	21,670
Site Rental and Hospitality	12,000
Pine St. and Perkins Pier RV Temporary set up	22,970
EVENT AND TOURISM INVESTMENT BUDGET	**204,140**
TOTAL PUBLIC HEALTH, SAFETY AND BASIC AMENITIES & EVENTS TOURISM	**439,335**
SOURCES	
Merchandise Sales	59,335
Parking and Camping Fees	30,000
City Council Initiative Fund	30,000
Corporate Donations	200,000
City Budget via ARPA revenue replacement	120,000
TOTAL SOURCES	**439,335**

Motions

Board of Finance Motion:

Move to approve and recommend that the City Council create and approve the Solar Eclipse Public Health, Safety, Amenities and Events plan budget as detailed in the chart herein, in an amount not to exceed $439,335 and to authorize the Chief Administrative Officer to make any necessary budgetary amendments and transfers of funds to carry out this initiative.

City Council Motion:

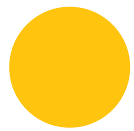
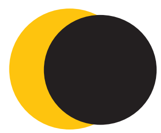
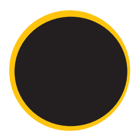
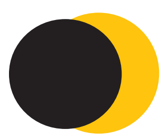
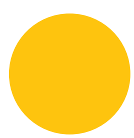
Move to create and approve the Solar Eclipse Public Health, Safety, Amenities and Events plan budget as detailed in the chart herein, in an amount not to exceed $439,335 and to authorize the Chief Administrative Officer to make any necessary budgetary amendments and transfers of funds to carry out this initiative.

TOTAL ECLIPSE 2024

BURLINGTON, VERMONT
MONDAY, APRIL 8, 2024

On April 8, 2024, Burlington will experience a total solar eclipse, a rare and fascinating phenomenon. The last total eclipse in Burlington was in 1932. **The next one will be in 2106.**

BURLINGTON ECLIPSE TIMING

TIME	PHASE	EVENT
2:14 pm		**Partial Eclipse Begins** The moon touches the sun's edge
3:26 pm		**Full Eclipse Begins** The sun becomes totally eclipsed
3:27 pm		**Maximum Eclipse** Moon is closest to the center of the sun
3:29 pm		**Full Eclipse Ends** The total eclipse ends
4:37 pm		**Partial Eclipse Ends** The moon leaves the sun's edge

EXPECTED VISITOR NUMBERS

"Cosmic Super Bowl"

— Mayor Hendricks, Hopkinsville, KY

in reference to their total solar eclipse experience in 2017.

Cities across the globe experience a large influx of people when they are in the path of totality.

For larger cities, NASA uses a factor of three times the daily population to estimate the number of visitors. For smaller cities and regions, NASA suggests this number could reach up to five times the daily population.

Estimates for Burlington range from 50,000 to 150,000 visitors between April 6 and 9.

Coast to coast ka-ching! Eclipse tourism bringing in millions from Oregon to S.C.

— USA Today, August 7, 2017

Hopkinsville, Kentucky had a population of 30,800 when the 2017 total solar eclipse took place. The city welcomed over 100,000 visitors to this small town an hour outside of Louisville.

Sweetwater, Tennessee, population 6,000 reported having 50,000 visitors. They made $90,000 on parking, T-shirts, and eclipse glasses. The city also built a new parking area and made landscaping enhancements ahead of the eclipse.

The Idaho Falls area saw an estimated 300,000 visitors over the days around the eclipse. The Idaho DOT tracked visitors from Austria, Australia, Canada, China, Denmark, France, India, Ireland, Mexico, Japan, New Zealand, Poland, and the UK with approximately 71,000 more cars entering their state than average.

Carbondale, Illinois' city manager said the eclipse in 2017 "brought welcome publicity." They spent about $200,000 on the event and found the money was well spent and invested in their future.

Tiny Glendo, Wyoming, with a population of just over 200, estimates they welcomed 70,000 to 90,000 visitors during the event, and "got their name out there" in a really good way.

LOCAL BUZZ

MAY 15, 2023

The Burlington City Council adopts resolution 6.02 stating that the city and council resolve to produce an "unprecedented and unique event" around the total solar eclipse.

MAY 26, 2023

Burlington Free Press: "What to know about the 2024 solar eclipse in VT: **It's expected to bring 250,000 tourists**."

STATE TOURISM WEBSITE

2024 Total Solar Eclipse in Vermont

SUGARTOURS WESBITE

A Green Mountains of Vermont Total Solar Eclipse 2024. **Their tour is already sold out**.

HELLO BURLINGTON WEBSITE

Launches "Visit Burlington for the 2024 Solar Eclipse" webpage.

EXPEDIA WEBSITE

Reported on June 12 that hotel searches for Burlington from April 5 to 8, 2024 were up **4,515%**. In recent searches, rooms going for **$646 a night** in South Burlington and **$884 a night** in Burlington.

Most AirBnBs are going for $1,000 a night, on average

HEALTH AND SAFETY PLANNING UNDERWAY

There is a lot of planning underway to make this a safe and successful weekend in terms of public safety, adequate viewing sites, and protecting Burlington's public assets. City event staff surveyed the best viewing sites on September 2, 2023, as the sun will be in the same location on April 8, 2024.

PLANS INCLUDE

- Bathrooms
- Trash and recycling
- Parking and shuttle busses
- Thousands of eclipse safety glasses for the public
- Emergency services and planning
- An additional RV park
- Traffic control
- Burlington School District anticipates making changes to their schedule.
- Road construction in Burlington to cease on April 8 in expectation of many visitors.

ECONOMIC INVESTMENT OPPORTUNITY FOR BURLINGTON

With a built-in audience of many thousands, we also are eager to take advantage of the economic opportunity and investment into future tourism that this event presents if we do it well.

WE NEED TO

Encourage visitors to return to BTV by promoting Burlington's creative and cultural learning opportunities, world-class local cuisine, unique shops and businesses, and amplifying special event offerings from partnering businesses and institutions.

Create added revenue opportunities for businesses and the City with gross receipts and rooms and meals taxes, parking and camping fees.

It is our opportunity to cement Burlington's national reputation as a culturally progressive city, and to make this a special memory for our citizens.

IMAGINING AN ENHANCED EVENT

With added community financial support, the City can plan to enhance the experience for the local community and the thousands of visitors we expect to host.

CURRENT PLANS INCLUDE

- Collaborate with NASA's state program administrator on their plans to bring keynote speakers to Burlington in the months leading up to and on the day of the eclipse.

- Collaborate with ECHO to produce safety videos from the Vermont Astrological Society, provide educational tents, and project/livestream a live tracking telescope feed of the eclipse from ECHO's balcony.

- Present a series of ticketed events on the Friday, Saturday, and Sunday before the eclipse, including films, performances, art making activities, and educational opportunities relating to the eclipse.

IMAGINING AN ENHANCED EVENT (CONT.)

- Direct attendees to key viewing locations including Battery Park, Waterfront Park, Perkin's Pier, Oakledge Park, City Hall Park and Roosevelt Park.

- Coordinate with afterschool programs, neighborhood centers, and block party leaders with activities for Burlington youth and families.

- Provide live narration of the event at all viewing sites.

- Provide food truck vending locations at sites and other city locations to help ease the load on restaurants.

- Work with existing businesses and organizations to accommodate visitors with food, information, and entertainment.

LOCAL ECLIPSE PARTNERS

For a crowd this size, the City can't do it alone. With an expanded marketing plan, we would invite all local groups, businesses and partners to share their eclipse plans with us. A Love Burlington website would list all of the events, and our team would market a full slate of happenings throughout the weekend. We look forward to amplifying the local events and directing eclipse seekers to programming produced by many partners, including:

- The Vermont Symphony Orchestra
- Hello Burlington
- Vermont International Film Festival
- The Flynn Theater
- The Lane Series
- The Vermont Comedy Club
- The Get Down
- Foam Brewery
- Switchback Brewery
- Burlington Beer Company
- Nectar's
- Radio Bean
- ECHO
- University of Vermont
- Champlain College
- Burlington School District
- Boys and Girls Club
- King Street Center

PUBLIC HEALTH, SAFETY AND BASIC AMENITIES BUDGET

Event Staff (in addition to regular positions)	32,000
Communication and Promotion	49,000
Police Fire and Emergency Operations	9,935
Traffic Control	27,760
Security	8,130
Bathroom Rentals	11,960
Trash/Recycling	6,500
Site Preparations, Supplies, and Clean Up	29,825
Shuttle	7,760
Merchandise	52,325
TOTAL PUBLIC HEALTH, SAFETY & BASIC AMENITIES	**$235,195**

EVENT AND TOURISM INVESTMENT BUDGET

Event Marketing	20,500
Ancillary Weekend Programming	24,000
Performers and Talent	22,000
Local Astrologist and Host Turf Protection	5,000
Stage Sound, Lighting, Video	15,000
Audio Streaming	57,000
Site Design and Infrastructure	4,000
Site Rental and Hospitality	21,670
Pine Street and Perkins Pier RV Temporary Set Up	12,000
	22,970
EVENT AND TOURISM INVESTMENT BUDGET	**$204,140**

TOTAL PUBLIC HEALTH, SAFETY BASIC AMENITIES & EVENTS TOURISM — $439,335

ECLIPSE SPONSORS UNITE!

SITE SPONSOR: $50,000

Activate one of our premiere viewing sites with your brand!
We have five planned sites. Benefits include:

DIGITAL

Multiple emails to 50k+ individuals with linked sponsor recognition

Recognized and tagged in social media posts from Love Burlington and BCA

Option for sponsor-specific social media collaboration post or story take-over

Sponsor website linked on all BCA and Love Burlington calendar events

PRINT

Sponsor logo included in ad placements

Sponsor logo on posters and handbills distributed across the Greater Burlington area

Sponsor logo included on all merchandise as appropriate (T-shirts, sweatshirts, etc.)

ONSITE

Sponsor logo on City Hall Park Lamp post banners for two months

Sponsor logo on site specific sandwich boards
Viewing Site presenting credit on all maps and printed materials

Option for presence at info and merchandise tents at viewing site

Banner with logo and “sponsored by” recognition at viewing site

ECLIPSE SPONSORS UNITE!

SOLAR ECLIPSE SAFETY GLASSES SPONSOR: $50,000

It is not safe to look directly at the sun without specialized eye protection for solar viewing. The city is purchasing **50,000 ISO 12312-2 glasses** to distribute to the community for safe eclipse viewing. These will be passed out with a suggested donation, but also for free.

Our glasses sponsor will have their logo integrated into a custom designed BTV Eclipse glasses, with 50,000 pairs coming to the area in the week before the eclipse and on the day of the eclipse.

The City is committed to funding all aspects of a safe and orderly eclipse weekend.

We now look to the business community to help present Burlington at its very best and to show our guests why our city is one of the most livable cities in the country.

THANK YOU

Board of Finance and City Council Submission Checklist

Department: Burlington City Arts Submitter: Doreen Kraft

Title/Subject: Funding for the April 8, 2024 Total Solar Eclipse

	Approval:	Meeting Date:
☒	Board of Finance	10/16/2023
☒	City Council	10/23/2023
☐	Concurrent	Click or tap to enter a date.

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	10/6/2023	Doreen Kraft
Mayor's Office informed and approved memo	Yes	10/12/2023	Jordan Redell
Board/Commission, if required	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	Yes	10/12/2023	Jared Pellerin
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	10/12/2023	Jared Pellerin
CAO has reviewed budget, financing, and memo	Yes	10/10/2023	Katherine Schad
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	Choose an item.	Click or tap here to enter text.
Additional Materials, if necessary		
Draft Resolution or Motion?	Choose an item.	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	Choose an item.	Click or tap here to enter text.

Winooski Valley Park District

Ethan Allen Homestead
Burlington, Vermont 05408

Tel: (802) 863-5744 info@wvpd.org www.wvpd.org Fax: (802) 865-0647

October 5, 2023

Katherine Schad
Burlington City Hall
149 Church St.
Burlington, VT 05401

Dear Katherine,

Thank you very much for the City's support of the Winooski Valley Park District's operations this year. As you may know, most of the WVPD's operating budget comes from its eight municipal members in the form of dues, based on each member community's relative population and the equalized property tax grand list.

WVPD is requesting a total of $129,573 for FY 2025 from Burlington.

WVPD will continue to seek new revenues that reduce the reliance on municipal shares for operations and will continue to work as hard as possible to multiply the dollars that Burlington provides by motivating volunteers to help steward the parks, soliciting donated services, performing fee-based services for municipal clients, accepting donated or discounted property, acting as a fiscal agent for other organizations, and by writing grants. WVPD also expands its services to the community through partnerships with multiple organizations including conservation non-profits, land trusts, local conservation commissions, business groups, neighborhood groups and area schools and universities.

Our proposed FY25 operating budget (attached) includes notes to explain the rationale and assumptions behind different line items. Please do not hesitate to contact me if you have any questions.

Thank you for your continued support. The WVPD would not exist without its member municipalities!

Respectfully submitted,

Nick Warner

Nick Warner
Executive Director
cc: Andrew Gregg

WINOOSKI VALLEY PARK DISTRICT
APPROVED FY2025 OPERATING BUDGET

(July 1, 2024 - June 30, 2025)

Approved by WVPD Board of Trustees at the September 19, 2023 meeting

OPERATING REVENUE	Actual FY2023	Budgeted FY2024	Proposed FY2025
1. Municipal Support from Member Towns	$370,051.00	$402,390.00	$414,105.00
2. Interest	$204.27	$200.00	$200.00
3. Caretaker House Rental	$15,600.00	$16,500.00	$16,500.00
4. Facility Rentals	$28,005.75	$31,250.00	$31,250.00
5. General Income	$2,150.00	$2,500.00	$2,500.00
6. Grant Income	$0.00	$5,500.00	$5,500.00
7. Contracted Parks Maintenance	$10,438.53	$5,500.00	$5,500.00
8. Other Operational Support	- -	- -	$20,000.00
Total Operating Revenue	**$426,449.55**	**$463,840.00**	**$495,555.00**

OPERATING EXPENSES	Actual FY2022	Budgeted FY2023	Proposed FY2025
Salaries			
1. A. Staff Salaries - Year Round	$218,246.06	$216,510.00	$231,500.00
1. B. Staff Salaries - Temporary	$46,084.50	$80,525.00	$98,000.00
1. D. Payroll Fees	$1,498.48	$1,550.00	$1,700.00
Subtotal Salaries	**$265,829.04**	**$298,585.00**	**$331,200.00**
Employee Benefits			
2. FICA	$17,453.42	$22,750.00	$25,000.00
3. Workers Compensation	$5,088.00	$6,250.00	$6,250.00
4. Unemployment Insurance	$2,690.00	$6,250.00	$4,250.00
5. Dental Insurance	$1,802.16	$1,875.00	$1,875.00
6. Health Insurance	$22,238.96	$34,800.00	$34,800.00
7. Retirement	$8,364.23	$9,000.00	$9,000.00
Subtotal Benefits	**$57,636.77**	**$80,925.00**	**$81,175.00**
Park Expenses			
10. Liability/Fire Insurance	$8,829.75	$10,500.00	$9,250.00
11. Travel/Auto	$3,773.01	$3,750.00	$3,750.00
12. Utilities	$10,191.09	$10,575.00	$10,575.00
13. Buildings Maintenance	$23,898.31	$16,250.00	$16,250.00
14. Parks Maintenance	$16,336.41	$20,550.00	$20,550.00
15. Snow Removal/Sanding	$2,730.00	$2,500.00	$2,500.00
16. Subcontracted Services	$2,577.00	$6,000.00	$6,000.00
17. Rubbish Removal	$2,720.44	$2,750.00	$2,750.00
Subtotal Park Expenses	**$71,056.01**	**$72,875.00**	**$71,625.00**

	Actual FY2022	Budgeted FY2023	Proposed FY2025
Office Expenses			
18. Phone, Email, Internet, and Fax	$3,976.45	$3,750.00	$3,750.00
19. Postage	$274.30	$275.00	$275.00
20. Supplies	$5,297.84	$4,000.00	$4,000.00
21. Copies	$143.79	$350.00	$300.00
22. Employee Trainings	$0.00	$1,000.00	$1,000.00
23. Membership	$305.00	$380.00	$380.00
Subtotal Office Expenses	**$9,997.38**	**$9,755.00**	**$9,705.00**
Publicity Expenses			
24. Events	$42.63	$100.00	$100.00
25. Printing/Advertising/Exhibits	$25.00	$750.00	$400.00
26. Conferences	$823.26	$500.00	$1,000.00
Subtotal Publicity	**$890.89**	**$1,350.00**	**$1,500.00**
Other			
27. Legal Services	$35.00	$35.00	$35.00
28. Capital Improvement Program	$165.00	$165.00	$165.00
29. Operating Reserve Fund	$100.00	$100.00	$100.00
30. Audit Fund	$50.00	$50.00	$50.00
Subtotal Other	**$350.00**	**$350.00**	**$350.00**
Total Operating Expenses	**$405,760.09**	**$463,840.00**	**$495,555.00**

WINOOSKI VALLEY PARK DISTRICT
FY2025 BUDGET NOTES

BUDGET OVERVIEW

This budget supports the FY2025 (July 1, 2024 – June 30, 2025) operations of the Winooski Valley Park District (WVPD), an incorporated Vermont municipality and 501(c)(3) non-profit supported primarily by annual allocations from eight member towns: Burlington, Colchester, Essex, Essex Junction, Jericho, South Burlington, Williston, and Winooski. WVPD owns and operates 18 properties with a combined total of over 1,753 acres of land, managed for conservation and passive recreation, with its operations governed by a Board of Trustees.

The Winooski Valley Park District's mission is to plan, acquire, and manage lands and waters within the boundaries of its member municipalities in the Winooski River Valley for purposes of conservation, preservation of natural areas, establishment of parks, and resource-based education and recreation.

Operationally, WVPD maintains stable capital reserves and debt-free operations. Capital upgrade projects and land acquisitions are funded through grants, philanthropy, and donations. Hundreds of hours of volunteer and pro bono services are leveraged yearly to carry out park upgrades, trail maintenance, legal services, and project consulting.

WVPD is investing for the future. Capital upgrades over the next 1-5 years – primarily funded by outside resources include significant upgrades in the Hill-Brownell Educational Center at the Ethan Allen Homestead, upgrades to informational signage in the park system, repair of a large slope-side stairway at Riverwalk, improvements to the Wetlands Walk North boardwalk at Ethan Allen Homestead, and upgrades to park infrastructure system-wide. Grant requests are now being prepared for trail improvements, invasive plant management, and facility upgrade projects.

Revenue Streams:

WVPD's largest source of operating revenue derives from annual formulaic payments from member municipalities. To help offset this commitment, and to accommodate the growth and demands on the park system, WVPD accesses/enhances revenue streams through leasing, contracted work, and grants.

WVPD is renovating capital assets (Hill-Brownell Educational Center, Allen House cabin, Colchester Pond Farmhouse and Barn) that in turn will enhance long-term revenues. Partnerships are being established with outside entities for program and event delivery that also generate income. WVPD is upgrading and marketing rental facilities, renegotiating leases, and ramping up its' contracted maintenance services.

To support revenue growth, and protect assets, WVPD staff carry out daily operations, work on capital upgrades, facilitate the expansion of the park system, and carry out site-specific management plans for each property in the WVPD portfolio.

Budget increases are driven by the increased cost of retaining experienced full-time staff, seasonal personnel costs; increased costs to health insurance, unemployment insurance, snow removal and rubbish disposal, and building maintenance; in addition to longer maintenance seasons and additional park assets to maintain. WVPD works to offset these increases over time using a model that promotes long-term revenue growth through leasing and contracted maintenance. This year, WVPD intends to raise $20,000 in operating capital and work to secure this as an annual revenue stream.

Ethan Allen Homestead Museum, Burlington Forest Preschool, and Alnôbaiwi:

WVPD owns the Ethan Allen Homestead property and buildings on the 294-acre campus in Burlington's Intervale. This includes the historic Ethan Allen cabin, and Hill-Brownell Education Center ("Museum Barn") which houses the Ethan Allen Homestead Museum (EAHM) and the Burlington Forest Preschool. EAHM operates under an Operations Agreement, and Forest Preschool holds a commercial lease, with both generating rental income and utility reimbursement. Alnôbaiwi leases space in the WVPD office building under a separate lease, also generating rental income.

Grant Revenues:

Grant income is utilized for specific projects and programs and is typically not relied upon for operating expenses. These revenues are generally offset by the costs of the projects, often with an in-kind match of labor/materials, with indirect and WVPD's administrative costs built in when possible. WVPD applies for grants supporting acquisitions, trail construction, facility upgrades, safety equipment, and natural resources management. Grants are aggressively pursued to offset any large projects/expenditures whenever possible.

Debts/Loans:

Outside of the use of a credit card (which is paid off monthly), WVPD carries no mortgages or loans, or does not have any liens against any property or asset.

Financial Audit:

WVPD completed a full financial audit for FY16, and commissions annual Financial Reviews (conducted by the same auditing firm), with full audits scheduled on a five-year cycle. The pandemic has delayed the audit cycle. A financial review was conducted in fall of 2021 revealing no findings.

FY2025 BUDGET NOTES (by budget category)

OPERATING INCOME:

1. **Municipal Support of Operations from Member Towns**
   Dues from member municipalities are based on the most current available data for 1) Population and 2) Equalized Municipal Property Tax Grand List. These two variables are given equal weight in a formula that determines the portion asked of each municipality.

   As an inter-municipal form of government, the WVPD has been supported by its member municipalities for the last 50 years. Elected officials signed an Agreement to create an inter-municipal conservation district in 1972. After that, a majority of voters from each member community voted to create the WVPD.

   A new community joined WVPD in FY24: the City of Essex Junction was formed effective July 1, 2022. From WVPD's fiscal standpoint, this has had a null impact as the Essex Junction (and its' population/grand list) was formerly part of the overall Town of Essex which is now a separate municipality.

2. **Interest Income**
   High interest rates are pursued, when possible, by investing in FDIC insured Certificates of Deposits. However, in recent years these rates have been very low.

3. **Caretaker House Rentals/Rebates**
   On-site caretakers provide site security and rental income at the Colchester Pond Natural Area and at the Ethan Allen Homestead. Each caretaker residence pays $7,800 per year for rent. In exchange for below market rent, each caretaker is available on weekends and after office hours to educate park visitors about park rules, open and close the park entrance gate year-round at dawn and dusk, monitor parking lot use, shovel snow for pedestrian access to information boards and fire hydrants, manage the picnic shelter at the Ethan Allen Homestead, and monitor the WVPD's other parks throughout the winter

when the WVPD's seasonal maintenance crew is not available. With increases in park use at both facilities, the value of our caretaker's work increases over time.

Caretakers are paid in pretax dollars at $12/hour in the form of a rental rebate for additional services above and beyond routine services, as they arise. These expenses are included as a Park's Maintenance Expense.

4. Facilities Rentals

- **Farm Fields:** The WVPD owns and leases farm fields at Colchester Pond in Colchester, the Ethan Allen Homestead in Burlington, and Muddy Brook Park in South Burlington. An additional farm field is managed for free in exchange for services at the Macrae Farm in Colchester. The first three farm fields are leased to farmers in a "break even" operation, where rental income is used to maintain the health of the soil. The benefits to the public are scenic vistas and full pedestrian access to the fields. The farm roads and bridges are maintained by the farmers and are used by the public. These acres are kept open and fertile and could easily be converted to food production.

- **Ethan Allen Homestead Museum/Alnôbaiwi:** Per an operations agreement, EAHM and Alnôbaiwi provide a yearly lease payments and utility reimbursements for space in the Hill-Brownell Education Center and WVPD offices at the Ethan Allen Homestead.

- **Burlington Forest Preschool:** There are two classrooms in the Hill-Brownell Education Center at the Ethan Allen Homestead. Both classrooms are rented to the Burlington Forest Preschool for their year-round operation.

- **Rentals of Picnic Shelter:** The Ethan Allen Homestead's open-air picnic shelter tends to be reserved during most summer and fall weekends. Rental rates are as follows:

2023 Picnic Shelter Rental Rates:
$75 refundable damage deposit required for all rentals regardless of size.

Small Groups (35 people or less)

Half day (4 hours or less)	$65
Full day	$100

Large Groups (36-65 people)

Half day (4 hours or less)	$95
Full Day	$155

5. **General Income**

   This includes nominal donations, typically unsolicited by park users expressing their appreciation with a small donation.

   In recent years, this line item has been used to capture income from the sale of equipment, such as the sales of WVPD old work vehicles, maintenance equipment, and office furniture.

6. **Grant Income**

   WVPD has multiple open grants supporting various maintenance and programmatic projects. General operating/administrative costs are included in grant budgets when applicable and as indirect costs and captured in this line item. Other grant income/expenses are carried separately from the Operating Budget as they are project specific and can vary from year to year.

   Current Open Grants include:

   - Vermont Recreation Trails Program (RTP) for improvements to Colchester Pond trail ($30,000)
   - Lake Champlain Basin Program (LCBP) for invasive plant management of Delta Park ($7,590)
   - LCBP for upgraded signage at WVPD park information/welcome kiosks ($39,700)
   - LCBP 2023 Flood Recovery for personnel costs for flood related repairs ($7,500)
   - VT Flood Response & Recovery Fund 2023 of the Vermont Community Foundation for infrastructure repair costs due to flood damage ($7,500)
   - Community Development Block Grant (CDBG) from the City of Burlington for improvements to the roof of the Museum Barn at the Ethan Allen Homestead ($47,000)
   - Vermont Outdoor Recreation Economic Collaborative (VOREC) in partnership with the City of Burlington for phase 1 improvements to the Wetlands Walk North boardwalk at the Ethan Allen Homestead ($50,000)
   - WVPD acts as a Fiscal Agent for Burlington Wildways, generating income based on a percentage of funds raised for this collaborative effort

7. **Contracted Park Maintenance**

   WVPD utilizes some income from subcontracting services as part of the operations budget. This income is from trail maintenance and restoration projects conducted for clients on non-WVPD lands. This is done on a contractual basis with municipalities and non-profits.

OPERATING EXPENSES

1. **A. Staff Salaries – Year-Round**
   The WVPD has three salaried, year-round positions: Executive Director, Park Superintendent, and Operations Manager.

   B. Staff Salaries – Temporary
   The WVPD hires three seasonal employees to maintain the parks April – October. They receive an hourly wage, plus a $500 incentive for staying through the end of the season. Typical maintenance season is planned from April through October, however the season can extend into November and December, or start in mid-late March, depending on the year and seasonal weather changes, increasing seasonal personnel costs.

   The WVPD's gate tender at Delta Park in Colchester receives $75/month to open and close the park gates for the months of April through October. A gate tender for Wolcott Family Natural Area (WFNA) in Colchester was added in the summer of 2022 and receives $200/month to open and close the park gates for the months of April through October. Due to its' more remote location, WFNA gate tender receives a higher monthly stipend to compensate for travel to and from the park twice a day.

   WVPD anticipates recruiting additional gate tenders for Derway Cove in Burlington in calendar year 2023.

   C. Payroll Fees
   This line item is for the fees paid to a payroll processing service.

2. **FICA**
   This is calculated as 7.65% of salaries per federal law.

3. **Workers Compensation**
   This is covered through the Vermont League of Cities and Towns (VLCT) and is dependent on VLCT classifications and rates. It is anticipated to remain relatively stable for FY25.

4. **Unemployment Insurance**
   This is covered by the Vermont League of Cities and Towns. Decreased from FY25 to reflect actual anticipated costs.

5. **Dental Insurance**
   WVPD provides dental insurance through the Vermont League of Cities and Towns for permanent, full-time staff. No anticipated premium increases for calendar year 2024.

6. **Health Insurance**
   WVPD offers the Blue Cross Blue Shield menu from Vermont Health Connect. Each Full Time Year-Round employee is offered $667 per month for single coverage, $1,018 per month for two-person coverage, or $1,285 per month for family coverage. These amounts are based on health insurance premiums from 2012 – WVPD Trustees will address updating rates to better reflect current health insurance premiums costs in calendar year 2024.

   A $1,200 per year incentive is provided for Full Time Year-Round employees who opt to be covered by a partner's health insurance instead of the WVPD's insurance.

   With few employees covered, a change in one individual's coverage status (i.e., from one person to two-person coverage) can dramatically increase this line item. One WVPD staff member remains on their spouse's insurance creating some savings for this line item.

7. **Retirement**
   The WVPD has a 457 plan (analogous to a 401K) through the State of Vermont. Maintenance and administrative costs to the WVPD are minimal. Contributions by employees must be voluntary, by law. Assets are the property of the employee. The total contribution by the WVPD for the Operations Manager and the Parks Superintendent is 3% of their salary, for an anticipated total of $4,850.

   Anticipated annual contribution of at least 7.00% of salary is made to the Vermont Municipal Employees Retirement System for the Executive Director (current FY24 rate is 6.75%). Contribution percentage is set by the state on an annual basis. The total contribution by the WVPD is anticipated to be $4,850.

8. **Liability/Fire Insurance**
   WVPD has property and liability insurance through the VLCT's PACIF program. WVPD is reimbursed for insurance costs from the EAHM for the historic Ethan Allen cabin and a portion of the Hill-Brownell Education Center. This line item includes a mandatory $900 management fee.

9. Travel/Auto

The WVPD owns two pickup trucks, both recently purchased (2006 Ford F350 in FY21; 2004 Ford F350 in FY20). This category includes fuel for the two vehicles and mowers/weed whackers, along with preventative maintenance for the vehicles. Employees who use their own vehicles for the WVPD's business are reimbursed for mileage at the federal rate.

10. Utilities

WVPD receives reimbursement for utilities cost of the Education Center at the Ethan Allen Homestead from the Burlington Forest Preschool, Ethan Allen Homestead Museum, and Alnôbaiwi. On-site caretakers pay for their own utilities, except for City water in Burlington for the Ethan Allen Homestead Caretaker House. This line includes electric through the City of Burlington Electric Department, propane heat through Suburban Propane, and water from City of Burlington Water Resources Department. Unanticipated increases in rates for electric and propane can drastically impact this line item. Burlington Electric Department has proposed a 5.5% increased rate effective September 1, 2023. The cost of propane has steadily increased over the last several years.

11. Buildings Maintenance

Overall, the WVPD's 10 buildings* have been kept in good condition. Capital improvements (roof upgrade on barn, drainage repairs on Allen House) are ongoing. More maintenance to the buildings is being done by the WVPD's seasonal crew as preventative maintenance instead of being contracted out as repairs.

*Building Inventory:

a. Ethan Allen Homestead (6 structures total): 1 historic structure (Ethan and Fanny Allen's restored farmhouse), 1 caretaker residence, 1 picnic shelter, 1 outhouse, 1 administrative building (the WVPD's office, classroom, public restrooms, and maintenance garage), and 1 large barn (converted to offices, classrooms, exhibit space, and public restrooms).

b. Colchester Pond Natural Area (4 structures total): 1 caretaker house (historically significant), 1 detached garage/workshop, 1 milk house, and 1 barn.

12. Parks Maintenance

Increased usage of parks, vandalism, and major flooding are the biggest factors that can unpredictably drive-up maintenance expenses. Significant repairs and improvements are covered through grants whenever possible.

This line covers materials and equipment for work performed by the WVPD's seasonal crew who maintain the park portfolio. This work includes mowing lawns, maintaining 28 miles of trail, picking up litter and other debris/trash, building and installing park signs, picnic tables, foot bridges, fences, beaver baffles, gates, water bars, benches, canoe access stairs, and informational kiosks.

13. Snow Removal

Two parks require snow removal and sanding – Ethan Allen Homestead in Burlington and Colchester Pond in Colchester. City of Burlington Parks, Recreation, and Waterfront Department provides snow removal and sanding for the Ethan Allen Homestead through a seasonal contract; Colchester Pond is sources through a private contractor.

14. Subcontracted Services

With the purchase of new equipment and training, WVPD crew performs most maintenance tasks that used to require hiring a contracted service. This line item includes routine work that must be done by a professional because it requires equipment or expertise beyond that possessed by WVPD's staff, for example:

a. Hazardous Tree Removal: Removal of dead, standing trees that cannot be safely removed in-house. Heavy duty equipment is often required when the tree is close to a structure or too large to be safely done WVPD staff.
b. Routine Services: This includes services for WVPD's fire extinguishers, furnaces, septic tanks, vault toilets, overhead doors, vehicles, water filtration system, alarm systems, and sprinkler system.
c. IT Support: Computer network maintenance, updates, and recommendations on new hardware and software purchases.
d. Park Signs: Fabrication of one new park entrance sign per year at $1,000.
e. Accounting: Preparation of the Form 990 and a compilation or review by an accountant.

15. Rubbish Removal

Illegal dumping can cause this expense to jump unexpectedly. This expense mainly covers garbage pickup by the WVPD's crew at its 18 parks. It also includes hauler expenses for rubbish and recycling at the Ethan Allen Homestead.

16. **Telephone/Email/Internet/Fax**
    This line item includes expenses for office telephone, employee cell phone usage (employee pays for phone upgrades), office internet connection, and website hosting/maintenance and domain fees.

17. **Postage**
    WVPD relies primarily on electronic communications, and these costs are related correspondence that must be mailed (bills, legal notices, etc.).

18. **Supplies**
    This line item covers general office supplies, furniture, and equipment, janitorial supplies, and supplies for a laminating machine for signage production in house.

19. **Copies**
    This covers maintenance of the printer/copier machine in a yearly service contract. This category also includes the cost of color and/or oversized copies based on usage.

20. **Employee Trainings**
    This provides funding for employees to learn new skills and complete voluntary trainings. WVPD works to retain skilled staff and build organizational capacity through a proactive program of training. Grants are being sought to add new training opportunities.

21. **Membership**
    Includes members for the Vermont Trails and Greenways Council, and the Vermont Recreation and Parks Association – all organizations directly related to WVPD's programs and activities.

22. **Events**
    This includes items for events that are not covered by outside sources.

23. **Printing/Advertising/Exhibits**
    This provides for WVPD promotions/displays at events and programs, for printing signs and notices, and for occasional advertising for recruitment.

24. **Conferences**
    WVPD staff participates in conferences and trainings directly relevant to upgrades of operations and staff development. In addition, this covers mandatory attendance of conferences as a condition of some grant sources.

25. Legal Services

The WVPD mostly engages pro-bono legal counsel each year, this amount reflects the need for recording fees and other small expenses. Project-specific legal expenses (such as land acquisitions) are often covered with grant income.

26. Capital Improvement Program Transfer*

This money is transferred to a separate capital improvement program fund to provide a stream of revenue for major repairs to buildings, the purchase of major equipment, and/or the scheduled upkeep of a concrete dam at Colchester Pond.

27. Operating Reserve Fund*

This fund was established in 2001 to offset any unforeseeable shortfalls in the operating budget. Eligible uses include 1) an increase in routine, essential expenditure beyond amounts budgeted for the year, 2) a decrease in grant income budgeted to supplement operations, 3) mechanical failure of essential equipment, or 4) extensive damage to essential park facilities.

28. Audit Fund

This line item builds resources for regular audits. Annual financial reviews are conducted with full audits completed on a five-year cycle.

**Four sources fund the Capital Improvement Program and the Operating Reserve Fund: 1) Staff finding reductions in actual expenses compared to those proposed, 2) dedicated grants that allow the limited use of their funds for routine operating expenses, and 3) salary savings due to employees taking unpaid leave and 4) year-end operating surpluses.*

WINOOSKI VALLEY PARK DISTRICT:
MUNICIPAL FAIR SHARE ANALYSIS FY2024 VS. FY2025

WVPD Member Town	Town Pop. FY24	Town Pop. FY25	% of Pop. FY24	% of Pop. FY25	FY24 Equalized Education Property Values	Current Equalized Education Property Values	FY24 % Eq. Mun. Prop. Values	Current % Eq. Mun. Prop. Values	Sum of %'s FY24	Sum of %'s FY25	Fair Share FY24	Fair Share FY25	FY 2024 FUNDING REQUESTS	FY 2025 FUNDING REQUESTS
Burlington	44,781	44,595	34.91%	34.62%	$55,075,510	$59,397,389	28.36%	27.96%	63.27%	62.58%	31.64%	31.29%	$127,316	$129,573
Colchester	17,612	17,604	13.73%	13.67%	$27,808,240	$30,578,679	14.32%	14.39%	28.05%	28.06%	14.02%	14.03%	$56,415	$58,099
Essex Junction	10,590	10,917	8.26%	8.48%	$13,198,697	$14,262,196	6.8%	6.71%	15.06%	15.19%	7.53%	7.6%	$30,300	$31,472
Town of Essex	11,504	11,491	8.97%	8.92%	$18,605,393	$20,523,649	9.58%	9.66%	18.55%	18.58%	9.28%	9.29%	$37,342	$38,471
Jericho	5,080	5,095	3.96%	3.96%	$7,693,090	$8,477,768	3.96%	3.99%	7.92%	7.95%	3.96%	3.98%	$15,935	$16,481
South Burlington	20,282	20,624	15.81%	16.02%	$39,678,250	$43,513,838	20.43%	20.48%	36.24%	36.5%	18.12%	18.24%	$72,913	$75,533
Williston	10,094	10,104	7.87%	7.86%	$24,428,580	$27,213,548	12.58%	12.81%	20.45%	20.67%	10.22%	10.33%	$41,124	$42,777
Winooski	8,330	8,328	6.49%	6.47%	$7,705,330	$8,486,721	3.97%	4.00%	10.46%	10.47%	5.23%	5.24%	$21,045	$21,699
TOTALS	128,273	128,758	100%	100%	$194,193,090	212,453,788	100%	100%	200%	200%	100%	100%	$402,390	$414,105

Notes:

- **Population data is from the US Census Bureau**
- **All Education Property Values shown are 1/100 of actual (rounded off)**
- **Equalized Education Property Values are from the Vermont Department of Taxes**

Winooski Valley Park District
Ethan Allen Homestead
Burlington, Vermont 05408
(802) 863-5744 info@wvpd.org www.WVPD.org

Date: October 5, 2023
To: Burlington City Council
From: Nick Warner Executive Director
Tim Larned, Park Superintendent
Lauren Chicote, Operations Manager
Cc: Mayor Miro Weinberger
Cindi White, Director Parks Recreation and Waterfront
Re: Annual Report from Winooski Valley Park District

Thank you for your continued support of the Winooski Valley Park District. I write to provide you updates on our activities highlighting the value of your annual investment – which is leveraged each year with grants, leasing, donated services and materials, volunteer labor and strategic partnerships.

A Vermont Regional Municipality, WVPD owns and manages 1,757 permanently conserved acres across eighteen public parks on behalf of its eight member towns. In Burlington this includes Ethan Allen Homestead, Salmon Hole/Riverwalk, Derway Island Natural Area, Derway Cove, Mayes Landing, Heineburg Wetlands and Valley Ridge. All WVPD parks are open to the public at no charge, and proactively managed for outdoor recreation and ecological health. Thanks to your annual support, this system is thriving and growing – with two new potential parks (in Williston and Winooski) coming online over the next several years.

Leveraging resources is a key strategy to maintaining and improving the WVPD park system. Grantsmanship for capital projects and strategic partnerships with public/private/non-profit entities are at the core of WVPD's operating principles. Volunteer-supported tree plantings, invasive plant management, trail maintenance, and special events and programs are all back to pre-pandemic levels, with multiple groups returning each year to assist.

As WVPD celebrates 50 years of existence, changes are occurring. We welcomed a new community into the fold (Essex Junction), are working on the addition of new parks in Williston and Winooski, and are upgrading park infrastructure and buildings.

WVPD continues to see significant increases in park use - a trend that has not abated since the start of the pandemic in 2020. WVPD's seasonal crew is fully engaged performing trail maintenance, litter pick-up, and managing the wear and tear of hard use throughout the WVPD's network of natural areas.

Even before the recent flood, natural events have been dominating WVPD's work: several large wind and ice storms this past winter resulted in multiple blow downs throughout several of the WVPD's trail networks, with WVPD staff spending many hours this past fall and winter clearing the trails - a process that continues. At the nine parks that were impacted by the recent flooding event, reconstruction of walking bridges, puncheon, steps, and washed-out areas is ongoing.

Flood Event Impacts and Response
While presenting operational challenges, the recent flood has reinforced the importance of WVPD's role as owner/manager of floodplains, shoreline, and wetlands – all of which are working to mitigate floodwaters. Resilience is built into our system: despite significant damage to WVPD's pedestrian infrastructure and shoreline erosion and siltation, no buildings, vehicles, or other infrastructure were impacted.

WVPD Parks Impacted by the Flood Event

Ethan Allen Homestead: entire floodplain inundated, bridges/puncheons dislodged, trails washed out, significant silt and debris, eight acres of crops destroyed.
Delta Park: significant debris and trash accumulated from high water.
Derway Island: entire peninsula inundated, trails washed out, shoreline eroded.
Derway Cove: approx. 8,000 square feet of shoreline lost along with several mature trees.
Heineburg Wetlands: completely inundated with floodwater (no mitigation needed).
Macrae Park: historic bridge completely overtopped, parking area washed out, trees down.
Mayes Landing: approx. 2,000 square feet of shoreline lost, foundation of bicycle bridge exposed.
Muddy Brook: park completely inundated; infrastructure dislodged.
Riverwalk: trail completely overtopped, multiple boardwalks and bridges dislodged/damaged.
Salmon Hole: completely submerged during the flood, with multiple washouts.
Woodside Park: The highest water levels were observed here, with multiple bridges dislodged/damaged.

To mitigate the damage caused by the flooding, WVPD:

- received a $7,500 grant from the VT Flood Response & Recovery Fund 2023 of the Vermont Community Foundation which will cover the cost of materials, rental of dumpsters and equipment;
- applied for and received another $7,500 grant from the Lake Champlain Basin Program which will cover labor costs associated with flood mitigation;
- has started filing insurance claims with PACIF for several bridges, stairs and puncheon;
- is responding to significant shoreline loss and erosion at Derway Cove and Mayes Landing, seeking additional resources to stabilize the shoreline with plantings and native materials.

Capital projects and Initiatives in Burlington

Museum Barn Roofing Replacement

- Thanks to a CDBG grant, the first phase of roofing shingles is in the permitting stages for the Museum Barn and will be under construction in late 2023.

Allen House water Damage Repairs

- Utilizing WVPD Capital Funds, work is commencing on drainage system upgrades and repair of water damage at the 18th century Allen House cabin.

Derway Cove

- WVPD will improve the surface material at the canoe/kayak launch ramp at Derway Cove
- Damage and shoreline loss from recent flooding will be addressed in stages over the next 1-2 years.

Wetlands Walk North

- A popular 360’ elevated boardwalk at Ethan Allen Homestead park built in 1992 and now closed, WVPD will commence work on the first sections of the new boardwalk. Funds for phase 1 have been secured through a Vermont Outdoor Recreation Economic Collaborative (VOREC) Grant in partnership with the City of Burlington’s Recreation, Parks, and Waterfront Department.

Mobilizing for the Future

With climate change and water quality issues dominant, WVPD finds itself at the forefront of the movement to preserve lands that can contribute to positive ecological change.

Originally formed in response to the rapid land use changes in the late 1960's and 70's, WVPD's mission was focused on preserving areas of scenic beauty and providing recreational access. While these values persist, WVPD is increasingly focused on ecological values and the ability of our landscapes to process floodwaters, host rare and endangered species, and provide top quality habitat – all while providing robust public access.

The recent flood event in Vermont, which enveloped nine WVPD parks, reduced miles of trails into torrential streams, and carved off thousands of square feet of shoreline, further motivates WVPD Staff and Board to carry out our mission.

The staff and Board of Trustees thank you for your continuing support of WVPD. We will continue to work to build value into the investments made each year by our member towns.