BURLINGTON BOARD OF FINANCE
BUSHOR CONF. ROOM, FIRST FLOOR, CITY HALL *OR*
REMOTE MEETING WITH CALL-IN NUMBER
BURLINGTON, VERMONT
MINUTES OF MEETING
DRAFT
November 20, 2023

MEMBERS PRESENT:	Karen Paul Ali Dieng (via Zoom) Joe Magee Mark Barlow Miro Weinberger (via Zoom)
OTHERS PRESENT:	Katherine Schad Jared Pellerin Jordan Redell Chapin Spencer Norm Baldwin Olivia Darisse Ashley Parker

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1.0 CALL TO ORDER and AGENDA

1.1 Motion to amend/adopt the agenda
Chief Administrative Officer Schad called the Board of Finance meeting to order at 5:03 PM.

MOTION by Councilor Magee, SECOND by City Council President Paul, to adopt the agenda.

VOTING: unanimous; motion carries.

2.0 PUBLIC FORUM

2.1 Verbal Comments
None.

3.0 FOR APPROVAL AND RECOMMENDATION TO THE CITY COUNCIL

3.1 Great Streets main Street Construction Award and Contract Amendments
Director Spencer began by noting that DPW has been working diligently to resolve issues related to the construction contract challenges, particularly the fact that the low bidder has come in approximately 50% above the City’s estimate for cost. He said that they have been

working through a revised approach that keeps the City within its financial means, which entails having a reduced scope of work for the project. This scope would now include the ravine sewer work and three blocks (out of the initial six blocks) of surface improvements along the corridor, from Winooski Avenue to Pine Street.

Assistant Director Baldwin summarized the asks for tonight's Board of Finance and City Council meetings. He said that these include an amendment to the design contract, an amendment to the engineering contract, an amendment for the artists selected for the Great Streets Main Street project, an MOU with BED for lighting for the Great Streets Main Street project, a construction contract with S.D. Ireland, and budget adjustment amendments. Director Spencer noted that the majority of the revenue for this project would come through the Downtown TIF district funding, a contribution from Water Resources to ensure the completion of the utility work, and a contribution from Street Capital for the paving along this corridor.

Councilor Barlow asked said that the City has heard from several businesses along the corridor that have expressed concern about business disruption and parking disruption. He asked about the timing of this action tonight and whether it should take place before other stakeholders' concerns are assuaged regarding the project. Assistant Director Baldwin replied that DPW's intent is to continue communicating with businesses as updates become available, but expressed that TIF funding is time-limited. Director Spencer also noted that the bid's offer expired last night and said that they need to reply to the bidder. Assistant Director Baldwin also noted that because they have been in contract negotiations with the bidder, they have not been able to communicate more details to the public broadly until now.

Director Spencer spoke about stakeholder engagement over the last 2-3 years with businesses to minimize disruptions due to reduced parking along the corridor, while remaining consistent with the TIF goals of better stormwater management, continuous bicycle facilities, wider sidewalks, and more activated green spaces adjacent to businesses. He said that they are working with the Courthouse Plaza parking facility for additional parking spaces at subsidized rates. He said that while parking along the corridor will be reduced, there will be additional spaces that could be available near the corridor (though not directly on it). Public Works Engineer Darisse provided more detail about stakeholder outreach and engagement along the corridor.

City Council President Paul noted that the Council received this letter of concern from stakeholders only an hour prior to this meeting and said that every effort should be made to engage with stakeholders and address their concerns as attentively as possible throughout this project.

Councilor Dieng said that there has been an extensive amount of public outreach on this project. He also asked what kinds of community engagement have occurred since the scope of the project has changed. Director Spencer replied that DPW has worked with the Board of Finance, the City Council, the apparently successful bidder, and the administration to figure out how to make this project work up until last week, and that when they arrived at a solution last Friday, that was when communication was sent to stakeholders along the corridor. He said that they are up against a deadline with the expiration of the bidder's offer, which has led to this compressed timeline for action and approval. Councilor Dieng said that it would be better to wait until additional stakeholder engagement has occurred, and suggested holding a vote next week. Assistant Director Baldwin noted that the contractor is hold their pricing until close of business today, and if they do not act today, they are running the risk of having the contractor retract their bid and needing to go back out to rebid. City Council President Paul echoed Councilor Dieng's sentiments about feeling uncomfortable voting on a reduced scope tonight without adequate stakeholder engagement, especially given that some businesses won't see the benefit of this project now.

Councilor Magee said that he is supportive of the project as proposed in its reduced scope, saying that it is crucial for the downtown and gateway block spaces. He said that there is no guarantee that a subsequent bidding process would yield a bid that is closer to being within the City's financial capacity. He acknowledged that this is a last-minute change, but it reduces rather than expands the scope of the project.

Mayor Weinberger said that he is sympathetic to the concern about stakeholder engagement, but said that the reduced scope still delivers the majority of the benefits of the original scope of the project. He noted that there are few options available for public investment and that the City should take advantage of TIF financing for these improvements. He noted that the reduced scope means that there will generally be fewer negative impacts to businesses than had been originally anticipated with the original scope of work. He expressed concern that inaction tonight would put the entire project at risk, and said that he is committed to working with affected stakeholders and communicating expeditiously and consistently with them.

MOTION by City Council President Paul, SECOND by Councilor Barlow, to 1. Approve and recommend that the City Council authorize the Director of Public Works to execute Amendment #8 to the design contract, subject to City Attorney review and approval, with Vanasse Hangen Brustlin, Inc. (VHB) in the amount of $614,811.00, bringing the total contract value up to $3,160,488.00, and authorize the use of an additional $61,481.00 in contingency funds to be available to use toward any necessary future contract amendments needed to accomplish the design work herein contemplated, and further authorize execution of any such necessary amendments upon review and approval by the City Attorney's Office, for a total authorized amount of $3,221,969.00 for the development of the design of the Great Streets Main Street project; and 2. Approve and recommend that the City Council authorize the Director of Public Works to execute Amendment #1 to the resident engineer contract, subject to City Attorney review and approval, with EIV Technical Services in the amount of $298,974.00, bringing the total contract value up to $2,098,974.00, and authorize the use of an additional $209,897.00 in contingency funds to be available to use toward any necessary future contract amendments needed to accomplish the services detailed herein, and further authorize execution of any such necessary amendments upon review and approval by the City Attorney's Office, for a total authorized amount of $2,308,871.00 for resident engineering and outreach consulting services for the Great Streets Main Street project; and 3. Approve and recommend that the City Council authorize the Director of Burlington City Arts to execute contract amendments with the Great Streets Main Street selected artists from the current total approved amount of $66,696 to a total authorized Phase I and Phase II project expenditure in the amount of $474,626, subject to review and approval by the City Attorney's Office, and to further authorize the use of an additional amount in contingency funds to be available to use toward future amendments for any of the artist contracts, and further execution of any such necessary amendments upon review and approval by the City Attorney's Office, for a total authorized amount of $500,000.00: a. A contract with Lydia Kern in an amount not to exceed $90,600 for fabrication of artwork; b. A contract with WOWHAUS in an amount not to exceed $99,000 for fabrication of artwork; c. A contract with Pixel Patch Creative, LLC in an amount not to exceed $145,000 for fabrication of artwork; and d. A contract with Nancy Winship Milliken Studio, LLC in an amount not to exceed $140,026 for fabrication of artwork; and 4. Approve and recommend that the City Council authorize the Director of Public Works to execute a Memorandum of Understanding, subject to City Attorney review and approval, with Burlington Electric Department in the amount of $399,039, for the lighting construction of the Great Streets Main Street project; and 5. Approve and recommend that the City Council authorize the Director of Public Works to execute the following initial construction contract and future necessary contract amendments with S.D. Ireland Brothers Corporation to complete the reduced project scope as described herein for the Great Streets main Street project, for a total approved expenditure not to exceed $25,962,543.26, subject to City Attorney Office review and approval: a. An initial construction contract in an amount not to exceed $21,700,572.20; and b. Any such future contract amendments necessary to carry out the reduced project scope, in additional amounts not to exceed $2,596,254.83 in contingency funds and $4,261,971.06 in bond premium funds, totaling $28,558,798.09 in additional reserve funds, provided that use of the bond premium funds shall be subject to the Vermont Economic Progress Council's (VEPC) review and approval; and 6. Approve and recommend that the City Council authorize the Chief Administrative Officer, or their designee, to effect all necessary budget amendments and transfers of funds to and from the above-referenced funding sources

as needed to pay the above-referenced project expenses in FY24 and Overall Project Budgets, as further detailed in Attachments C and D, provided that such budget amendments and transfers of funds as detailed in Attachment D involving bond premium funds shall be subject to VEPC's prior review and approval of the use of such funds.

VOTING: 4-1 (Councilor Dieng dissenting); motion carries.

3.2 District Energy Franchise Fee Agreement – CAO
Chief Administrative Officer Schad noted that this is the franchise fee, which usually comes to the Board of Finance. She noted that utilities of this nature should pay 2.5% of their gross revenues of their franchise fees, according to City ordinance. She said that the annual revenue is anticipated to be around $5.3 million annually, which would entail approximately $132,500 per year of additional revenue per year to the General Fund.

Councilor Magee expressed support for the franchise fee component, though not necessarily the project in its entirety.

MOTION by Councilor Barlow, SECOND by City Council President Paul, to approve and recommend that the City Council approve and authorize the Mayor to sign the Franchise Fee Agreement regarding payment of Franchise Fees with the District Energy Project, subject to the review and approval by the City Attorney's Office.

VOTING: unanimous; motion carries.

4.0 ADJOURNMENT

4.1 Motion to Adjourn

With no further business and without objection the meeting was adjourned at 5:43 PM.

RScty: AACoonradt