BURLINGTON BOARD OF FINANCE
BUSHOR CONF. ROOM, FIRST FLOOR, CITY HALL *OR*
REMOTE MEETING WITH CALL-IN NUMBER
BURLINGTON, VERMONT
MINUTES OF MEETING
DRAFT
December 18, 2023

MEMBERS PRESENT:	Karen Paul Ali Dieng Joe Magee Mark Barlow Miro Weinberger
OTHERS PRESENT:	Katherine Schad Jared Pellerin Jordan Redell Chapin Spencer Megan Moir Nic Longo Larry Lackey Doreen Kraft Brian Pine Sarah E Carpenter

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1.0 CALL TO ORDER and AGENDA

1.1 Motion to amend/adopt the agenda
Mayor Weinberger called the Board of Finance meeting to order at 5:04 PM.

MOTION by Councilor Magee, SECOND by Councilor Barlow, to adopt the agenda.

VOTING: unanimous; motion carries.

2.0 PUBLIC FORUM

2.1 Verbal Comments
Sharon Bushor spoke about the two items on the consent agenda regarding retiring the loans for those properties (the Chittenden Emergency Food Shelf building and the Vermont Legal Aid building on North Winooski Avenue), noting that Director Pine had explained to her that there are covenants in place that would allow the buildings to continue to be used for public good. She said that for these two properties, this seems like the best approach.

3.0 CONSENT AGENDA

3.1 Motion to adopt the consent agenda and take the actions indicated
3.2 December 4, 2023 Board of Finance Meeting Minutes, Draft – approve the minutes.
3.3 Non-Tax Related Budget Solution Initiatives Update – Board of Finance – December 18, 2023 – waive the reading, accept the communication, and place it on file.
3.4 Old North End Greenway VTrans Grant Acceptance #CA0825 – DPW – approve and recommend that the City Council authorize the Director of Public Works to execute the Vermont Agency of Transportation Grant Agreement #CA0825 for the Old North End Greenway construction in the amount of $75,000, obligating the City to commit a local match of $166,000 of the total project budget of $241,000, subject to approval by the City Attorney's Office.
3.5 Accept Speed Radar Feedback Sign from Old East End Neighborhood Coalition – DPW – authorize the Director of Public Works to accept a speed radar feedback sign from the Old East End Neighborhood Coalition ("OEENC") with an approximate value in the amount of $5,290; and, to execute a Memorandum of Understanding (MOU) between DPW and OEENC outlining the terms and conditions of such acceptance, subject to the prior review of the City Attorney's Office.
3.6 Resolution: Terminate Option And Reject Offer Of Dedication: Chittenden Emergency Food Shelf Building At 228 North Winooski Avenue (CEDO) – recommend that the City Council approve the attached resolution.
3.7 Resolution: Terminate Option And Reject Offer Of Dedication: Vermont Legal Aid Building At 264 North Winooski Avenue (CEDO) – recommend that the City Council approve the attached resolution.
3.8 Request to execute a Reinstatement of the First Amendment to the Cellular Antenna License Agreement with SprintCom, Inc. – Airport - approve and authorize Mayor Weinberger to execute the reinstatement of and First Amendment to the original Cellular Antenna License Agreement with SprintCom, Inc., subject to review and approval from the City's Attorney.
3.9 Request for Authorization of a Budget Neutral Amendment to the FY2024 Patrick Leahy Burlington International Airport AIP-142 Project Budget in the Amount of $3,453,000 – Airport – approve and recommend that the City Council authorize a budget neutral amendment to the FY24 Patrick Leahy Burlington International Airport budget to increase Federal Grant Revenue by $3,107,700, State Grant Revenue by $207,180 and Interfund Transfer proceeds by $138,120, and to increase Capital Expenditures by $3,453,000, for a total increase of overall expenditures and revenues by $3,453,000.
3.10 Schifilliti Park Shared-Use Path Construction Contract with Engineers Construction, Inc. – BPRW – 1. Approve and recommend that the City Council authorize Sophie Sauvé, Parks Comprehensive Planner, to execute an amendment to the existing design Contract with Hoyle Tanner & Associates, Inc. and any related documents needed to carry out the Schifilliti Park Pathway Construction project, in the additional amount of $18,724.00 for a revised maximum limiting amount not to exceed $69,660.00, subject to the review of the City Attorney's Office; and 2. Approve and recommend that the City Council authorize Parks Comprehensive Planner, Sophie Sauvé to execute a construction contract and any related documents needed to carry out the Schifilliti Park Pathway Construction project, with Engineers Construction, Inc., for a price not to exceed $194,497.00, plus a contingency of $30,000.00, for a total authorized expenditure in the amount of $224,497.00, subject to the review of the City Attorney's Office.

MOTION by Councilor Dieng, SECOND by City Council President Paul, to adopt the consent agenda and take the actions indicated for items 3.1-3.10.

VOTING: unanimous; motion carries.

4.0 FOR APPROVAL AND RECOMMENDATION TO THE CITY COUNCIL

4.1 Resolution: Authorization For Up To $345,000 Step II Loan From Vermont Drinking Water State Revolving Fund For Final Design Of Reservoir Improvements Project DPW – Water Resources

Division Director Moir noted that item 4.1 is for a loan to move to final design for the reservoir improvement project related to the water tank on the UVM campus, and the final design will allow for a better estimate of how much this investment will cost. They noted that item 4.2 is for a drinking water service line system inventory and mapping activity, as updates are needed to ensure that the City has a good sense of its total service lines for future maintenance.

MOTION by Councilor Magee, SECOND by Councilor Barlow, to recommend that the City Council approve the attached resolutions for items 4.1-4.2.

VOTING: unanimous; motion carries.

4.2 Resolution: Authorization For Up To $352,127 Step I Loan From Vermont Drinking Water State Revolving Fund For Service Line Inventory Project – DPW – Water Resources
See item 4.1 above.

4.3 Resolution: Authorization For Up To $1,132,767 Step II Loan From Vermont Clean Water State Revolving Fund For Final Design Of Upgrades For Crescent Beach, Proctor Place, And Water Plant (Penny Lane) Pump Stations – DPW – Water Resources –
Division Director Moir said that this item is for the sewer pump stations, noting that there are around 25 of them and that some of them are in need of upgrading. They noted that they are able to handle two of them in-house, but that at least three of them require final design and more accurate cost estimates so that they can be rolled into costs for construction funding.

MOTION by Councilor Magee, SECOND by Councilor Barlow, to recommend that the City Council approve the attached resolution.
<u>DISCUSSION:</u>

- **Councilor Dieng asked about the difference between Step 1 and Step 2 loans. Division Director Moir replied that Step 1 loans are typically for the planning or preliminary engineering of a project (which are zero-interest loans), whereas Step 2 and Step 3 loans are for final design and construction. They noted that the interest rate doesn't kick in until actual construction has begun, and that the interest rate once construction commences is 2%.**

VOTING: unanimous; motion carries.

4.4 Airport Equipment purchase over $100,000; Toro Groundsmaster 5910-D rotary – Airport
Aviation Director Longo said that the Airport has a 17-year-old lawnmower that they would like to replace with a newer, better lawnmower with lower emissions, better engines, and newer equipment. He noted that the Airport is required to keep the grass at the airfield at a certain length and that this lawnmower is used almost every day.

MOTION by City Council President Paul, SECOND by Councilor Dieng, to approve and recommend that the City Council approve and authorize a purchase from Grassland Equipment & Irrigation Corp. in the amount of $159,945.82.

VOTING: unanimous; motion carries.

4.5 Request to purchase Two Ford F150 Lightnings and a Mach-E vehicle, and a budget neutral amendment – Airport

Aviation Director Longo said that these three vehicles are replacing older, gasoline-powered vehicles. He noted that these vehicles are electric. He noted that there is a sustainability initiative line item in the Airport's budget, which will be used to fund these. He noted that the items are in stock and can be delivered quickly.

MOTION by City Council President Paul, SECOND by Councilor Dieng, to 1. Approve and recommend that the City Council approve and authorize a purchase from Lamoille Valley Ford for three vehicles in the total amount of $183,862; and 2. Approve and recommend that the City Council approve a budget neutral amendment in the amount of $54,284 to the Fiscal Year 2024 Airport budget by increasing the amounts as described in the affiliated memorandum.
<u>DISCUSSION:</u>

- **City Council President Paul noted that this went out to bid and that there were three bid responses. She noted that there are more than three dealers of these vehicles in the area and asked why they only received three bids. Aviation Director Longo replied that one of the limiting factors in the RFP was the delivery timeframe, which some dealers could not meet.**
- **Councilor Dieng asked about plans for transitioning fleet vehicles to the new airport logo, and Director Longo replied tha these new vehicles will have the new logos.**

VOTING: unanimous; motion carries.

4.6 Request to Execute a 2023 ARPA Clean Water Fund - MS4 grant agreement (Grant #06140-ARPA-CWF-MS4-01) – Airport
Planning Director Lackey noted that this is for ARPA funding to improve the Airport's stormwater system. He said that they are also looking to recycle water rather than remove it, and this funding would go toward studying that as well. He noted that the ARPA funding would require 20% matching.

MOTION by City Council President Paul, SECOND by Councilor Magee, to approve and recommend that the City Council approve and authorize the Director of Aviation to execute a 2023 ARPA Clean Water Fund – MS4 grant agreement (Grant # 06140-ARPA-CWF-MS4-01) not to exceed the amount of $459,698, with a 20% matching requirement, after review and approval by the City Attorney's Office.

VOTING: unanimous; motion carries.

4.7 Creation of Water Resources Utility Inspector position 2. Creation of Stormwater Field Specialist position - DPW - Water Resources/HR
Division Director Moir noted that this is part of the larger reorganizational effort in the Water Division that was brought forth during initial FY25 budget discussions, which would address gaps within the division. They said that this would create two positions. They noted that one position is for a specialist on the other utilities surrounding the water utilities during times of excavation and other work, and that this position would also be responsible for mapping and duties related to updating maps. They noted that with the desire for additional housing growth, there will be an increased demand for ensuring that people are connecting to infrastructure in a way that has been reviewed thoroughly, and this would build that capacity. They spoke about the second position, which would support the stormwater division and ensure compliance to stormwater rules.

MOTION by Councilor Magee, SECOND by Councilor Barlow, to recommend that the City Council approve the: 1. Creation of Water Resources Utility Inspector, Regular, Full-time, Non-Exempt, AFSCME, Grade 19, role in the Department of Public Works;

and 2. Creation of Stormwater Field Specialist, Regular, Full-time, Non-Exempt, AFSCME, Grade 18, role in the Department of Public Works.

VOTING: unanimous; motion carries.

4.8 Reclassification of one (1) Clerk/Treasurer position – C/T/HR
Chief Administrative Officer Schad said that the administration is working to reduce the number of reclassifications and new positions being brought to this board due to budgetary pressures for FY25. She noted that she is bringing this reclassification to the board due to internal equity issues, as there were two Senior Accountant positions and one position that had similar duties that was reporting to a different supervisor. She noted that this position's job description was reviewed and it was determined that the job duties were very in line with the Senior Accountant position's duties, and that they are requesting this reclassification for that reason. She noted that there will not be retroactive pay.

MOTION by City Council President Paul, SECOND by Councilor Magee, to approve and recommend that the City Council approve the approve the reclassification and Retitling of Cash & Banking Accounting, a Regular, Full-time, Nonexempt, AFSCME, Grade 16, position to Senior Accountant, a regular, Full-time, Exempt, Non-union, Grade 18, position in the Clerk/Treasurer's Office.

VOTING: unanimous; motion carries.

4.9 Reclassification of Two BCA Positions – BCA/HR
Director Kraft spoke about reorganizing Burlington City Arts, noting reclassification efforts over the next year to deal with additional duties and equity issues within the Department.

MOTION by Councilor Magee, SECOND by City Council President Paul, to recommend that the City Council approve the 1. Reclassification of the Assistant Director position, a Regular, Full-Time, Exempt, Grade 19 position to a Regular, Full-Time, Exempt, Grade 22 position in Burlington City Arts retroactive to July 1, 2023, and to further authorize retro pay in an amount to not exceed $1,929.97; and 2. Reclassification of the Festival and Event Director position, a Regular, Full-Time, Exempt, Grade 18 position to a Regular, Full-Time, Exempt, Grade 20 position in Burlington City Arts retroactive to July 1, 2023, and to further authorize retro pay in an amount to not exceed $1,792.25.
<u>DISCUSSION:</u>

- **Councilor Dieng expressed concern about the retroactive pay associated with these two reclassifications. He suggested that the Department obtain committee sign-off before bringing the reclassification to the Board of Finance. Mayor Weinberger noted that this would be a significant departure from current processes around reclassifications.**
- **Councilor Barlow also expressed concern about retroactive pay for actions like this, especially given budgetary pressures, though he is supportive of this reclassification.**

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

5.0 FY25 GENERAL FUND BUDGET UPDATE

5.1 FY25 General Fund Budget Update
Mayor Weinberger noted the challenging budgetary environment for Fiscal Year 2025, noting that the City has not had a tax rate increase since FY20, though costs have risen (largely driven by inflation).

Chief Administrative Officer Schad provided context for the current status of the FY25 budget. She noted that the FY24 budget used $4.5 million of one-time money and that replacing this funding in the FY25 budget with property tax revenue would increase taxes by around 10%. She also noted that given projected increased expenses and revenues for FY25, the gap was an estimated $7 million out of $101 million, but that this was an initial ballpark. She noted that $4 million out of the $4.5 million in one-time funding will need to be replaced to ensure that essential services can continue. She then noted that there are additional projected FY25 personnel costs of approximately $3.4 million, based on COLAs and projected increases for benefits. She further noted a projected increase in public safety costs for FY25 of abut $1.6 million. She noted that this all leads to an updated projected gap of $9.0 million.

Chief Administrative Officer Schad then presented a proposal to fill the $9 million gap in the FY25 budget. She said that this includes an assumed increase in property tax revenue via grand list growth of $0.3 million, a $0.6 million increase in gross receipts, local option tax, and franchise fees based on historical performance, a $1.3 million, or 10% increase in user fees (based on an analysis that will determine the appropriate fees to cover costs), a $2.0 million decrease in general fund expenses, a $2.8 million increase through increasing the public safety tax by $0.05, a $1 million increase by potentially increasing taxes, and a remaining $1 million that still needs to be found. She spoke in more detail about the $0.05 increase in the public safety tax, noting that the current public safety tax only pays for around 13% of the public safety budget.

Councilor Barlow asked how the City will handle the $1 million that still needs to be found to close the funding gap. Mayor Weinberger replied that it is not unusual at this point in the budget process to have moving budget targets and not have all the details yet, given that revenues come in right up until the end of the budget year. He noted that they will ask department heads to propose level funded budgets as an option, as well as cut budgets, to see what may be needed to address the continued gap.

Councilor Magee spoke positively about the mental health services tailored to first responders, and noted these expenses were included as new for firefighters. He asked whether these were already included in the police budget. Mayor Weinberger replied that the police have had access to mental health services for a number of years.

Councilor Dieng said that a $9 million budget gap is significant. He asked whether the $1.6 million for public safety is what was agreed-to through the collective bargaining process or whether it is above and beyond that. Chief Administrative Officer Schad replied that the $1.6 million estimate for public safety is beyond what was arranged through collective bargaining, but that it is necessary for public safety and includes things like equipment and realistically budgeting for overtime. Councilor Dieng also asked whether it would be a good idea to explore a hiring and reclassification freeze.

6.0 ADJOURNMENT

6.1 Motion to Adjourn

With no further business and without objection the meeting was adjourned at 6:04 PM.

RScty: AACoonradt