



OFFICE OF THE CLERK/TREASURER

City of Burlington

City Hall, Room 20, 149 Church Street, Burlington, VT 05401

Voice (802) 865-7000

Fax (802) 865-7014

TTY (802) 865-7142

BOARD OF FINANCE

MARCH 26, 2012

MINUTES

PRESENT: Mayor Kiss, City Council President Keogh, Councilors Mulvaney-Stanak, Paul, and Wright

ALSO PRESENT: Councilors Bushor, Kranichfeld, Dober, Blais, and Decelles; Interim CAO Schrader; ACAO Goodwin; Lise Veronneau, Police/Fire; Susan Leonard, HR; Doreen Kraft, City Arts; City Attorney Schatz; Richard Haesler, Assistant City Attorney; Mari Steinbach, Jen Francis, Parks; Steve Goodkind, Joel Fleming, DPW; Tammy Gagne, Airport; Gene Richards, Airport Commission

1. Agenda

Mayor Kiss requested further discussion about department head compensation and added it as item 11A.

Item 5 was combined with Item 6.

On a motion by City Council President Keogh and Councilor Wright, the agenda was adopted as amended.

2. Public Forum

Pat Kearney stated he has worked with the Parks and Recreation Department to bring a five-star childcare program (Frog and Toad) to the Miller Center. The lease created will penalize Frog and Toad \$3,000 if she (Tiffany Bergeron) does not have a three-star program at the end of the first year. When she reaches a five-star level, she will get a \$3,000 discount. Parents of children in wards four and seven want a STARS accredited program.

Cari Papp, Ward 4 Resident, stated she was working on bringing early childhood education initiatives to the North End, such as the STARS program. There are two types of accreditations, federal and state. STARS is the State of Vermont's accreditation system for childcare. Currently there are only 4 commercial and 3 in-home STARS-accredited programs in the Burlington area that offer infant through pre-K childcare. The City should seek a lease agreement with an accredited childcare provider because they will always have customers, as accredited childcare providers have waiting lists. This will ensure income for the City of Burlington, to rent to a childcare provider who maintains a wait list, because they provides sought-out accredited childcare. This type of lease agreement makes sense for the City, as it's good for the community, families, and the children. And parents comfortable that their children will be well cared for in an accredited childcare setting.

Lou Ann Beninati stated she is a coordinator of the STARS accreditation system. She explained it was Vermont's quality rating program and is a voluntary program, providing guidance for education and childcare programs to operate above regulatory standards. It looks at

programming, administration, staff qualifications, how programs work with families and how they assess themselves. The Department of Education looks at a four or five-star program as one that can work with public schools and draw down early education funds. It is difficult to rise above 3 stars, but those that rise above 3 stars have higher quality programming. The STARS Program has been in place since 2006 and is financially beneficial for providers, families, and communities.

3. Approval of the Board of Finance Minutes

a. February 6, 2012

City Council President Keogh and Councilor Mulvaney-Stanak made a motion to approve the minutes. The motion passed unanimously.

4. Communication: Thank you from Camp Ta-Kum-Ta

City Council President Keogh and Councilor Mulvaney-Stanak made a motion to approve the communication. The motion passed unanimously.

6. Authorization for License for Footings at Burlington Town Center Parking Garage – Attorney

Steve Goodkind, DPW, stated there was a portion of the Burlington Town Center building that cuts into the right of way on Cherry Street. Typically, there was a license and fee charged for that occupation. The Attorney's Office used a similar price as they did for the Battery Street project.

City Council President Keogh inquired about the size of the area. Mr. Goodkind stated it was a foot wide and ran about 300 feet. It was not large. Attorney Schatz stated they used previous projects to set the price. The amount would be \$1,318.36.

Councilor Wright inquired if that would be a one-time payment. Attorney Schatz stated it would be.

A member of the audience, Councilor Bushor, inquired about the two resolutions. Attorney Schatz stated there should be only one resolution. The one regarding a license was the correct one. A license gave away fewer rights to the property and protected the interests in the right of way. An easement was similar to giving away the rights. Councilor Bushor inquired about the language in the resolution. Attorney Schatz stated this should be a license and the fee would be approximately \$1,300. There had been a revision to the resolution and there was an expectation that there would be a memo in writing which was why that number was taken out. The correct language was in the March 26 memo.

Councilor Paul requested the minutes reflect that only the March 26 resolution would be voted on.

City Council President Keogh and Councilor Paul made a motion to approve the license. The motion passed unanimously.

7. Authorization to Accept Bulletproof Vest Grant – Police

Councilors Wright and Paul made a motion to accept the grant. The motion passed unanimously.

8. Miller Center Improvements – Parks

a. Authorization for MOU between Miller Center and Schools

Mari Steinbach, Parks and Recreation, stated this was part of the ongoing project of developing a Community Center. Jen Francis, Parks and Recreation, stated there were bids for the interior and exterior scopes of the work. The project had been split into the interior and exterior scopes. The expanded parking area would meet the terms of the 2008 zoning permit and would close the first round of renovation. There was also a contract for Professional Construction, Inc., who would be providing services throughout the project. This would move them from pre-construction into construction management. A copy of the lease was also attached.

Assistant City Attorney Haesler stated the MOU will close out the permit with the requirement of 71 parking spaces. He noted this was an interdepartmental agreement with the School District which the Board had approved last month. There were 42 spaces along the road owned by the School District. Having a legal right to the parking area was required for the Miller Center to finalize the zoning permit.

City Council President Keogh and Councilor Mulvaney-Stanak made a motion to approve the MOU.

Mayor Kiss inquired if this were a 5 year agreement at \$1 per year. Attorney Haesler stated it would go on indefinitely until either party moved to terminate it.

Councilor Paul inquired if this would cost a lot of money. Ms. Steinbach stated the cost would come from the exterior improvements that would be about \$71,000. That would develop the parking lot, but was separate from the MOU.

The motion then passed unanimously.

b. Authorization for Miller Center Renovations and Lease

Ms. Francis stated the bids for the interior came in at \$160,000. The exterior parking came in at roughly \$70,000. The revised lease showed a change in that the lease will last five years with the option to renew for five additional years instead of a ten year lease. The next document showed the breakdown of the monthly rates. The proposed funding mechanism for the interior project would be the City Master Lease. The first seven years of rent would pay back that amount.

Mayor Kiss inquired if the childcare provider were not able to continue, would there be a subsequent childcare provider who met the State's requirements. Ms. Steinbach stated there would be.

Councilor Wright inquired about the Star system. Ms. Francis stated the community has expressed they would like to see a Star system. There was a baseline metric for a good program, which could move up to a 4 or 5 Star program. There would be a penalty if the 3 star rating were not met of 10% on the monthly rent. If the 5 Star rating were met they would receive a bonus of

a 10% reduction on the rent. There were cost requirements for the Star program, so this would make it worth their while. Councilor Wright inquired if this was a standard lease provision. Ms. Francis stated there were not a lot of standards to go by. This was a way to provide a benefit for all parties. Ms. Steinbach stated it was a creative incentive. Although there was no current operating model, this was a good approach.

Councilor Mulvaney-Stanak inquired if the Star requirements were an achievable and agreeable provision to the lease. Ms. Francis stated they had discussed it at length and the childcare provider was comfortable with it. She thought it may take a while to achieve the 5 star rating, but that it was achievable.

Mayor Kiss inquired how many children would be served by this. Ms. Francis stated there would be six infants, ten toddlers, and fifteen preschoolers.

The motion passed unanimously.

9. Church Street Electrical and Street Light Improvement Project – DPW

City Council President Keogh and Councilor Wright made a motion to approve the project.

A member of the audience, Councilor Bushor, inquired about the costs for lights at \$25,000. She also inquired if trees would be replaced. Joel Fleming, DPW, stated they would be removing trees and then replacing them. The trees would be smaller at first. There were different themes down the street. The trees in this section would bloom in the spring and be a pretty color in the fall. The local match would come from the Pearl Street project that DPW was currently doing at the top of Church Street. The Wright and Morrissey contract would be for the construction of the project and would cost \$1,717,000. That was 23% lower than the estimate and was significantly under budget.

VTRAN required that a resident engineer be on site. This had already been approved and also came in under budget. Green Mountain Electric Supply was chosen as the vendor for street lights at a cost of \$268,000. There was also a lease agreement going to City Council. The local match for the Church Street project would be approximately \$2,051,000. \$680,000 of that would come from a top block earmark through the Marketplace Office. There was also a State of Vermont Downtown Program Transportation Grant for \$110,000 that did not require a match. The total match needed for the Church Street project would only be \$252,000. The other projects would require \$379,000 to complete. Pearl Street needed about \$140,000 of work this construction season. There was approximately \$150,000 set aside for this. Mr. Goodkind stated one of the problems had been finding local matches. The project was in good shape and there would now be money for the whole project because the bids came in low.

Mayor Kiss inquired if it was customary that the funding sources were a work in progress. Mr. Goodkind stated it originally looked like the match was there, then as the project expanded, it was not. The project expanded to Pearl Street to include that work as local match. It does work in the end. It would obstruct Church Street, so it needed to come before the Council quickly, as there were few meetings in April. Mr. Fleming stated they were prepared to put the project out to bid two weeks earlier, but the State had pulled their approval. A project cannot be out to bid less than three weeks. Bids came in Friday and it had been a scramble to get everything done. If this was not done today, construction would be pushed back a month and cost more.

City Council President Keogh thanked them for their efforts.

The motion then passed unanimously.

10. Re-Categorization of Parks Planner from Limited Service to Full Time – Parks

Mari Steinbach, Parks and Recreation, stated this was similar to the previous re-categorization of the Waterfront Coordinator. Both positions were created as limited service positions to evaluate whether they were needed. It turned out there was a high need for a Parks Planner and the position needed to become full time.

City Council President Keogh and Councilor Paul made a motion to approve the re-categorization. The motion passed unanimously.

11. Re-Categorization of Office Assistant II from Limited Service to Full Time – Arts

Doreen Kraft, City Arts, stated this was part of a long range plan to grow the Department. It was one of the last positions categorized as limited service. This would complete the seven year plan and bring employees in compliance with personnel policies.

City Council President Keogh and Councilor Paul made a motion to approve the re-categorization.

Councilor Paul inquired if there were six positions created in 2007. She inquired if people were originally hired as limited service because the budget could not afford all of them as full time regular employee and then were gradually converted to full time employees. Ms. Kraft stated that was mostly correct. Some were hired as part time. The strategy was to analyze the best way to use new employees in what was then a new facility. There was a proposed organizational chart and the plan was to slowly move towards this organization. There have been some changes from the original proposal. Councilor Paul inquired if this was the last employee in this situation. Ms. Kraft stated it was the last because the other remaining limited service position was vacant. Interim CAO Schrader stated there was one position available that was limited service but unfilled.

Councilor Wright inquired if this would tie the new Mayor or Council's hands if they wanted to make changes. Ms. Kraft stated not in any way she could think of.

The motion passed unanimously.

11A. Department Head Compensation – HR

Susan Leonard, HR, stated this had gone before the IHR Committee. Councilors Bushor and Dober agreed to support the pay ranges for Director of Aviation, Fire Chief, CEDO, and Public Works with the stipulation that they not begin until FY 13 to allow incorporation into the budget. All members recommended the Burlington Telecom adjustment be placed on hold due to the controversial nature. Councilors Bushor and Dober recommended the salaries of City Arts Director and Burlington Electric Director not move forward at this time.

A member of the audience, Councilor Bushor, stated the recommendations reflect appropriate salary ranges, but it was a difficult time to put them in place prior to the change in administration. The recommendation for those positions was that the Board of Finance would support them and they could be incorporated into the FY13 budget. The Telecom General Manager seemed premature, as it was unknown what the scope of responsibilities would be. When that became known, the salary could be adjusted appropriately. It would be problematic if it were set higher than it should be and someone filled that position. The Director of Burlington City Arts and the General Manager of BED did not have comparatives when looking at the Sadowski report. It would be better to find other models to look at before making that determination. Former CAO Leopold adjusted some of the ranges based on the budget. The Committee wanted more information before moving forward and it may be supported in the future.

Mayor Kiss inquired if the recommendations were to adjust the Director of Aviation, Fire Chief, CEDO, and Public Works and wait to adjust the Telecom Manager and Directors of Arts and BED. Ms. Leonard stated that was correct.

Councilor Wright inquired what was being asked. Mayor Kiss stated the Board of Finance had requested an update after it was discussed in the IHR Committee. This could be moved forward now or it could be an early item for the new Mayor to address. Ms. Leonard stated that moving forward the four recommended positions could be perceived as being treated differently because the two positions not being moved forward are the only ones held by women. That claim could be made, though it was not the intention.

Councilor Bushor stated that was an internal statement and should not have been made publically. Gender was not a factor and was not involved in the discussion. The reason for postponing those positions had been based solely on lack of comparisons. The thought never crossed her mind and there was no basis to it. Ms. Leonard stated she was sure that was not the intention, however, as an HR professional, she felt that could be an unintended impact. The risk could be brought forward in the future.

Mayor Kiss suggested accepting the report and recommending the Board of Finance take up the issue at a future meeting. City Council President Keogh and Councilor Mulvaney-Stanak made a motion to that effect.

A member of the audience, Councilor Decelles, stated that sent a directive to the future Board of Finance. If that was the intent, it should be voted on now.

Councilor Paul stated she was against sending it to a future Board of Finance.

Councilor Wright recommended postponing action on this and the next Board of Finance could choose whether or not they would like to take up the issue.

Mayor Kiss stated it had been discussed at length and there was a recommendation. He suggested accepting the report.

City Council President Keogh withdrew his motion. Councilors Wright and City Council President Keogh made a motion to accept the communication and postpone action.

Councilor Mulvaney-Stanak stated some of these positions were vacant and she stated she hoped the new Mayor will consider appointing women. These were non-traditional fields for women.

The motion then passed unanimously.

12. Market Adjustment to Compensation Range – Mayor

Susan Leonard, HR, stated the IHR Committee has reviewed the recommendation and supported the market adjustment. It would be put in place for the FY13 budget.

Councilor Wright and City Council President Keogh made a motion to postpone action and let the future Council address the issue.

Mayor Kiss stated this would adjust the Mayor's pay range.

The motion passed unanimously.

13. Authorization for Land Purchases - Airport

Tammy Gagne, Airport, stated this was a grant that was part of the Airport's entitlement fund. It was part of the ongoing land purchase grant, but was not the same as the purchase of homes in South Burlington. This was a commercial property. This allowed for the purchase of 700 Airport Parkway. The draft resolution asked for authorization to accept the grant. The Airport also purchased a 7 acre parcel of land that was off of Berard Drive. This grant would refund that purchase as well as the new purchase of the property at 700 Airport Parkway. Gene Richards, Airport Commissioner, stated this would generate income, unlike the homes that were purchased. It was a good purchase and the land was directly adjacent to the Airport. It would also be able to be rented. Ms. Gagne stated there had already been inquiries about the property. The required 4% local share was funded. Mr. Richards stated there was a carwash inside of it and it was a very versatile building.

City Council President Keogh and Councilor Wright made a motion to approve the purchase. The motion passed unanimously.

On a motion by City Council President Keogh and Councilor Paul, the meeting was adjourned at 6:08 p.m.