



OFFICE OF THE CLERK/TREASURER

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**BOARD OF FINANCE
MONDAY, OCTOBER 15, 2012
CONFERENCE ROOM 12, CITY HALL
5:00 PM – 6:00 PM**

PRESENT: Mayor Weinberger; City Council President Shannon; Councilor Bushor; Councilor Paul (5:40 pm); Councilor Decelles (5:42pm); Interim CAO Sisson

ALSO PRESENT: ACAOs Goodwin and Schrader; City Attorney Blackwood; Assistant City Attorney Haesler; Barbara Grimes, BED; Steve Goodkind, Pat Buteau, Norm Baldwin, DPW; Gene Richards, Heather Kendrew; Bob McEwing, Ryan Betcher, Airport; Kirsten Merriman-Shapiro, CEDO; Carina Driscoll, Mike Kanarick, Mayor's Office; Marc Sherman, Community Sailing Center; Benji Adler, Skinny Pancake

1. Agenda

Mayor Weinberger stated item 14 will be removed from the agenda.

Councilor Bushor requested that item 10 be moved to item 3.5.

On a motion by Councilor Bushor and City Council President Shannon, the agenda was adopted unanimously as amended.

2. Public Forum

No one came forward to speak.

3. Approval of the Board of Finance Minutes

- a. August 30, 2012**
- b. September 4, 2012**
- c. September 10, 2012**

Councilor Bushor noted a change that needed to be made to the August 30 minutes.

On a motion by City Council President Shannon and Councilor Bushor, the minutes were approved unanimously.

3.5 (formerly item 10) Moran Lease Amendment with Community Sailing Center - Attorney

Assistant City Attorney Haesler stated this will amend the lease agreement with the Sailing Center. This amendment reconfigures the site plan to accommodate needs for the Waterfront North Project that will be occurring in the near future. The Sailing Center is aware of these

changes and supportive. In a year, the goal will be to bring forward a long term agreement for the Sailing Center.

Councilor Bushor inquired about the notice of termination being reduced from one year to six months. Assistant City Attorney Haesler stated that is included because of the timing of the lease. This will allow them to be notified with enough time to place boats at a different location for the winter if necessary. This will prevent them from having to move their boats from one storage place to another in the middle of the winter. Councilor Bushor stated she is concerned about the change in the notification timeline. She inquired if the administration is comfortable with this. She is committed to the Sailing Center and wants to ensure that partnership continues. Mayor Weinberger stated he is also supportive of the Sailing Center. One portion of the plan for the waterfront is to find the Sailing Center a permanent location. They recognize that there may be a different agreement in the future. Marc Sherman, Community Sailing Center, stated that they recognize that being notified a year ahead would be difficult because of potential development. The Sailing Center feels that the City is operating in good faith and they will not be made to pack up in the middle of the winter. No one on the board expressed concern about vulnerability.

City Council President Shannon stated that her husband is on the Sailing Center Board, however, the board would not have quorum without her vote. Assistant City Attorney Haesler stated the lease has already been established and the relationship between both parties is good. Mr. Sherman stated there is only one more Council meeting before the expiration of the lease, so some action will be necessary. Councilor Bushor suggested postponing action until more Board members are present.

The Board returned to this item after addressing item 9. Mayor Weinberger summarized the discussion.

Councilors Bushor and Paul made a motion to approve the amendment. The motion passed by a vote of 4-0 with City Council President Shannon abstaining.

4. Authorization for Contract for Lakeview Cemetery Bike Path Slope Failure Recovery Project – DPW

5. Authorization for Contract for North Shore Bike Path Slope Failure Recovery Project – DPW

Mayor Weinberger stated these two projects will help the efforts to rebuild the Bike Path in the aftermath of the 2011 flooding.

Councilor Bushor and City Council President Shannon made a motion to approve the contracts.

Norm Baldwin, DPW, stated for the North Shore project, they are selecting J. Hutchins at \$360,710. There were a total of six contractors. The highest bid was \$913,200 and J. Hutchins was the lowest. The second lowest was \$422,350, which is more in line with the actual cost of the project. They are happy with the contractor and have worked with them in the past, most recently on the Pearl and Church Street project.

The motion passed unanimously.

6. Engineering Design Services Contract Amendment with Clough Harbour and Associates for Champlain Parkway – DPW

Councilor Bushor and City Council President Shannon made a motion to approve the contract amendment.

Mr. Baldwin stated there is a cooperative agreement with the State of Vermont to reimburse the City for costs related to the Champlain Parkway. The maximum amount that can be spent under the agreement is \$6,250,000. In the past, some of the expenses exceeded that amount. When the contracts move forward in the future, the goal is to stay within the limits. There is an unexpended amount of \$425,000 left in the agreement. Historically, Clough Harbour accounts for about 79% of expenses. To exhaust those funds, \$297,000 would need to be allocated to Clough Harbour. There is currently \$115,000 left in the balance with Clough Harbour. Therefore, the new contract will need to be \$184,000. Before those funds are exhausted, they will return to the Board of Finance with another amendment with the State to allow the project to advance. In the meantime, Clough Harbour still needs to advance their work. They are working through the Act 250 process, preliminary design, and the permitting process.

Councilor Bushor and City Council President Shannon made a motion to approve the contract amendment. The motion passed unanimously.

Councilor Paul arrived.

7. Downtown Parking Automation and Upgrades – DPW

Pat Buteau, DPW, stated they get many questions every day about why credit cards are not accepted. People prefer credit cards to cash. This has been in the works for a couple of years. There needs to be fiber laid to get internet access in the garages. To upgrade, all revenue control equipment will need to be replaced. The total project costs about \$148,000. It is a convenience issue for the public and there will be less cash handling by employees. Operating costs will also be reduced by about \$105,000 per year. The payback will take about three years. When employees leave they will not be replaced and the existing employees will be reconfigured. There will also be automated pay lanes to allow people to pay without interacting with anyone.

Mayor Weinberger stated he is glad to see this coming forward and that it will pay for itself.

Councilor Bushor stated she is looking forward to seeing this and is glad to hear how the employee issue will be addressed.

Councilor Paul stated she hopes this process continues quickly to allow people to use credit cards in more areas of the City and to obtain permits via email. Mr. Buteau stated they expect construction to begin in the spring.

Councilors Bushor and City Council President Shannon made a motion to approve the upgrades. The motion passed unanimously.

8. FCC Radio Frequency Mandate – DPW

Councilor Bushor and City Council President Shannon made a motion to approve the upgrades.

Councilor Bushor inquired about the location of the equipment. Mr. Buteau stated some equipment is at the Pine Street facility, and the base unit is on the Redstone Tower.

The motion passed unanimously.

Councilor Decelles arrived.

9. Authorization for Contract for Archibald and North Winooski Traffic Signal - DPW

The Board addressed an item to allow the Department of Public Works to execute a contract for improvements to the Archibald and North Winooski Avenue intersection.

Mr. Buteau stated they received one bid at \$147,000 but it should have been \$47,000.

Councilor Bushor and City Council President Shannon made a motion to approve the contract. The motion passed unanimously.

10. See item 3.5

11. Authorization for Amended Terms for Food and Beverage Contract – Airport

Councilors Paul and Decelles made a motion to approve the food and beverage contract.

Gene Richards, Airport, stated he is excited about this project. Benji Adler, Skinny Pancake, stated they are trying to bring local food to the Airport at three different locations. Two are located post-security and would be 30 seat, order at the counter restaurants with full bars. One location is pre-security. All meats, cheeses, and dairy will be local. Produce will be local in season. It would generate about \$200,000 worth of local food spending per year, if not more. It will increase revenue to the Airport by four times. The mission is to make local food affordable, accessible, and part of everyday life. This is an exciting opportunity.

Councilor Bushor stated the contract does not come with the livable wage included. The applicant has stated that it would be a hardship to make that requirement. The argument is compelling and is valid and she will support the contract.

Mayor Weinberger requested an explanation about the livable wage exemption. City Attorney Blackwood stated that the City can make a determination that compliance with the livable wage requirements would cause substantial hardship. The motion could include language about this determination.

Councilor Decelles inquired if the exemption applies to wait staff and bartenders only or does it

affect all employees. Mayor Weinberger stated it applies to the entire contract.

The motion passed unanimously.

Councilor Bushor, Mayor Weinberger, and Mr. Adler expressed excitement about the project.

City Council President Shannon stated the livable wage has been an ongoing issue at the Airport and stated she would like more guidance from the Airport Commission.

12. Roof Replacement - Airport

Councilors Paul and Decelles made a motion to approve the roof replacement.

Councilor Bushor stated it is unclear how it will be paid for. Mayor Weinberger stated this will be paid through PFC funds. ACAO Goodwin stated it will be reimbursed through the PFC account and they are working to get approval from the FAA. They are planning to use a RAN to get the work done. That note will be paid June 30, 2013. Councilor Bushor inquired if the money from the PFC will be there to allow repayment of the RAN. ACAO Goodwin stated the FAA will allow only 70% do be drawn from the PFC account. The remainder will be drawn from working capital.

The motion passed unanimously.

13. Revenue Anticipation Note - Airport

The Board addressed an item to allow the Airport to borrow Revenue Anticipation Notes in the amount of \$3 million.

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

14. Parks Waterfront Operations Specialist – HR

This item was removed from the agenda.

15. Authorization to Accept Internet Crimes Against Children Task Force Continuation Grant – POLICE

The Board addressed an item that would allow the Police Department to accept a grant in the amount of \$244,395 to be used for expenses related to the Internet Crimes Against Children Task Force.

Councilor Bushor and Decelles made a motion to accept the grant. The motion passed unanimously.

16. EDA Grant Acceptance - BED

The Board addressed an item that would allow the Burlington Electric Department to accept a grant in the amount of \$1,000,000 to be used to support an Energy Efficiency program targeted to Burlington's Small Businesses.

Councilor Bushor and Decelles made a motion to accept the grant. The motion passed unanimously.

17. Authorization to Waive Fees for Solar Panel Installation – P/Z

Mayor Weinberger stated this originated from the Mayor's Office and is an important step to address climate change issues.

Councilor Decelles inquired what would be paid in fees for an average home. Mayor Weinberger stated it would be about two hundred dollars. Councilor Decelles inquired if this covers larger entities or just residential homes. Mayor Weinberger stated this covers everyone. Councilor Decelles stated his only concern is with the larger entities.

Councilor Bushor stated there is no dollar amount associated with this and inquired if this could be expanded later during the year. She stated the intent is good, but is unsure. There are pros and cons to this. It is good to encourage solar installations, but she would like to have a better picture of the money side. There are more initiatives available to allow people to install the panels and pay for them with the money they are saving on electricity. The City depends on permit fees. Mayor Weinberger stated those are great questions. The revenues have been negligible. Going forward, there are new companies in town that allow people to lease panels and pay them back. The City as a whole is breaking even. The department recently increased their fees and are more than carrying their weight.

Councilors Bushor and Decelles made a motion to amend the resolution so that the period will last one year instead of two and it will be reconsidered at the end of the year. Mayor Weinberger stated that would be acceptable. The amendment passed unanimously.

Councilor Bushor and Decelles made a motion to approve the fee waiver. The motion passed unanimously.

18. Update on New World Implementation – C/T

Councilor Paul stated she was the person who requested this update. She stated for the sake of time, it could be moved to a later agenda.

Councilors Paul and Bushor made a motion to remove the item from the agenda. The motion passed unanimously.

The Board discussed their upcoming meeting schedule.

Without objection, the Board of Finance meeting was adjourned at 6:07 pm.