



OFFICE OF THE CLERK/TREASURER

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BOARD OF FINANCE

AUGUST 29, 2011

MINUTES

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

ALSO PRESENT: Councilor Bushor; ACAO Goodwin; Pat Buteau, DPW; Susan Leonard, HR; Larry Kupferman, CEDO; Lise Veronneau, Police/Fire; Shawn Burke, Police; Paul Alexander, John Irving, and Barbara Grimes, BED; Tom Horn, VEIC.

1. Agenda

City Council President Keogh requested to remove item 16: Procedure for BOF Agenda Items and add to the agenda item 4A: Step Placement for New Police Officer. The agenda was adopted unanimously as amended.

2. **MAYOR: Communication re: "Wind to Wheels" Sustainable Hydrogen Fueling Project**

Mayor Kiss explained this communication summarized the results of a project using hydrogen in vehicles. This project had been approved by the Department of Energy and Vermont had been a participant in the project.

City Council President asked for the number of City vehicles running on hydrogen. Tom Horn stated there was one vehicle. Tom Horn stated the project had ultimately proved vehicles could not be run on hydrogen a cold climate.

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

3. **POLICE: Vehicle Purchases**

Lise Veronneau, Business Manager for the Police Department, stated this request was part of the vehicle replacement plan. It was explained that the Department would be purchasing fewer vehicles than usual this year but more than usual next year. Mayor Kiss inquired about options for police cars. Shawn Burke of the Police Department stated Ford and Chevrolet made the appropriate police vehicles. Dodge also had one but it was rear wheel drive and not good for this climate. Ford also had a V6 all-wheel drive vehicle that would be good in the winter.

Mayor Kiss inquired if using military type vehicles had been considered. Mr. Burke stated smaller cars were more difficult for prisoner transport. Lise Veronneau also explained that equipment currently in vehicles, such as cages, would be transferred to the new vehicles.

In response to an inquiry, Lise Veronneau stated there was a pre-owned vehicle in Colchester they were considering purchasing but had not yet put in a bid.

City Council President Keogh and Councilor Wright made a motion to authorize the purchase. The motion passed unanimously with Councilor Paul abstaining.

4. POLICE: Continuation Grant

City Council President Keogh and Councilor Wright made a motion to accept a grant of \$222,016 from the U.S. Department of Justice for the Internet Crimes Against Children Task Force Program Continuation. The motion passed unanimously.

4A. POLICE: Step Placement for New Police Officer

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

5. FIRE: Homeland Security Training Grant

The Board reviewed a request from the Fire Department to accept a grant in the amount of \$10,080 for reimbursement of training expenses. City Council President Keogh and Councilor Mulvaney-Stanak made a motion to accept the grant. The motion passed unanimously.

6. P&Z: Downtown and Waterfront Master Plan: Contract for Professional Planning Services

The Board reviewed a request from Planning and Zoning to enter into a contract for an amount not to exceed \$175,000 with the Town Planning and Urban Design Collaborative. TPUDC would be undertaking Activities 2 and 3 of the approved work plan for the Downtown and Waterfront Master Plan being completed under the HUD Sustainable Communities Challenge Grant.

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

7. BED: Amendment to Contract with New England Central Railroad

John Irving, Manager of McNeil Generation for BED, explained the amendment to the agreement between New England Central Railroad and Burlington Electric Department to the Finance Board. In response to an inquiry, Mr. Irving stated the contract with the railroad required that 75% of any woodchips delivered must be delivered by rail. He explained it required a great deal of work to bargain with New England Central Railroad, as they are the only rail option available.

Mayor Kiss inquired about the cost of woodchip delivery. John Irving stated rail cost is about 20% of the total cost of delivering the woodchips. Councilor Wright inquired what percentage of power comes from McNeil. John Irving stated about half.

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

amendment. The motion passed unanimously.

8. BED: Property/B&M Insurance Renewal

Paul Alexander, Manager of Risk Management & Governmental Affairs for BED, stated that while BED has a several insurance policies, this was their largest insurance policy and was renewed yearly. He noted that this year the insurance broker had been changed to Hickok and Boardman after going out for bid. This year's cost would be about 3% less than the previous broker.

City Council President Keogh inquired if there were issues in the past with the policy. Paul Alexander stated there were not.

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

9. DPW: FY12 Traffic Budget Adjustment

The Board considered a request from the Traffic Division of Public Works in which an adjustment was made to their budget to account for lease payments on an aerial bucket truck. City Council President Keogh and Councilor Mulvaney-Stanak made a motion to approve the adjustment. The motion passed unanimously.

10. HR: BT Residential Sales Manager Position

The Board reviewed a request to create a position of Residential Sales Manager. In response to an inquiry, Mayor Kiss stated the status of HBC working with Burlington Telecom would be determined as needed.

Councilor Paul stated the benefits and the compensation for this position were included in the FY12 budget. City Council President Keogh inquired how long it would take to fill this position. Susan Leonard stated it would depend.

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

11. BED Compensation

Susan Leonard stated she had received a memo requesting that the managers receive a \$4,000 increase to finish correcting problems outlined in the Sadowski report. Barbara Grimes stated this would accomplish the minimum of what had been outlined in the report. Susan Leonard added that merit based increases could still occur. Barbara Grimes stated everyone is now in the Sadowski ranges and managers would have the opportunity to get to the maximum through merit.

In response to an inquiry, Susan Leonard stated there were only two people still affected by this. All others had been adjusted with the ability to move up based on merit.

Councilor Paul inquired where the director was on the pay scale. Barbara Grimes stated she was at the top of the range and could only increase with Mayoral approval. Susan Leonard stated

making these changes had already been included in BED's budget and would amount to \$4,000 for each person. Councilor Paul inquired what the difference in pay was. Susan Leonard stated about \$20,000. Under the current pay ranges the new person would have the potential to surpass a manager.

Councilors Paul and Wright requested to vote on the issue.

Councilors Paul and Mulvaney-Stanak made a motion to approve the changes. The motion passed unanimously.

12. SCHOOL: Retirement/FICA (Discussion)

Mayor Kiss stated Finance Board members would meet with the Superintendent of Schools and the Finance Director from Schools to begin discussion on this issue. The hope was to resolve it in the FY12 budget. It may take place over the next two years.

Councilor Paul inquired if that would be enough time, as they do their budgets in November. Interim CAO Schrader stated it would.

Mayor Kiss stated this needed to be addressed. Councilor Paul requested an update in September.

13. C/T: TAN Key Bank Revolving LOC

ACAO Goodwin stated this had been approved by the Board of Finance and City Council. This would be a better arrangement for the City. The previous TAN was a lump sum and the City was required to pay interest on. This new arrangement (an LOC) would allow the City to use what was needed and only pay interest on the amount of money being used. This mechanism will save the City of Burlington roughly \$200,000 per year. There was an outstanding TAN with TD Bank for \$11 million. This would be used to pay that amount off. The rate will be approximately 8%.

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

14. C/T: Update on Audit (Discussion)

ACAO Goodwin stated on Friday, September 2nd there would be a task list provided by Melanson and Heath to the City staff which would outline the required information to be provided. On September 9, Scott McIntyre of Melanson and Heath would attend the Board of Finance meeting.

15. C/T: Financial/HR Management Software (Discussion)

Interim CAO Schrader stated the RFP had been done and 3.5 proposals were received. One company submitted an HR-only proposal. Tyler Industries, New World Response, and Sungard submitted complete proposals. They were being evaluated and there would be a meeting on Wednesday to review the submissions and determine a recommendation. All would fall within the budget constraints.

City Council President Keogh stated this was important. Interim CAO Schrader stated they

would recommend a company and analyze features as well as the continued costs in coming years. The Master Lease would pay for some of this.

In response to an inquiry, Interim CAO Schrader stated two of the three are web-based.

17. C/T: IT Improvement Plan

Interim CAO Schrader stated there was a provision in the budget to use unexpended computer funds from previous years. There are eighteen projects that had been prioritized with costs. A Client Management System, Digital Capture of Meetings, Land Records System, Client Productivity Software, ERP, Infrastructure Application – DMZ, Backup Enhancement, Amanda Enhancements, Client System Replacement Schedule, Enterprise Web Content Management System, and Secure Remote Access Upgrade were currently funded. Disaster Recovery, Meeting Agenda/Legislative Tracking, Airport IT Consolidation, Enhanced Network Management, and Sharepoint were not funded at this time, but were projects to consider in the future.

Councilor Paul inquired if there were a way to search passed resolutions. Interim CAO Schrader stated it was available in the office but not on-line. Currently searching titles of resolutions, not keywords, was the only option. There was no way to find adopted resolutions in word format. Councilor Mulvaney-Stanak inquired about meeting agendas. Interim CAO Schrader stated this proposal would move in that direction.

Mayor Kiss inquired about funding. Interim CAO Schrader stated the funds that had been carried over would be used.

Councilor Mulvaney-Stanak inquired if this would address all of the technology needs of all departments. Interim CAO Schrader stated there had been some contemplation of other departmental needs, but some departments had not followed through, with 90% of them not responding to the request for information. Councilor Mulvaney-Stanak inquired if there had been a city-wide discussion about technology. Interim CAO Schrader stated there was a draft policy to require departments to provide for technology plans within their departments to be presented to the IT and CT Offices to provide better coordination of IT upgrades and improvements. ACAO Goodwin stated implementing systems throughout the City would result in large savings in the long run. Interim CAO Schrader stated reducing redundancies was something to strive for.

Councilor Paul stated items that were budgeted for can be paid for and inquired about funds carried over from FY2010 and FY2011. Interim CAO Schrader replied those funds that were carried over could be used but would need City Council approval. There were no recurring costs related to any of these projects.

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

The meeting adjourned at 6:15pm.