

City of Burlington Capital Committee



MEMORANDUM

To: Board of Finance & City Council

Fr: Ashley Parker, Capital Program Director
Martha Keenan, Capital & Special Projects Director
Chapin Spencer, DPW Director
Katherine Schad, CAO
Samantha Dunn, Assistant Director for Community Works, CEDO
Cindi Wight, BPRW Director
Deryk Roach, Superintendent of Parks & Facilities
Scot Barker, Chief Innovation Officer
Nicole Losch, Grants Director
Norm Baldwin P.E., DPW City Engineer
Sophie Sauv e, PLA, BPRW Comprehensive Planner

Re: Updated FY23 Capital Budget

Date: June 27, 2022

This memo aims to provide a summary of updates and revisions to the FY23 Capital Budget since it was first presented at the May 16, 2022 Board of Finance meeting. The Capital Committee met on June 6, 2022, and supported the drafting of this memo.

FY23 Total Investment Clarification

Since the May 16, 2022 Board of Finance meeting, the FY23 Capital Budget was reduced from a total investment of \$44 million to a little more than \$39 million. This is mostly due to the following:

- Continued refinement of budget and account numbers as more staff are trained to use our new capital budget tracking tool in OpenGov
- Some significant changes to various project budgets.

As noted above, the reduced budget amount is mostly due to improved efficiencies and streamlining provided by OpenGov. Staff are better able to view their project budgets and can identify inaccurate line items quickly and easily. Over time, this will become an invaluable assessment and evaluation tool to ensure the proposed Capital Budget is accurate and effective.

Revised Project Proposals

The revised FY23 Capital Budget includes additional project proposals that can be more easily viewed in the "Fiscal Year 2023 Capital Budget by Project" data table. This was done in collaboration with other City staff in order to make project information more transparent and easily available to the general public. Much of this information was already entered into OpenGov,

but was not easily viewable in the information originally provided to the Board. Below is a summary of the project proposals whose data can be viewed and evaluated in our OpenGov portal:

- 840 Street Capital – This proposal was originally located within the 842 Street and Sidewalk Infrastructure. It was moved to the main proposal listing for transparency and ease of viewing.
- 843 VTrans Grants – The team brought this proposal to the main listing as it was also originally located within 842 Street and Sidewalk Infrastructure. Currently, the only project noted in this proposal is the Intervale Sidepath project.
- 852 Railyard Enterprise – Railyard Enterprise was originally located in the main proposal listing, but the team added the fund number (852) so it would show up more consistently in the budget summary.

Updated Project Budgets

As the OpenGov tool is still being refined, and City staff are still learning how to best utilize it, budget numbers have been continuously updated and revised since first presenting the FY23 Capital Budget to the Board. Below is a summary of significant capital budget updates that will be seen in our OpenGov presentation:

- 850 Champlain Parkway – The team originally entered the expected expenditures over the total life of the project into the draft FY23 Capital Budget. The updated budget is reflecting what the actual need is for FY23. In May, the FY23 Capital Budget reflected \$16.7 million in expected expenditures, while the current proposed budget reflects \$9.3 million in expected costs. This is a difference of about \$7.4 million. The updated numbers do not change the overall projected cost of the project, only the total amount of funds to be allocated in FY23.
- 852 Railyard Enterprise – Initial projections for this project indicated the amount that had been budgeted for FY22 was sufficient for the remainder of the project. Since the FY23 Capital Budget was originally presented to the Board, the project team identified additional need in FY23 and submitted a request to the Capital Committee for discussion at its May 23, 2022, meeting. The Committee officially supported their request and this FY23 budget has now been incorporated into the updated Capital Budget.
- 813 Memorial Auditorium – The original FY23 Capital Budget for this project was \$560,000. Per the conversation with Council on May 23, 2022, the FY23 budget was increased to \$1,000,000, which was the allocation per the GO Bond. These funds will go towards an stabilization of the structure, including mechanical upgrades in order to provide adequate heat for three years.

Incorporation of FY21/FY22 Carryover Budgets

As mentioned at the May 16, 2022 meeting, the Capital Committee would like to remind the Board of Finance and City Council that there are a number of capital projects from various asset classes that were funded in FY21/22 that have not yet been completed. Due to the new software implementation, those project budget carryovers do not show up in the proposed FY23 Capital

Budget, but will in the future. Ongoing projects that do not require additional FY23 Capital funding include: the Shelburne Street Roundabout and investments in technology projects led by the City’s Innovation and Technology Department. City staff will continue to work on ensuring that all incoming budget data is accurate and that projects are appropriately funded.

Availability of Bond Premiums

Since the Board reviewed the first version of the FY23 Capital Budget, the CT Office made the Capital Committee aware of Bond Premiums that were remaining for use on capital projects. These premiums span multiple years of bonds (2017-2022). At this time, the CT Office estimates that there is approximately \$933,000 available for use on capital projects in FY23.

Members from the Parks Facilities team and CT Office, including the Capital Program Director, created a list of identified needs at City Hall to continue the work that has been done in previous fiscal years. The Mayor’s Office supported this list of identified projects to be funded with a portion of the remaining bond premiums. There is another identified need to put out an RFP to conduct a structural engineering assessment of Fire Station floors, as well as the retaining wall at Fire Station #1. The remaining bond premiums will be put into the Capital Contingency Fund where they then could be put towards any other facility needs that arise in FY23-25, an effort that was supported by both the Capital Committee and the Mayor’s Office.

List of Identified Capital Projects to be funded with Bond Premiums:	
City Hall Improvement Projects – <ul style="list-style-type: none"> • Mechanical Upgrades • Window Rehab • Lead Paint Abatement • Exterior Doors • Geothermal Test Wells • Fountain Repairs 	\$140,000 \$10,000 \$150,000 \$32,500 \$20,000 \$85,000
Fire Station Projects – <ul style="list-style-type: none"> • Structure engineering assessment of Fire Station floors (#1, 2, & 3), including assessment of retaining wall at station #1 	\$50,000
TOTAL:	\$487,500

* Not included in this total are two projects already identified for capital funding that will not be covered with bond premium dollars: Elevator upgrades at City Hall, \$180,000; Floor repairs at Fire Station #2, \$180,000.

In Summary

The Capital Committee is excited to present the proposed FY23 Capital Budget to the Board. We look forward to continue incorporating OpenGov into this budget process, and are looking forward to the increased opportunities for engagement with the Board and the public. While we have included PDFs of the overall Capital Budget in tonight's packet, the long-term goal is to make this information and data available to the public in an accessible and interactive online format. If you have any additional questions about this proposed budget, please let us know.