



CITY OF BURLINGTON, VERMONT
CITY COUNCIL TRANSPORTATION, ENERGY & UTILITIES COMMITTEE

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Councilor Franklin Paulino, Chair *North District*
Councilor Jack Hanson, *East District*
Councilor Jane Stromberg, *East District*

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Transportation, Energy and Utilities Committee of the City Council

Minutes – Tuesday, January 26, 2021 5:30 PM

Attendees: Franklin Paulino and Jack Hanson
Not In Attendance: Jane Stromberg

1. **Meeting called to order by Councilor Paulino and started at 5:31 PM.**
2. **Agenda accepted as published by Councilors Paulino and Hanson.**
3. **Public Forum**
 - There were no public comments made.
4. **Asset Management**
 - Martha Keenan (DPW), Megan Moir (DPW), Gustave Sexauer (DPW) presented.
 - DPW requests the TEUC to sponsor five items in conjunction with procuring a new City asset management program and related services.
 - Items to support include a contract with DTS VUEWorks CMMS/EAM software, amendment for contract to KCI, contract with vendor to host and manage our GIS platform, and two resolutions for Vermont CWSRF and DWSRF loan amendments.
 - City has prioritized asset management since 2014 and staff appreciated past TEUC support.
 - Report completed for the City on 2018 resulted in data showing that we need a robust asset management system in order to successfully prioritize community work.
 - Tangible benefits of asset management include optimal asset life, increased asset performance, higher staff morale, and more effective capital planning. Cost savings could be upwards of 20 percent. With City annual capital budget at 20-40M, cost savings could be quite large.
 - Computerized Maintenance Management System (CMMS) and Enterprise Asset Management (EAM) for the City selection included nineteen software proposals, four interviews including calls to references, and team collaboration including DPW, BPRW, BIA, and BED.
 - Data Transfer Solutions (DTS) was selected as the preferred vendor. Contract includes software and hosting, data migration, integrations, training and testing, and support services. This solution is intuitive, has robust tools, has a large user group in the North East, and had the best value.
 - The DTS CMMS/EAM platform is VUEWorks, which was launched in 2002. Accessed via browser on desktop or mobile devices, pulls from City's GIS datasets, and stores both work order information and non-spatial assets.
 - VUEWorks handles assets, work orders, service requests, inspections, risk analysis, and capital forecasting.
 - KCI Contract Amendment: KCI has been the City's asset management consultant since 2020, has completed tasks under budget, and is able to complete the task of implementation and oversight at seventy five percent of what was projected a year ago.
 - GIS Hosting and Management: The Capital and Asset Management Team is working with I&T to find new location to store the City's GIS servers as the current servers aren't suitable for the increased used that will come with the CMMS software. I&T began looking into a cloud-based hosted and managed GIS environment in 2019 and identified ROK Technologies as a potential vendor. The City has obtained an updated quote from ROK and is waiting to receive two more quotes for similar GIS services before making a final selection.

- Cost: DTS VUEWorks implementation, KCI and GIS Services Total \$ 769,170.00. This is planned to be paid from multiple sources: approximately thirty two percent from the capital fund, thirty two percent from the DWSRF loan, and the balance by the CWSRF loan. Completion timeline is projected to run from February 8, 2021 through March 2022 when the last asset group will go live.
- Councilor Discussion
 - Councilor Hanson: A year ago, it sounded great and it seems like what we hoped for was delivered. Have any items not met your expectations? Response: Martha Keenan: KCI has been great. Helped with negotiations and capital forecasting, always willing to talk and answer questions. Councilor Hanson: Seemed critical a year ago and still does. Response: Gustave Sexauer: KCI has been a great partner to us and DTS has always been willing to have additional discussions when staff had specific questions. Councilor Paulino: If needs were met, it sounds good to him. Looks like a great plan.
- Councilor Paulino made a motion that the TEUC recommend the approval of these contracts to the Board of Finance and City Council:
 1. Award a contract with DTS to implement the VUEWorks CMMS/EAM software for \$449,000.00.
 2. Amend the Asset Management consultant contract to KCI Technologies, Inc., from \$124,750.00 to up to \$244,750.00.
 3. Award a contract with a GIS hosting and management vendor to host and manage our GIS platform for up to \$75,420.00.
 4. Draft a resolution for a VCWSR fund planning loan amendment increasing the loan from \$49,791.00 to up to \$245,846.40.
 5. Draft a resolution for a VDWSR fund planning loan amendment increasing the existing loan from \$44,321.00 to up to \$245,834.60.

Seconded by Councilor Hanson.
All in favor. Passes unanimously.

5. Rate Restructuring and Affordability Program Update

- Jenna Olson (DPW), Jessica Lavalette (DPW), Megan Moir (DPW) presented.
- In April 2019, Burlington City Council requested the DPW Water Resources Division consider alternative rate structures, revenue sources and affordability frameworks as staff explained regular rate increases would be needed to renew aged infrastructure and meet new regulatory requirements.
- Rates and affordability refresher: gathered stakeholder input, studied rate options, developed rate, fees and assistance program recommendations and presented to BOF.
- Why was this done? Sustainable funding is crucial to ensuring access to clean water. At the same time, when utility rates are not affordable rate payers may not have equal access to essential water.
- Questions: How much does it actually cost to provide water? Are Burlingtonians paying their fair share? Why does serving certain customer classes cost more?
- Proposed Rate and Policy Changes, to improve financial stability:
 1. Fixed Charges by Meter Size
 2. Lifeline Rate Tier
 3. Class-Based Rates
 4. Irrigation Rate
 5. Private Fire Protection Charges
 6. Water Resources Assistance Program (WRAP)
- Current and Proposed Rates:
 - Fixed Charges (per month): Water, Wastewater, Private Fire Service - have added fixed charges for all meter sizes
 - Volumetric Rate (per 100 CF) – propose to divide single family residential into two tiers
- Snapshot of Possible Customer Impacts – based on hypothetical customer type, staff outlined FY21 bill VS. FY22 proposed bill, \$ change and % change.
- Customer Impacts of New Rate Structure:

Who will see lower bills? Low income and seniors, WRAP, single family with typical consumption.
Who will see increases? Properties with private fire service, irrigation customers, customers with large meters but low usage, customers with vacant homes.
Opportunities to further lower bills: implement water conservation practices.
Opportunities to mitigate bill increases: remit updated information, explore removal of irrigation, request and evaluation, water shut off if vacant.
- Water Resources Assistance Program (WRAP)
 - Rate Assistance Goals and Rate Assistance Details
 - Future Assistance Programs: Infrastructure Assistance and Conservation Assistance

- Next Steps
 - January through March 2021 – Additional outreach
 - April through June 2021 – Secure Council approach
 - June on -- Implementation
- Councilor Discussion

Councilor Hanson: Please explain more about Tier One VS. Tier Two

Megan Moir: Tier two is more expensive to encourage to use less water.

Councilor Paulino: How did you select the cost for tier two? From a policy standpoint, why do people need more water?

Jessica Lavalette: Generally the usage goes up in the summer with irrigation and possibly pools. Holidays see more usage also.

Councilor Hanson: Why is the cost of wastewater dropping?

Megan Moir: In order to level out the bills and not have the cost go up. Wastewater is a fixed number.

Councilor Paulino: What size meter do most homeowners have?

Jessica Lavalette: 5/8"

Councilor Hanson: Why are we planning to charge the low usage customers a higher proposed amount? Is it not better to have the lower usage customers be rewarded and increase the rates for the higher usage? By lowering the wastewater, charge there is less incentive to use less water. Likes the future assistance programs. Believes these will capture a lot of interest.

Megan Moir: Having the wastewater rates lower, it is a way to level out the proposed billing. We have additional charts showing a wider range of rate proposals.

Councilor Paulino: Future assistance programs are a good opportunity to do water resource upgrades while remodeling their homes.

Councilor Hanson: Importance of getting the word out and getting people enrolled in the WRAP program. Concerned that the biggest increase is to the lowest volumetric user. Is there a way to shift that? University doesn't pay taxes so might be a good place to shift increases.

Megan Moir: We could see if we could change this. Because the low volume user uses so little water the numbers seem skewed. Could look at increasing rates for technology and retail. Willing to see if there is a solution.

Councilor Paulino: Thanks for a good presentation. Council will want to see more data and an alternative way to have low volume users pay less. Do you feel like the way that you get paid is the best? Seems old school.

Megan Moir: looking at payment options and how to make it faster.

6. Director's Update

- Director Spencer updated the TEUC on the following items:
 - Waterfront Rail and Bike Path Relocation Project: Thank you for your support on the Amtrak and passenger rail project at last night's Council meeting.
 - Consolidate Collection: We will be returning to the TEUC in February or March to present our conceptual budget for a municipally operated consolidated collection service per the committee's request.
 - Burlington High School Relocation: DPW is working with school to manage parking and traffic around the interim high school location in the former Macy's building.

7. Councilor's Update

- Councilor Hanson: When will we have an update on when the North Winooski Ave Parking Management Plan will get underway?

Director Spencer: We are getting underway soon, but will follow up with staff to get you a more detailed answer.

8. Next Meeting

- Tuesday, February 23, 2021. 5:30 PM

9. Meeting Adjourn

- Councilor Paulino moved to adjourn the meeting. Seconded by Councilor Hanson at 7:01 PM. All in favor passed unanimously.