



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 MONDAY, AUGUST 5, 2013

MINUTES

PRESENT: Mayor Weinberger; City Council President Shannon, Councilors Knodell, Aubin, and Bushor, CAO Rusten

ALSO PRESENT: Councilor Paul, ACAO Goodwin; City Attorney Eileen Blackwood; Assistant City Attorney Richard Haesler; Stephen Barraclough, BT; Gene Richards, Bob McEwing, Airport; Jesse Bridges, Parks; Guillermo Gomez, Laurie Adams, DPW; Stephanie Reid, Susan Leonard, Ben Pacy, HR; Ron Redmond, Church Street Marketplace; Mike Kanarick, Mayor's Office, Joe McNeil, McNeil, Leddy, and Sheahan

1. Agenda

Councilor Bushor requested they address the minutes at a future date.

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

2. Public Forum

Martha Lang, Ward 1 Resident, spoke about financing of the School District's proposed real estate transactions.

3. Approval of the Board of Finance Minutes

a. June 24, 2013

b. July 8, 2013

This item was removed from the agenda.

4. Authorization for Contract for Leddy Park Softball Field Renovation – Parks

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

Councilor Bushor inquired about the dollar amounts listed in the documentation. Jesse Bridges, Parks, stated they attached an updated budget. It shows the full value of the project in that line. They received their bids, which were higher than originally estimated. To fund the project, they used reserves. They were able to replenish the reserves through savings at the end of FY13 and by using funding for other projects that need to be delayed. Councilor Bushor inquired if they were able borrow that dollar amount and have \$72,000 remaining in Penny for Parks. Mr. Bridges stated that is correct.

The motion passed unanimously.

5. Authorization for State Corrections Work Crew Contract - Parks

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

Councilor Aubin inquired how long this contract has been ongoing. Jesse Bridges, Parks, stated they have had a relationship with the State since this project began. It enables defendants to work for the City rather than serving prison time. They have a good relationship with them. This was a standard set fee contract in the past, but in the last few years they have done a pay as you go contract. They approved a set fee contract to allow them to access more of the work crews. It is a very small increase over the past fiscal year. This program has been around for some time. The work is seasonal.

Councilor Bushor stated the supervision of these workers is City personnel rather than the Department of Corrections. She inquired if there is a liability clause. Mr. Bridges stated these are not people coming from jail. They are people who have been sentenced to community service. There are some crews from prison, but they are not supervised by City staff. The benefit to the workers is that they do not go to jail, it saves the State significant resources because these people are not in their facilities, and the City benefits from their work. Councilor Bushor stated it is important to note who these workers are.

The motion passed unanimously.

6. Authorization for Agreement to Access Water for Public Drinking Fountain – Marketplace

City Council President Shannon and Councilor Bushor made a motion to authorize the agreement.

Councilor Bushor inquired about the length of the agreement. Ron Redmond, Church Street Marketplace, stated it is five years.

The motion passed unanimously.

7. Authorization for Agreement with Switchback Brewery – DPW

The Board addressed an item to authorize the Wastewater Department to enter into an agreement with Switchback Brewery to charge them an additional fee to treat their higher strength wastewater.

Councilors Aubin and Bushor made a motion to authorize the agreement. The motion passed unanimously.

8. Authorization for Grant Amendments – DPW

Councilor Aubin and City Council President Shannon made a motion to authorize the grant amendments.

Councilor Bushor requested an explanation of this item. Guillermo Gomez, DPW, stated money left over from the Church Street Earmark that does not require a local match is being redistributed. It will be used for wastewater projects, small projects on the Marketplace, and administrative costs.

The motion passed unanimously.

9. Authorization for Purchase of Properties AIP-94 – Airport

Councilors Bushor and Aubin made a motion to approve the property purchases.

Councilor Bushor stated she hopes that in the future they will be able to find a way to work more collaboratively with South Burlington to deal with this differently. Gene Richards, Airport, stated this is their second \$5,000,000 purchase that will close out what they have agreed to. It is important that they finish what they started. Bob McEwing, Airport, stated this is the last group of properties from a five year program where the FAA agreed to double their resources for property acquisition. They got two grants last August to purchase 24 properties. Going forward, the federal money has dried up and they will not receive as much as they have in the past. They may purchase 3-4 properties per year from people who want to be involved in the program. They try to accommodate those requests, but the funding will be very minimal. Mr. Richards stated the program is still backed and they can pinpoint what areas are important to finish by 2019. Relationships could not be better with the management of South Burlington than they are right now. They meet up to two times per week and are working through their issues. Both sides want a cure. They will be attending a community meeting to discuss the future and hear what the concerns and desires of the community are. He is anticipating better relations. Their hope is to offer alternative solutions that have been used in other communities going forward. All of the homes they have been purchased were because the owners volunteered to sell them.

City Council President Shannon stated there are a number of properties identified on the map as possible acquisitions. She inquired if they still plan to acquire them if they have funding available and what information has been communicated to homeowners. Mr. Richards stated they have told everyone the same things, which is that if there are funds available, they will try to purchase them. This is contingent upon FAA funding and approval from the City of Burlington. City Council President Shannon inquired if these people have not wanted to sell their homes up until this point. Mr. Richards stated some have. Mr. McEwing stated some have not wanted to move. City Council President Shannon inquired if they made that decision knowing that funds may not be available in the future. Mr. Richards stated that is correct.

Councilor Knodell stated when they buy the properties, there is a structure there. She inquired how South Burlington has felt about this. Mr. Richards stated they have worked well with South Burlington on this issue. They agreed that once the properties were purchased, the homes would be demolished. They have been held up with this because of litigations. They have been able to remove asbestos from the building. They have tried to keep the buildings whole, but they have been robbed of their copper wiring. They do their best to secure the house. Councilor Knodell inquired if this is funded through the grant. Mr. Richards stated it is. They also put some effort into day to day maintenance.

Mayor Weinberger inquired what the remainder of the grant will be used for. Mr. Richards stated

it will be used for demolition and relocation of the houses. Mr. McEwing stated they have also had expenses for Attorney's Fees.

Councilor Bushor inquired if they can lease the properties. Mr. Richards stated they cannot rent them because they are uninhabitable. The FAA has said they can be used for temporary shelters. Nothing ever panned out with that program because there were a lot of complications. It is better to have someone in them if possible so that people are caretaking the neighborhood. They are not allowed to collect any rent, but they could make them free for a non-profit. They have not been able to work out an agreement to do this. Mr. McEwing stated most of the houses would not meet housing standards. The cost to bring it up to that standard is difficult. Mr. Richards stated in many cases they are purchasing houses that have not been maintained. They have tried to pick the best houses. Mayor Weinberger inquired if South Burlington is aware of and supportive of the property purchases. Mr. Richards stated they are. Mayor Weinberger inquired if they will be meeting with South Burlington about this. Mr. Richards stated they are and they will discuss the program. They will not focus on future development until they have finished with litigation.

Councilor Bushor stated it would be helpful to have some kind of collaboration between Burlington and South Burlington. Talking is important so they can understand their problems. She feels that things have improved, but one of their weaknesses has been a lack of collaboration. Mr. Richards stated they may be able to do that going forward. CAO Rusten stated they had a recent meeting between Burlington and South Burlington Department of Public Works to discuss ideas about how they can work together. They have begun to discuss ways they can collaborate beyond the Airport. Mr. Richards stated things have been going very well.

The motion passed unanimously.

10. Authorization for Amendment of Hangar Condominium Lease Renewal - Airport

The Board addressed an item to allow the Airport to renew a land lease to Hangar Condominium.

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

11. Authorization for Creation of Full Time Custodian I Position – HR

City Council President Shannon and Councilor Knodell made a motion to approve the creation of the position.

Councilor Bushor inquired about a reference to the Police custodian. Jesse Bridges, Parks, stated there was a plan to move the work happening at the Police station to a contract, given the shortage of custodians they have City-wide. That position would have been moved to another portion of the City. In conversations with personnel, they have decided to move away from that plan. The custodian who works at the Police Station is still there. Councilor Bushor inquired if this just adds one custodian. Mr. Bridges stated that is correct.

Councilor Knodell inquired if this will add to their resources. Mr. Bridges stated it will. They will still be light on custodians, but they hope to make up some ground with this and other changes. They will be adding a working supervisor and will be saving money on custodial

supplies. This particular position will be assigned to the Miller Center.

The motion passed unanimously.

12. Reclassification and Title Change for Police Assistant to the Officer in Charge Position – HR

Ben Pacy, HR, stated this will be a reclassification and title change for the Assistant to the Officer in Charge. It will still be limited service.

Councilors Bushor and Knodell made a motion to approve the reclassification and title change. The motion passed unanimously.

13. Reclassification of DPW Assistant Director – HR (Materials to Follow)

Mayor Weinberger stated they will be reclassifying the DPW Director of Technical Services, Norm Baldwin, to account for additional responsibilities he will be taking on as City Surveyor and Engineer.

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

14. Review of Monthly Financials

CAO Rusten stated this is the first time in recent history that they have been able to create monthly financials. They will continue to improve the presentation and will work to make it so the reader can drill down into individual lines. They also discovered that they missed the Stormwater Fund and Burlington Telecom in this report which was then handed out. They did not include any receivables in the report. Expenses are actual expenses that were paid in July. Next month they will be able to see expenses that have occurred and expenses that have been encumbered. They were able to look at expenditures to see if they were in line with where they should be this year. ACAO Goodwin stated the CEDO administrative fee has not yet been allocated out to the appropriate project levels. Payroll does all of the admin and they then do journal entries to the respective programs and projects. That is why they all are listed as over budget on the administrative section. CAO Rusten stated there are some notes when there have been discrepancies which will allow them to make necessary changes. They designed the financials so they can be compared with the budget book. They will also be working on developing a monthly pooled cash report, however they will be discussing different ways to utilize pooled cash.

Councilor Knodell inquired if the pooled cash reports will have comparisons to other years. ACAO Goodwin stated it will be difficult to compare with past years. The reports from the past would include their reliance on short term borrowing. To truly show a comparison, they would have to back out the short term borrowings to see the actual cash position. Their actual position is stronger this year, but that may not be evident. CAO Rusten stated they are willing to include information that Councilors feel would be useful.

Councilor Bushor stated she feels this will be incredibly helpful. It will also give them a heads up

if a Department is in trouble.

15. Board of Finance Schedule

The Board discussed their upcoming meeting schedule.

******Expected Executive Session******

16. Burlington Telecom Reorganization – HR

City Council President Shannon and Councilor Bushor made a motion to go into executive session at 6:45pm to discuss personnel issues. The motion passed unanimously.

City Council President Shannon and Councilor Bushor made a motion to go out of executive session. The motion passed unanimously.

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

17. Settlement of Airport Property Tax Litigation

City Council President Shannon and Councilor Bushor made a motion to approve the settlement of the Airport Property Tax Litigation. The motion passed unanimously.

Without objection, Mayor Weinberger adjourned the Board of Finance meeting.