



OFFICE OF THE CLERK/TREASURER

City of Burlington

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May 18, 2011

To: Mayor Bob Kiss
City Council

From: Scott Schrader, Assistant Chief Administrative Officer
Rich Goodwin, Assistant Chief Administrative Officer

Re: Updated and Revised Information on Legal/Consultant Services Related to Burlington Telecom

The attached table provides updated information and corrections to the tables contained in a December 21, 2010 memorandum from Assistant Chief Administrative Officer, Scott Schrader, responding to requests by Councilors Decelles and Paul for information on certain expenses for legal and consulting services related to Burlington Telecom.

While preparing an update to this December 21, 2010 memorandum, the City realized that it incorrectly categorized the following consultant services rendered to the Blue Ribbon Committee as paid by Burlington Telecom:

Northpoint Consulting - \$5,000,

Stratum Broadband - \$10,000; and

HBC - \$27,485.

These expenses were actually paid from the General Fund. The errors in the December 21, 2010 memorandum were the result of an incorrect interpretation of the City's vendor payment reports and check registers for these expenses.

Upon identifying this error, the City has reviewed and considered whether to reclassify these consulting expenses and transfer the expense to Burlington Telecom. In reviewing the nature and purpose of the consulting services, however, the City is satisfied that the expenses were not Burlington Telecom expenses, and were appropriately charged to the General Fund.

Finally, in addition to reflecting the appropriate funds, the attached table has been updated to reflect expenses paid from July 1, 2009 to date for consulting and legal services related to Burlington Telecom and the City's continuing efforts to restructure and refinance the enterprise.

C: Jonathan Leopold, CAO
Ken Schatz, City Attorney

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CITY OF BURLINGTON

Legal, Consulting & Regulatory Expenses related to Burlington Telecom
July 1, 2009 - May 18, 2011

Firm Name	Purpose	Fund	Amount
Burak Anderson & Melloni	CitiCapital – Restructuring Work and Docket No. 7044	BT	\$17,807.23
Dorman & Fawcett	BT operational oversight	BT	\$219,705.85
HBC	Marketing and Administrative	BT	\$87,158.46
McNeil, Leddy & Sheahan	Docket No. 7044	BT	\$190,861.40
Miller Van Eaton	Docket No. 7044 and Regulatory Representation	BT	\$15,885.98
Public Service Department	Larkin Review and Docket No. 7044	BT	\$82,486.75
Stratum Broadband	Business Plan Analysis to Blue Ribbon	BT	\$5,740.00
	Subtotal		\$619,645.67
Burak Anderson & Melloni	CitiCapital – Restructuring Work	GF	\$3,060.75
Dorman & Fawcett	CitiCapital Negotiations	GF	\$275,066.60
HBC	Restructuring Work	GF	\$2,659.73
HBC (Gary Evans)	Report to Blue Ribbon	GF	\$27,474.91
Langrock, Sperry & Wool	Criminal Defense	GF	\$17,777.67
McNeil Leddy & Sheahan	CitiCapital – Restructuring Work	GF	\$8,345.22
Northpoint Consulting	Report to Blue Ribbon	GF	\$5,000.00
Primmer Piper	Insurance Review	GF	\$5,414.50
Stratum Broadband	Business Plan Analysis to Blue Ribbon	GF	\$10,000.00
	Subtotal		\$354,799.38
	Total		\$974,445.05