

CITY COUNCIL STANDING COMMITTEE

Budget & Finance

Thursday, July 7, 2011 – 7:00 p.m.

1st Floor Council Committee Room – City Hall

-MINUTES-

Present: Chair, Councilor Steven Curcuru; Vice Chair, Councilor Paul McGeary; Councilor Jacqueline Hardy

Absent: None.

Also Present: Kenny Costa; Jim Duggan; Dale Brown; Tom Markham; Dr. Safier; a group of seven Crowell Avenue abutters

The meeting was called to order at 7:04 p.m.

1. *Continued Business: None.*
2. *Invoice and request from DPW for payment of invoice for good procured without a purchase order For the Downtown Improvement Committee*

Mr. Duggan stated this invoice payment request without a purchase order in place is not the fault of the Downtown Improvement Committee; rather, this was submitted during the budget process and the P.O. didn't get approved in a timely manner. It did go through the process correctly. The purchase of banners was the recommendation of the DIC that went to the Downtown Development Committee to be approved and their minutes reflect this. The invoice was in May and was in cue before the budget process began. **Councilor Hardy** noted this happened before some time ago. They all understood what the process was so she was puzzled as how this could happen again. **Mr. Duggan** reiterated it got hung up in the approval process because the Treasurer's office and he were working on the FY12 budget and got approved too late. **Councilor Hardy** noted there were extenuating circumstances in many instances with invoices for goods being procured without a P.O., but now it seemed that this is again happening and reminded **Mr. Duggan** of the requirements of MGL c. 30B; and that municipal employees and groups under that umbrella don't have the authority to order things on behalf of the City. Purchasing goods or services before a purchase order is approved, even though it was submitted doesn't mean they can go out and purchase these goods or services until the P.O. has been approved. **Councilor Hardy** and **Councilor Curcuru** noted a long-standing member of the DDC is well versed in the procurement process. **Councilor Hardy** expressed her concern and felt she could not approve this necessarily at this time. **Mr. Duggan** stated this money will come out of FY12. **Mr. Costa** stated the funds were encumbered and agreed with **Councilors Hardy** and **Curcuru** that if approved the invoice be paid from FY11 funding not FY12. **Councilor Curcuru** wanted someone from the DIC or the DDC to come before them to discuss this. **Mr. Duggan** noted this was not forgetfulness on their part nor was it habitual. **Councilor Hardy** noted they did not have P.O. approval and went ahead regardless. She renewed her request that all new members of City Boards, Commissions and Committees be made aware of the purchasing rules. **Mr. Duggan** noted this purchase was through the recommendations of expenditures from the DIC to the DDC. **Councilor Hardy** asked this matter to be continued until the Commission could answer what exactly these banners were for and where they are located and that all Boards, Committees and Commissions are notified of these rules in writing. **Councilor McGeary** agreed with the other Councilors to table the matter and also in order to let City employees and the Boards, Commissions and Committees be reminded that there is a process in place also. **Councilor Curcuru** asked if there was one person responsible for this request for purchases. **Mr. Duggan** stated it is a recommendation through the DIC and is their work. **Councilor McGeary** asked on whose desk this purchase order sits on. Did it get overlooked and was that person deeply involved in the budget process. **Mr. Duggan** responded, "Correct". It was a matter of not approving P.O.'s expeditiously. They had year end to find funds for snow and ice, etc.

This matter is continued to the July 21st meeting of the B&F Committee in order that a member from the DDC or the DIC can be available at that meeting to respond to questions of the Committee regarding the banners and their purchase without a P.O. in place.

3. *Request from Veteran's Director to pay an invoice for goods procured without a purchase order*

Mr. Duggan noted Mr. William's memo (on file). He makes purchases once a year. It was a matter of his having forgot about the appropriate process. **Mr. Costa** believed the order was placed in late April, early May even though the invoice was undated. They got the invoice with no matching purchase order which brought it to his department's attention. **Mr. Duggan** related he'd had a conversation with the staff member that day and he felt this happened due to lack of experience. **Mr. Costa** noted the funds were encumbered subsequent to the purchase. The money is there; once there is an affirmative vote by the Council, they can pay it. **Councilor Hardy** noted for the same reasons as discussed on the previous matter that this be tabled so that they can speak with Mr. Williams. The Councilor also requested to have the Personnel Director see if there is a document that can be given to new employees and a copy of MGL c. 30B so that people can acknowledge the rules and regulations and have him attend the same meeting to speak with the Committee as well. **Mr. Duggan** respected the Councilor's opinion; and while expressing his disagreement in having Mr. Williams come before the Committee, he acknowledged the Committee's right to call Mr. Williams to appear before them. **Councilor McGeary** was inclined to allow this matter to go forward and have this voted onward to Council but would demur his fellow Councilors on continuing the matter if they wished to do so. **Councilor Curcuru** agreed with **Councilor Hardy** to continue the matter.

This matter is continued to the July 21st meeting of the B&F Committee. The Committee asked that Mr. Bain and Mr. Williams attend that meeting as well.

4. *Memo from DPW Director requesting approval to enter into a joint agreement with abutting owners of Crowell Avenue to resurface Crowell Avenue*

Mr. Duggan noted Mr. Hale's memo (on file) that under Sec. 21-83 of the GCO which says if it is financially feasible the City would pay the entire fee of the paving of this private way, and be reimbursed by the residents. The complete cost is \$22,900.00. A betterment would be charged by the City to the abutters of Crowell Avenue covering 50% of the total cost which would be spread over up to five years. This will not have interest on it because there is no borrowing. Funds are available in the Highway Force Account. **Councilor Hardy** felt it unfortunate this was held up through the budget process and wanted to make sure there was enough time so that they can show there has been action on this matter and would like to continue the date to put it in front of the full City Council. **Mr. Costa** noted it will be a supplemental appropriation that will come before them for the funding.

MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Financing recommended to the City Council the extension of the date of the petition before the City Council related to the resurfacing of Crowell Avenue for the purpose of resurfacing of a private way known as Crowell Avenue extended to a date no later than by July 26, 2011.

Councilor Hardy expressed her support of this motion and that this will be one of many to come forward. **Councilor Curcuru** expressed his support as well.

MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to allow the City of Gloucester to move forward with the resurfacing of Crowell Avenue having determined that the construction and/or repair is required of this private way by public convenience and necessity under the Gloucester Code of Ordinances, Article IV. Repair of Private Ways, Sec. 21-80 through 21-85.

MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to move forward the repaving of Crowell Avenue, a private way by a joint effort of the abutters and the Department of Public Works under the Gloucester Code of Ordinances, Article IV. Repair of Private Ways, Sec. 21-80 through 21-85 to advertise for public hearing on July 26, 2011 before the City Council.

Julie Francis, Crowell Avenue asked when the actual work would take place. **Councilor Curcuru** noted the public hearing would be on July 26th. The Council would then vote. **Councilor Hardy** felt the DPW would want to have this done before cold weather set in. **Councilor Curcuru** noted it has to be funded and that it has to be voted upon first and then the work can be done. **Lauren McLane**, 120 Western Avenue asked for clarification on the Council process which the Committee responded to. **Councilor McGeary** noted that the DPW Director will try to take as many paving projects at once, bundling them together, in order to obtain a better rate for the City; in his experience

the paving will likely take place in the fall. **Peter Jackson**, Crowell Avenue made note of walking down Tolman Avenue seeing it was just paved. The Committee commented this was done solely by the abutters of Tolman Avenue, a private way. **Mr. Jackson** would appreciate knowing if there were any pending projects to open the roadway and if so could it be done prior to the paving project. The Committee did not have that kind of information at hand; however, **Councilor McGeary** noted that the City makes sure that the road is laid out properly; a well built road can take a cut. **Karen McLane**, 8 Crowell Avenue noted flooding from the road that when the road is plowed dirt and debris ends up in her driveway which has accumulated into a large mound that can not be shoveled away by hand; and causes the flooding as she is the last house on this street. She asked if there would be able to have this ameliorated by this paving process. **Councilor Curcuru** asked that the DPW Director walk this roadway to view it. **Councilor Hardy** asked if they should ask the City to take this as a public way now. **Councilor Curcuru** stated this road has to be in a condition to be able to be taken as a public way. **Mr. Duggan** wanted the DPW Director and the City Engineer to examine the private way thoroughly first before it is paved and moved forward to be taken as a public way.

The Budget & Finance Committee requested through the Mayor's office that the DPW Director and the City Engineer walk Crowell Avenue to view possible road issues prior to any joint paving project currently under consideration by the City with a focus on the property at the end of the road which reportedly City plows have inadvertently created a mound of dirt and road debris.

5. *Grant Application and Checklist from the Committee for the Arts for an \$8,000 grant from the Bruce J. Anderson Foundation for City Hall mural restoration – Grant Acceptance*

Dale Brown, Committee for the Arts spoke about the receipt of a grant from the Bruce J. Anderson Foundation of \$8,000 to start the restoration of the City Hall WPA murals. This is the first money to start this. They have a pending application before the Community Preservation Committee and that hope that will push the project forward. This is to do all the Charles Winter murals with the exception of one. They are excited to get this grant. **Councilor Curcuru** asked how many murals altogether. **Ms. Brown** stated there are 11 or 12. This proposal was to do seven murals. They're working on the proposal with the CPC and have increased that amount asking for \$15,000 which would be \$5,000 each year for three years. Their Committee's annual appropriation will also go towards this project. If they can get \$45,000 to \$50,000 it would get the seven murals restored. It is a matter of cleaning them. On inquiry from **Councilor McGeary**, **Ms. Brown** noted the costs for the murals vary. The one over the City Clerk's door, for instance is \$8,000 for restoration. The Mayor's office mural is \$8,500. The City Government mural would be \$7,500, another \$2,500. It will be a combination of funding and logistics. This is all for actual restoration. **Councilor Hardy** questioned why they are splitting the money requested from the CPC to be over three years, pointing out they can always cut it but can't increase it. **Ms. Brown** responded it was felt their application would be looked upon more favorably for acceptance of funding by the CPC if it was spread out over three years as opposed to requesting it in one lump sum. **Councilor Hardy** thanked Ms. Brown for her and her Committee's efforts and the presentation made several months ago to the City Council. She expressed concern regarding the murals under the stage. She thought the Administration and her Committee should have an agreement as to who should be responsible for their handling and movement.

MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council under MGL c. 44, §53A to accept a grant for \$8,000.00 from the Bruce J. Anderson Foundation for the funding of the City Hall WPA Mural Restoration.

The Budget & Finance Committee requested through the Mayor's office that the Administration work jointly with the Committee for the Arts to develop a policy for the security of historical murals stored under the Kyrouz Auditorium stage at City Hall and for a report back to the Budget & Finance Committee for its August 18, 2011 meeting.

6. *Memorandum from CFO-Gloucester Public Schools requesting permission to pay an "extraordinary reimbursement" to School Department employee for classroom supplies and materials purchased outside of required procurement procedures*

Tom Markham, School Department CFO noted two cover memos (on file) regarding this matter; and that on several past occasions he has informed John Madama, a School Department employee, that purchases of classroom supplies and materials must be planned in advance and procured in compliance with both state and City requirements although those before were relatively small amounts and had approval to do so from his supervisor. On May 18, 2011 Mr. Madama brought forward reimbursement documentation (on file) which he (Mr. Markham) "reluctantly" approved at the request of the Assistant Superintendent Dr. Trubisz as this amount was much larger. They were legitimate expenses however; and the funds were coming from a donation of the Gloucester Education Foundation made to the robotics program. He had a strong conversation prior to beginning this process with Mr. Madama and informed him that this was not an emergency purpose. It was a mistake and not one brought to their attention at that time; and if it had they'd have put steps in place. About every vendor he made purchases from does business with the City by a P.O. The funds are in place. The event took place two months ago. Mr. Markham expressed his appreciation of the Council's position on matters such as these. They brought Mr. Madama before the School Committee who expressed similar concern and approved the reimbursement to move forward in asking for the approval from the Council. He thought it fair to say this will not happen again; that it is infrequent in the school district and has happened only once or twice in his time here. They have a manual they review with department heads and principals. This was a mistake and an oversight. **Councilor Curcuru** asked what Mr. Madama's response was. **Mr. Markham** stated he tried to defend this as an emergency. He reviewed with Mr. Madama that these purchases took place over a month's time and that the fact of the source of the funds is irrelevant and while funds were donated to the school system they fall under the procurement process. The School Department reviewed this process with the department heads and principals before the start of school. It has been told to Mr. Madama that he may have to appear before the Council. He did not bring this meeting to Mr. Madama's attention. **Dr. Safier** agreed that Mr. Madama should have been at this meeting. If they need to be at the next City Council meeting they will. **Mr. Markham** noted the event was a two day robotics event at the end of May. **Councilor McGeary** understood some of these expenses but that a gear box could have to have been ordered well in advance. **Mr. Markham** noted P.O.'s are turned around in a day in his office; and they have a good relationship with the Auditor's office. If they need to expedite things they can. He felt it hard to defend the lack of process when there is a clear process is in place. They spoke to Mr. Madama about proper planning as well. **Councilor Curcuru** noted this is an outsider paid by the Gloucester Educational Foundation and wondered how did he not understand the process; was it was because he believed it was donated funds. **Mr. Markham** felt his feeling it was donated funds may have had something to do with it agreeing with the Councilor's assertion. **Dr. Safier** felt this is an educative process for all concerned. **Councilor Hardy** also felt Dr. Trubisz knew the process and that she should be before them as well as Mr. Madama. **Mr. Markham** agreed with having both to come before B&F. He reiterated they have process in place and it works. **Councilor Hardy** understood they can't let this go unpaid but that it has to be an informative process. They have to uphold MGL c. 30B.

This matter is continued to the July 21st meeting of the Committee in order that Dr. Trubisz and Mr. Madama can appear before the Committee.

7. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization And Auditor's Report*

Mr. Costa reviewed his documentation presented at the meeting (and placed on file) with the Committee.

A motion was made, seconded and voted unanimously to adjourn the meeting at 8:20 p.m.

Respectfully submitted,

Dana C. Jorgensson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- **FY2012 Local Aid Proposals based on Conference Committee Report (email to Kenny Costa dated July 5, 2011 from Division of Local Services with MA Dept. of Revenue Division of Local Services FY2012 Local Aid Estimates**