

## CITY COUNCIL STANDING COMMITTEE

**Budget & Finance Committee**

Thursday, November 17, 2011 – 6:00 p.m.

1<sup>st</sup> Fl. Council Committee Rm. – City Hall

-MINUTES-

**Present:** Vice Chair, Councilor Paul McGeary; Councilor Jacqueline Hardy; Councilor Joseph Ciolino (Alternate); Councilor Greg Verga (second Alternate)

**Absent:** Councilor Curcuru

**Also Present:** Councilor Verga; Kenny Costa; Jim Duggan; Jeff Towne; Tom Markham; Dr. Trubisz; Dr. Safier; Marie Giambanco; Deborah Laurie; Deputy Chief Miles Schlichte; John Madama; J.J. Bell; Gregg Cademartori

The meeting was called to order at 6:00 p.m. Items were taken out of order. Councilor Verga sat in for Councilor McGeary until his arrival at 6:37 p.m. and continued to act as a member of the Committee as an alternate for the rest of the meeting. Councilor Ciolino left at the arrival of Councilor McGeary.

**1. Continued Business:**

- A) 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 (Cont’d from 08/18/11)

**Tom Markham**, CFO School Department requested the Council’s permission to pay reimbursement to Mr. Madama for the purchase of materials and supplies from April and May of 2011 outside the required procurement procedures. He noted the memo on file with the Committee along with the back up receipts for the purchases Mr. Madama made as well as reimbursement forms. Mr. Madama and his supervisor Dr. Trubisz, Assistant Superintendent of Schools, were well aware at that time they were in violation of the procurement procedures. However, they are seeking appropriately the Council’s permission to pay this reimbursement for legitimate needs despite having procured supplies and materials inappropriately. **Dr. Safier**, Superintendent of Schools expressed they do have conversations about procedures with staff; and felt there was a clear understanding of how these measures are to be followed. **Dr. Trubisz** stated in talking with Mr. Madama, Mr. Markham and she that they are aware of the procedures and must use purchase orders. She believed under the circumstances that it was an emergency situation. Mr. Madama is an educator who serves K-12 and preplanning is difficult. But they are clear on the process and have learned that lesson. **Mr. Madama** explained he cut it too close to the robotics show and was caught short at the last minute. **Mr. Costa** stated they received the reimbursement request in August and that’s when they contacted Mr. Markham. Mr. Madama paid sales tax unfortunately which they can’t reimburse him for, expressing it is another incentive to utilize proper procedure. **Councilor Ciolino** stated this has happened before. He wanted to know how it would be stopped moving forward; and what plan was in place to accommodate these kinds of situations. **Dr. Trubisz** stated they learned they must purchase plenty of batteries up front but that the robots were so old they were draining the batteries too fast. Now Mr. Madama is aware of that and has to plan much further in advance. However, she felt that there are emergency situations that arise. **Mr. Madama** stated they are looking to have an open P.O. with a local vendor so that they do not have to go through this again. **Councilor Ciolino** reiterated they must do preplanning so that this doesn’t happen again. **Mr. Markham** added when they opened the FY12 budget, they informed the principals and budget managers of the procurement procedures are. They can turn a P.O. around in less than a day if need be. They advised staff to come to the business office. He reiterated to the Committee his opinion that this is not a true emergency. This is a last minute important need, for which there is a difference. **Councilor Hardy** asked if this really was a lesson learned. **Mr. Markham** felt it was as well as for the school district. This state law is not something new. They have to bring a lot of people around to follow that which is in place. **Councilor Hardy** noted **Mr. Madama** has gone through this before. He has been reimbursed before but not before the Council. **Councilor Ciolino** remembered that the robotics group came before the Council for a similar situation. **Councilor Verga** cautioned that the Councilors will know if the lesson is not learned as they’ll all be on the Council another two years. **Mr. Costa** confirmed that the sales taxes were removed from the final reimbursement amount. **Councilor Hardy** asked about the food charged. **Mr. Markham** stated that was not unusual. The funding and the entire program, including the lunch are funded by the Gloucester Education Foundation through the Revolving Fund. **Councilor Hardy** asked why there was such a long period of time to get

to Budget & Finance. **Mr. Costa** stated as soon as they found out about it they shared that with Mr. Markham. Mr. Markham brought it to the School Committee in June and sent it to the Mayor's office. They did have an appointment before this subcommittee in July. Mr. Madama and Dr. Trubisz were not there at that time. **Councilor Hardy** asked what Mr. Madama learned from this. **Mr. Madama** stated he must plan well ahead and to be sure there is an open P.O. and plan for such situations.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to pay \$819.64 (Eight hundred nineteen dollars and sixty four cents) to John Madama, for an extraordinary reimbursement for classroom supplies and materials purchased outside of required procurement procedures of MGL Chapter 30B of the Uniform Procurement Act.**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council, in accordance with MGL Chapter 44, Sec. 64, to pay \$819.64 (Eight hundred nineteen dollars and sixty four cents) to John Madama, for an extraordinary reimbursement for classroom supplies and materials. The extraordinary expenses were incurred in the prior fiscal year by the School Department to be paid with funds from the current FY2012 Gloucester Education Foundation Revolving Fund #285030.**

- B) CC2011-035 (Hardy) City of Gloucester through its Budget & Finance Committee work with Community Development Department & DPW to find a way to fund and construct permanent, four season, comfort Stations (bathrooms along Stacy Boulevard and the Harbor Walk (Cont'd from 08/18/11)

**This matter is continued to January 19, 2012.**

- C) Recommendations from the Community Preservation Committee (Cont'd from 11/3/11)

#### **Project #2 - White Ellery House (1710) Window Restoration**

**J.J. Bell**, Co-Chair of the Community Preservation Committee recused himself, as he is a member of the Board, from any discussion on this matter, of which there was no discussion on the matter by the Committee.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$25,000 (Twenty five thousand dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee, for the purpose of the Cape Ann Museum leaded glass window replacement at the 1710 Ellery House in Gloucester, Massachusetts in order to restore an historic resource. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275004.**

#### **Project #3 - Save the Adventure**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$25,000 (Twenty Five thousand dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee, for the purpose of allowing the Gloucester Schooner Adventure which is a Historical Schooner/vessel berthed in Gloucester, Massachusetts, to purchase and installation of five (5) spars in order to restore an historic resource. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275005.**

#### **Project #4 - Phyllis A. Mast and Hull Restoration**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$20,000 (Twenty thousand dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee, for the purpose of The Phyllis A. Marine Association to restore the Phyllis A. which is a Historical vessel berthed in Gloucester, Massachusetts, use of funds towards the hull and mast restoration in order to restore an historic resource. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275006.**

**Project #5 - WPA Murals Restoration Project**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$15,000 (Fifteen thousand dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of the Gloucester Committee for the Arts (GCA) to restore WPA murals in the first floor common areas of City Hall, 9 Dale Avenue, Gloucester, Massachusetts in order to restore an historic resource. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275007.**

**Project #6 - Magnolia Historical Society Archival Preservation**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$10,000 (Ten thousand dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of the Magnolia Historical Society (MHS) digitization of their archives in order to preserve an historic resource and to be used to purchase an “all-in-one” printer/scanner. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275008.**

**Project #7 - Sargent House Museum Fence Replacement Project**

**Councilor Ciolino** stated that his wife was a former Director of the Sargent House Museum; and he is a former Board member but it will not affect his vote.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$15,000 (Fifteen thousand dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of the Sargent House Museum (SHM) restoration of their Main Street fence in Gloucester, Massachusetts in order to restore an historic resource. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275009.**

**Project #8 - Sawyer Free Library Landscaping Project**

**Councilor Ciolino** stated his wife is a Vice President of the Board of the Library and that he is a member of the Incorporators of the Library and will not affect his vote.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$75,000 (Seventy five thousand dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of the Sawyer Free Library (SFL) Gloucester, Massachusetts, ADA code compliant accessibility improvements on the exterior of the library complex, which includes the 1764 Saunders House. The appropriation will be allocated to the Historic Preservation category and funded by up to \$56,000 from Historic Preservation Reserves in Fund #270300, and funded by**

**up to \$19,000 from the Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275010.**

**Project #1 - Sheedy Park Roof Replacement**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$86,453 (Eighty six thousand four hundred fifty three dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of the Gloucester Housing Authority's Sheedy Building roof replacement in order to preserve community housing. The appropriation will be allocated to the Community Housing category and funded by up to \$56,000 from Community Housing Reserves in Fund #270200, and funded by up to \$30,453 from the Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Community Housing Projects Fund #272003.**

**Project #9 - Little River Stream Habitat and Restoration Project**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$15,000 (Fifteen thousand dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of City of Gloucester Community Development Department toward legal work and conservation easement in connection with the protection of the wildlife habitat for the Little River in West Gloucester, Massachusetts. The appropriation will be allocated to the Open Space category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Open Space Projects Fund #271001.**

**Project #10 - Tompson Street Reservation Gateway**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate up to \$120,000 (One hundred twenty thousand dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of the Essex County Greenbelt Association (ECGA) purchase of the 6.75 acres Tompson Street Gateway site in West Gloucester, Massachusetts upon the condition that the ECGA conveys a conservation restriction to the City of Gloucester or its designee. The appropriation will be allocated to the Open Space category and funded by up to \$56,000 from Open Space Reserves in Fund #270100, and funded by up to \$64,000 from the Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Open Space Projects Fund #271002.**

- D) Memorandum from CAO re: request transfer of funds for communication equipment and supplies at the Emergency Operations Center (Cont'd from 11/03/11)

**Mr. Duggan** placed this request before the Committee outlining the value in getting the minimum in operations for the EOC. He was fortunate enough to visit several locations, the most recent to Chelsea and spoke to their Emergency Management Director (EMD) accompanied by Councilor Hardy. That is the Emergency Operations Center (EOC) they should want to emulate. He thought the operation was impressive as was the equipment. He saw the value the EMD brought to the community. The Gloucester EOC, from Hurricane Irene when it was up and running they were forced to have satellite locations, like the DPW because there are no operating phones there. They were using cell phones. It would be important for the EOC to have the hardware there. They want to make sure there are sufficient funds to pay the monthly bill. Another thing he observed were people at the EOC during emergency situations, during Hurricane Irene as an example, they were using their own money for food. He felt there should be an open purchase order or one available so if they are there long hours that people don't use their own funds. The \$600 for supplies would help provide the EOC with the material necessary to operate one step closer to a well run operations center. He felt there is still a way to go, however, even with these improvements. Deputy Chief Schlichte in his role as Emergency Management Director has been reaching out to other communities to understand their operations; working with MEMA and FEMA to find equipment that will compliment this request this evening. **Councilor Hardy** noted a transfer for \$2,280, one for \$2,520 for telephone hardware and a \$600

transfer for telephone service and didn't see it broken down for food; and asked if this is for the installation and purchase of the telephones. **Deputy Chief Schlichte** stated one transfer is for the monthly fee to Comcast and the other is the hardware lease for the telephones. They did this in consultation with the IT Department and ceded to their expertise. **Councilor Verga** stated there were some back up there, and there is emergency power back up. He did ask for confirmation of this, however. The **Deputy Chief** stated Comcast ran an entire new line in the last six months, and Comcast absorbed that cost. That was decided after Mike Wells and Grant Harris had several meetings on how best to bring information in and out of that facility with them. The two IT Directors made the decision that the best way to go was with Comcast expressing he didn't know the technical reasons why. **Councilor Verga** felt that in normal situations is the best way to go; but would appreciate confirmation on that question as to whether it was the best way to go under emergency conditions. The **Deputy Chief** stated that Comcast generally doesn't lose power from the telephone pole to the school. When Comcast loses their feeds, they lose the entire City. The best they can hope for that the cables leaving the grid to the schools are protected. The back ups when the Comcast phones are down are them going back to cell phones; and there isn't another way around that. They are tied into the School's internet provider. There is no bill for internet service to the EOC. **Councilor Hardy** expressed her lack of confidence in Comcast as she has had many constituents' in her Ward have issues when power is lost by that service provider. She asked if there was a chance they could get an AT&T back up line, for instance. The **Deputy Chief** expressed his would support for that. **Councilor McGeary** recalled asking the same question, and Grant Harris had an answer for it (noted to be from a conversation during the October 6<sup>th</sup> B&F meeting discussion on the need to purchase a new telecommunications system for the School Department.). The **Deputy Chief** would check into the matter for the Councilors. He advised also that there is a grant coming forward for back up radio communications at the EOC.

**MOTION: On motion by Councilor Hardy, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to transfer (2012-SBT-5) \$2,880.00 from Special Reserve, Contractual Services, Unifund Account #101000.10.900.52000.0000.00.000.00.052 to Civil Defense, Telephone Service, Unifund Account #101000.10.291.53410.0000.00.000.00.052.**

**MOTION: On motion by Councilor Hardy, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to transfer (2012-SBT-6) \$2,520.00 from Special Reserve, Contractual Services, Unifund Account #101000.10.900.52000.0000.00.000.00.052 to Civil Defense, Telephone Hardware, Unifund Account #101000.10.291.52707.0000.00.000.00.052.**

**Councilor Hardy** had questioned how food could be included in supplies; but after having heard how the School Department can do it, she would support this transfer. **Councilor Verga** expressed his agreement as well.

**MOTION: On motion by Councilor Hardy, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to transfer (2012-SBT-7) \$600.00 from Special Reserve, Contractual Services, Unifund Account #101000.10.900.52000.0000.00.000.00.052 to Civil Defense, Supplies, Unifund Account #101000.10.291.54000.0000.00.000.00.054.**

2. *CC2011-056 (Hardy/Ciolino) City Council with Administration identify funding source to hire a local veteran from the Civil Service Fire Fighters List*

**This matter is continued to December 8, 2011.**

3. *Memorandum from Marie Giambanco, Assistant Registrar re: request permission to pay poll workers Without purchase orders in place*

**Linda T. Lowe**, City Clerk stated there was some confusion during the preparation for the election involved as to opening P.O.'s before a request for payment, which in this case P.O.'s were submitted after the fact. They tried to create an improvement by not paying poll workers out of payroll employee accounts which was done previously. They switched it out to an independent contractor basis, whereby each poll worker now receives a 1099 form. In this way, the City is not liable for unemployment compensation liability, especially when someone is only working one day a year for the City. This was the first time the Assistant Registrar was working with the process, and Ms. Giambanco is attempting to clear this up in order to pay people promptly and by following up on the Auditor's advice on the best way to get that done. **Ms. Giambanco** submitted two memos; one regarding poll workers and

one regarding temporary polling locations (on file). She informed the Committee they obtained W-9's from each of the poll workers; and submit them to Purchasing. P.O.'s should have been done for that process which she didn't realize was her responsibility to do prior to the election. That was why this problem occurred. Ms. Lowe added that an SBT transfer form was completed and submitted prior to the meeting at the advice of the City Auditor, so that poll workers would be paid as well as for the Presidential primary scheduled for March 2012. **Councilor Hardy** asked about the temporary polling locations. **Ms. Giambanco** explained they pay for three temporary polling places through usage fees (two at \$50, one at \$100); and these P.O.'s were also submitted to Purchasing after the election. She generates the invoices for the temporary polling places and the poll workers and admitted she didn't think she had to submit the P.O.'s prior to the date of the election. **Ms. Lowe** assured that Ms. Giambanco had been following prior practices of former Assistant Registrars but now knows to follow current City practices to comply with State procurement laws. **Mr. Costa** was satisfied and wants to be sure the appropriate procurement process is followed under MGL c. 30B. Now the funding is there and the process is in place for the next election. **Ms. Giambanco** assured the process is now in place for the March primary and that the funds were in the proper accounts for FY12. This was not a question of the funds not being there. **Mr. Costa** explained further that in the past it was a "quick invoice" process in place. However, that is not the process utilized by the City now. He commented that for the next election there is a P.O. already in place covering the March primary. **Councilor Ciolino** commented last year they took funds out of the wrong account; now poll workers get a flat rate and must take their own taxes out. **Mr. Costa** explained his department issues the 1099 forms for the poll workers. **Councilor Hardy** thought that it was a total of \$400 for the temporary polling places. **Ms. Giambanco** and **Ms. Lowe** confirmed in fact it was \$200 for this just past local election and would be another \$200 for the presidential primary.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the transfer (2012-SBT-9) \$16,600 from Registrar's, Sal/Wage Tem Pos, Unifund Account #10100.10.51200.0000.00.000.00.051 to Registrar's, Contractual Services, Unifund Account #101000.10.163.52000.0000.00.000.00.052 for payment to Poll Workers who work as independent contractors during municipal, state and national elections and primaries during FY12.**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council in accordance with MGL Chapter 30B to pay \$7,500 without a purchase order being in place to pay poll workers who worked the November 8, 2011 Municipal Election as independent contractors; said payment to be made from Registrar's Contractual Services Account # 101000.10.163.52000.0000.00.000.00.052.**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council in accordance with MGL Chapter 30B authorization to pay \$200.00 without a purchase order being in place to pay for temporary rental of polling locations utilized during the November 8, 2011 municipal election; said payment to be made from the Registrar's Facilities Account #101000.10.163.52700.0000.00.000.00.052.**

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

**Mr. Costa** reviewed his documentation with the Committee which was on file prior to the meeting.

**A motion was made, seconded and voted unanimously to adjourn the meeting at 7:07 p.m.**

**Respectfully submitted,**

**Dana C. Jorgenson**  
**Clerk of Committees**

**DOCUMENTS/ITEMS SUBMITTED AT MEETING:**

- **Revised Memorandum from Marie Giambanco, Assistant Registrar re: Poll Workers Pay dated November 17, 2011**

- **Memorandum from Marie Giambanco, Assistant Registrar re: Paying of Polling Locations without Proper Purchase Order in Place dated November 17, 2011**