

City Council Standing Committee  
**Special Budget & Finance Meeting**  
 Thursday, November 15, 2012 – **Special Time: 6:30 p.m.**  
 1<sup>st</sup> Fl. Council Committee Rm. – City Hall  
**-Minutes-**

**Present: Chair, Councilor McGeary; Vice Chair, Councilor Joseph Ciolino; Councilor Melissa Cox**  
**Absent: None.**

**Also Present: Jim Duggan; Kenny Costa; Jeff Towne; Police Chief Leonard Campanello; Fire Chief Eric Smith; Mike Hale; Jim Hafey; Melissa Teixeira; Jonathan Pope; Dr. Richard Safier; Deborah Laurie; J. J. Bell; Suzanne Egan**

**The meeting was called to order at 6:30 p.m. Items were taken out of order.**

**1. Memorandum from Mayor re: FY12 Certified Free Cash**

The Committee acknowledged receipt of the Mayor's memo regarding FY12 Certified Free Cash which was placed in the B&F Committee's files. The memo outlined the following breakdown of the Department of Revenue's Certified Free Cash of \$9,178,086 for the City as follows:

General Fund	\$4,849,638
Water Enterprise Fund	\$1,718,715
Sewer Enterprise Fund	\$1,971,986
Waterways Enterprise Fund	\$ 518,891
Rink Enterprise Fund	\$ 118,856
Total for all funds	\$9,178,086

**2. Supplemental Appropriation-Special Budgetary Request #2012-SA-9 from Mayor's Department (\$616,075)**

**Councilor McGeary** stated Special Appropriation 2013-SA-9 is to transfer funds from General Fund Free Cash to go to the City's Stabilization Fund to make up for money taken out of the Stabilization Fund last year to balance the FY 2013 budget. He said he had had a conversation with the Mayor in which he indicated to her that he would like to continue this matter until they get a full recommendation for the use of Free Cash. He asked the Committee to continue this matter to their first meeting in January. **Jim Duggan**, CAO expressed his belief that was a starting point for a timeline. He noted the Mayor will attend the City Council Special Meeting scheduled for Monday, November 19<sup>th</sup> to give a broad overview of Free Cash. **Councilor Ciolino** agreed with the Chair in the request for more of a blueprint of how the Free Cash is to be distributed. The Council, he said, will want answers regarding the School Department, on outlying fire station openings, the library before they start portioning out the unreserved fund balance, and pointed out those would be the key points he would focus on. **Mr. Duggan** reiterated that for Monday's City Council meeting the Mayor will be making a broad statement of the process going forward. The administration intends to take the period through the end of the calendar year to evaluate and assess the needs of the entire City, not just for the areas Councilor Ciolino had outlined, although they will certainly be evaluated and then come forward with recommendations. There may be specific things the Mayor will refer to on Monday. **Councilor Ciolino** stated his opinion that there would be no votes until that is settled and suggested the matter will be continued until it is settled as to where the funds should be distributed when the Council is presented with a plan. **Mr. Duggan** stated the \$616,075 transfer request being continued this evening by B&F is the repayment to the Stabilization Fund, not a new transfer to which **Councilor Ciolino** responded that he understood. **Councilor McGeary** was not opposed to using the \$616,075 for that purpose, but said it needs to be seen in the context of the set of recommendations for Free Cash.

**Councilor Cox entered the meeting at 6:37 p.m. Councilor McGeary reviewed briefly that a vote was before them to continue the Supplemental Appropriation-Special Budgetary Request #2013-SA-9 from Mayor's Department for \$616,075 in order to have the full blueprint for the distribution of Free Cash.**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to continue the matter of the Supplemental Appropriation-Special Budgetary Request #2013-SA-9 from Mayor's Department for \$616,075 to January 3, 2013.**

**3. Supplemental Appropriation-Special Budgetary Request #2012-SA-10 from CFO**

**Mr. Towne** explained he and Mike Hale, DPW Director have met several times to address the pressing needs Mr. Hale has identified for his department which are contained on the B&F agenda in the next four items (2013-SA-10, -11, -12, -13). Transfer 2013-SA-10 covers funding overtime for his department for facilities to continue the work started in making sure that he has enough overtime to cover work that needs to be done outside of normal business hours. The overtime account already shows a deficit of \$1,261.82 for work already done. **Mr. Hale** added a lot of work needs to be done on the weekends. DPW workers have taken heat off line on weekends as schools have had boilers that have failed. There was a catastrophic failure of Boiler No. 3 at the high school about six weeks ago which required an entire weekend of trade staff work, HVAC specialist, plumber and electrician. As the department continues on with the work on the schools, much of the work can't be done Monday through Friday, from 7 a.m. to 3 p.m. It has to be done outside of school hours. **Councilor McGeary** asked Mr. Hale to confirm that he had identified what has to be done and estimated the amount of overtime required to do it, which **Mr. Hale** indicated was the case. **Councilor Ciolino** expressed concern that they are in deficit of \$1,261.82 and asked if this involved hiring new staff. **Mr. Hale** stated, "No." This represents payroll obligations for their existing employees. The amount of work they did in July and August in preparation for the start of the school year used a big portion of the fund they had budgeted for the school year, but some of it is outside of what they anticipated. The department did not, for example, expect a catastrophic failure of the boiler at GHS. He noted he can only ask for so much in his overtime budget during the budget deliberations. As these things have happened at the beginning of the heating season, and in preparation for school, they absorbed a lot of overtime. Further, he added, he doesn't have a big crew. There are only four trades people and three or four maintenance men. In making fixes and preparing for the heating season, the department has run through what was budgeted. When some of the capital projects are completed they will not have so many "call-outs," (emergency calls) in the middle of the night and on weekends that tend to run up overtime. **Mr. Towne** added they pared Mr. Hale's original free cash budget request down significantly to just these items in the first round. Other requests may be included as part of a final plan for free cash. The requests put forward this evening are the critical things to make sure the schools maintain heat to fix the things that are in desperate need of repair. This indicates how much is badly needed for repair and maintenance. The list of items identified by the Facilities Manager, Jim Hafey, and Assistant DPW Director, Mark Cole for both the schools and City-wide is much larger. **Councilor McGeary** stated his understanding these are urgent because of the heating season, which **Mr. Towne** confirmed. **Mr. Towne** continued there were other items that Mr. Hale considered urgent, but with these matters before the Committee now, it is because they don't want to shut down schools because a boiler isn't working, or a vent or a motor. It does touch almost every single school. It was noted that O'Maley Middle School is the exception as it is in this year's capital plan. The Administration tried to keep these first requests to those which are the most pressing in nature. The list includes wiring and the DPW garage doors because they won't shut easily. **Councilor Cox** said she would not question the work that needs to be done but was concerned half way through the year that the DPW is asking for money for overtime funding. She asked had this been budgeted appropriately during budget season or was this extraordinary and was overtime not fully funded, and is why they are in this situation. **Mr. Towne** responded all departments could say they had not been fully funded. He assured the Councilor that will be more requests, for the library, the Police Department, the Fire Department. There were things they estimated additional revenues for in 2012, but they can't estimate for all the departments fully. The administration's plan has been to use Free Cash to fill in the gaps for absolute necessities. The administration's plan will undoubtedly include maintaining a level amount of Free Cash that doesn't get spent, and a sum to be placed in the Stabilization Fund and the Capital Improvements Stabilization Fund. He noted that in the budget process there are a number of things not fully funded--Veterans Services, for example. At the end of the fiscal year the city "scrambles" to cover the shortfalls. It is an annual necessity. **Councilor Cox** said she understood all departments are underfunded, but the DPW is the first to come before them to ask for overtime. **Mr. Hale** pointed out there is three City departments that are smaller today than they were ten years ago; they are asked to do more every year with fewer people. That is why there are staffing issues at the Fire and Police Departments and in his department. They can't do enough work Monday through Friday to satisfy the City's needs, so they have to work on the weekends. With some of these equipment failures in the schools, they have no other opportunity but to work on weekends. He can't take a unit vent apart in a classroom Monday through Friday. His staff works 7 a.m. to 3 p.m. Monday through Friday. Whether it is a Saturday or at 6 p.m. in the evening, it is overtime because those few staff

members who do the work, there is only so much you can ask of them. They have to pay people to do the work and with the decreased staffing levels, the work still has to be done and made up somewhere. These are hardworking people providing, in his opinion, a level of service that the Gloucester public schools haven't seen in some time, although he said he couldn't speak for the School Department and the School Committee, since they've started with the schools they've seen a significant amount of issues have been addressed. These are issues identified many years ago. There is only so much repair work you can do before they can say it is broken and needs to be replaced.

**Councilor Cox** suggested it may pay to hire a few more staff; and yet that wouldn't necessarily help because this is "off line" work. **Mr. Hale** stated in some cases it would work, and pointed out for public services is a 16 person department. When the Superintendent started that was a 40 person department. That is a significant decrease in personnel; but they can work pretty much any time. There is so much work that they often work weekends. Some work is scheduled weekend work – trash collection, beach cleaning, seasonal work for instance. Water work has been going on every Saturday all fall as it has to be completed by Thanksgiving because things freeze up, and people expect that work to be done by the holiday season. In some cases facilities department employees need to work seven days a week. **Councilor McGeary** stated this \$20,000 is intended to get them through the end of the year, or is it just to cover the work that is identified in the next several transfers. **Mr. Hale** stated a lot of the work in those transfers is contract work; some of it is in-house work. Some of it is bigger than they are, and some of the equipment requires a specialized trades person that dedicates their whole week to putting something in. He can't dedicate his HVAC specialist and plumber to just one thing. They work in all City buildings. They job share. The DPW contracts out what they can and do what they can in-house. They have had one of their trades people work with the contractors to help maintain and manage the equipment. **Councilor McGeary** toured the four schools today and agreed that the work needs to be done, and done quickly. It could not be postponed. He did note that the \$4.8 million in general fund free cash meant that there might have been an opportunity to hire or more fully fund the DPW during last spring's budget process.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council that \$20,000.00 (Twenty Thousand Dollars) be appropriated (2013-SA-10) from the General Fund Unreserved Fund Balance ("Free Cash") to Facilities Salaries-Overtime, Account #1010000.10.472.51300.0000.00.000.00.051 for the purpose to fund additional overtime in the DPW Facilities department.**

4. *Supplemental Appropriation-Special Budgetary Request #2013-SA-11 from CFO*
5. *Supplemental Appropriation-Special Budgetary Request #2013-SA-12 from CFO*
6. *Supplemental Appropriation-Special Budgetary Request #2013-SA-13 from CFO*

**Mr. Towne** noted these transfers were broken out into categories because they have to appropriate the funds into specific accounts for the City Auditor's tracking purposes: contract services, general supplies, and building maintenance. They classified them by group based on the accounts to which the expenses would be charged. Transfer #2013-SA-11 enables the City to make high priority HVAC improvements at Gloucester High School, Plum Cove Elementary, Beeman Elementary, Veterans Memorial Elementary and East Gloucester Elementary schools. In addition, this money will be used to fix doors and some windows that "desperately" need to be fixed at West Parish and also to purchase a generator for Veterans Memorial Elementary School. They included the generator for back up because Veteran's is uniquely poised to have a generator added because of work going on there.

Transfer, #2013-SA-12 is for funds to make critical improvements to the wiring and HVAC at the DPW facilities building on Poplar Street. This money will also be used to replace overhead doors in the same location.

Transfer #2013-SA-13 is for funds to supplies for heating exhaust systems at Plum Cove, Beeman, Veterans, East Gloucester and West Parish Elementary School buildings.

**Mr. Towne** reiterated the reason they are bringing these transfers forward now is the imminence of the heating season. Mr. Hale has said in some schools one room may be 50 degrees, and a neighboring rooms 100 degrees. The Mayor and Mr. Duggan agree this is a priority to move forward on these particular items to regulate heat in the school buildings properly. **Mr. Hale** stated building priorities were categorized as: sufficient, not functioning, or "close enough" functioning. Estimates to for repairs came in at about \$1.2 million. This was pared down to items they can react to fairly immediately from an appearance standpoint for the benefit of the buildings that they serve. He noted many of the issues are similar from school to school. Thermostats that call for heat and to refresh the air have issues in the schools from room to room. Most controls don't work. Beeman had no heat last week. On Friday morning the school was close to 100 degrees throughout the whole school. Malfunctioning controls had called for

heat all weekend long. The pneumatic controls that run the systems cannot be repaired the way they stand. They could leak anywhere along the thousands of feet of line which run below floors, in walls and above the classrooms. The electrical wiring with the thermostats need to be tracked and that it is an issue for a learning and working environment when there are classrooms that are too hot to work in, and are out of contract of what they are allowed to be teaching in; and it is a comfort level. It is an issue that has been raised by the School Department to the Facilities Department in trying to regulate this district wide. The High School has rooftop unit issues which have gone on for many years. The high school library has baseboard heat only in the computer room in the winter time which is insufficient. **Mr. Hafey** stated the rooftop unit serves the library area. That unit has a cracked heat block almost since the day it was put in. They can run air conditioning in the summer, but running heat runs the risk of CO2 “dumping” into the library. It is useless to them from a heating standpoint. **Mr. Towne** stated the requests address what Councilor Cox referred to as where they put the investments of the money. They decided early on with the takeover of the maintenance of the schools, they would invest in a Facilities Manager because of not wanting to continue to just fix things when they were broken. He said Mr. Hafey has done an excellent job evidenced by their identifying problems building by building, and coming up with a plan for capital improvements and maintenance. It was an investment they chose to make over doing some of the other things within the budget and is proving that they are reaping the benefits of those choices. As a result of knowing and inspecting, and having someone specifically assigned to do that job, rather than it being another job responsibility that someone has on top of everything else and isolating it to doing it as a singular role, he suggested the Council will see improvements being identified that lead to efficiencies so that they are not wasting money and just heating buildings all weekend long. This is a green community; and they are focusing in on trying to do all they can to invest in those things that will improve their efficiency and effectiveness of the systems in order to reallocate those monies towards capital improvements and maintenance budgets. He expressed his appreciation of Mr. Hafey’s work that he said would have great dividends in the long run. **Councilor Cox** asked if these were long term fixes. **Mr. Hale** stated there was more to come when they replace the controls that operate the systems they have now. They have a capital improvement plan to replace boilers. They can manage these boilers with extra care this winter, but they are on their capital improvement plan moving forward. They are expensive; some are newer than others. City Hall has the oldest Cleveland Brooks boiler on the East Coast. No one services these boilers this old. This number is not a full out replacement of the boilers. That would be tremendously expensive. This will make the buildings safe to teach in, to learn in, and for people to work in. When they first took over facilities, there was a report from the Department of Public Health that said the O’Maley Middle School’s air system was past its life expectancy. It was estimated to be a \$4 million repair to replace the air system. The Facilities team and a contractor have spent \$100,000 this year, and it works as well as it did when it was first installed. It is noticeable to the faculty, students and administration. A \$4 million replacement versus maintenance going forward is a significant savings. **Councilor McGeary** asked whether once these new systems are in place there will be a maintenance plan. **Mr. Hale** stated if the City keeps cutting the budget and they lose employees whose jobs were to do this work, there is no one left to do that work. Without a Facilities Manager there is no one to oversee the personnel. It is a domino effect. They don’t do a bad job, but they have to be funded to do the jobs. **Councilor McGeary** stated they looked at replacing the electronic controls but it was prohibitively expensive. He noted Mr. Towne referred to four times as much capital requests than what showing up here; maybe more, and asked if they would be on the table as part of the Free Cash discussion. **Mr. Duggan** stated that would be part of the evaluation between now and the end of December which will come forward in January. **Councilor Ciolino** asked if other elementary schools have generators. **Mr. Hale** stated they want to have all the schools to have generators to run the heating systems plus other pieces of the schools, like food services when there is a blackout. Their goal is for all elementary schools to have generators. Veterans Memorial Elementary School is a priority because it has a potential to be a Red Cross shelter, and given where it is, it is high on their priority list. The generator would be able to run the heating system, food service systems and emergency lights. **Mr. Hale**, on inquiry by **Councilor Ciolino** stated they have to get bids, and will fix it when they can get it done.

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council that \$109,500.00 (One Hundred Nine Thousand, Five Hundred Dollars) be appropriated (2013-SA-11) from the General Fund Unreserved Fund Balance (“Free Cash”) to Facilities Contract Services, Account #1010000.10.472.52000.0000.00.000.00.052 for the purpose to make HVAC improvements at Gloucester High School, Plum Cove, Beeman, Veterans Memorial and East Gloucester schools; to fix doors and windows at West Parish and purchase a generator for Veterans Memorial School.**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council that \$60,000.00 (Sixty Thousand Dollars) be appropriated (2013-SA-12) from the General Fund Unreserved Fund Balance (“Free Cash”) to Facilities Building Maintenance, Account #1010000.10.472.52410.0000.00.000.00.052 for the purpose of making critical improvements to wiring and HVAC at the DPW facilities building on Poplar Street; and to replace overhead doors at the DPW Facilities Building.**

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council that \$67,000.00 (Sixty-Seven Thousand Dollars) be appropriated (2013-SA-13) from the General Fund Unreserved Fund Balance (“Free Cash”) to Facilities General Supplies, Account #1010000.10.472.54000.0000.00.000.00.054 for the purpose to purchase supplies for repairs to heating and exhaust systems at Plum Cove, Beeman, Veterans Memorial, East Gloucester and West Parish schools.**

**7. Memorandum from CFO re: appropriation request in the amount of \$500,000 for replacement of boiler At Gloucester High School**

**Mr. Towne** explained that there was a catastrophic failure due to a fire within a boiler at Gloucester High School. They immediately put in a claim with the City’s insurer (MIIA), had an inspection done and pushed hard to make sure it was covered under the City’s insurance. The City has successfully filed a claim with the City’s insurance carrier, and the insurance company will pay for the cost for the repair if it is possible or replacement if required. The city has hired who say that it is not economically feasible or it is imprudent to repair and that the boiler must be or replaced. The inspection documentation they have in hand indicates just that fact. The city’s insurer will have to pay to replace the boiler with whatever was there before the failure. The cost to the City is limited to the insurance deductible of \$1,000.00. The city has received quotes to replace the boiler and would like to begin that work. He asked the Committee that they amend the motion to \$375,000 from \$500,000. They are only paying \$1,000 deductible and the insurer is paying the vendors directly. They are bringing it to them now because MGL requires that any insurance money coming to the community that is greater than \$20,000 requires an appropriation. The expenditures will be tracked in a separate fund which will end once the boiler work is done. **Mr. Hale** stated this is a tough time of year as there is a lot of demand for heating services. **Mr. Hafey** indicated he was not sure on the lead time on the boiler. Once it is on site the installation will not take long. There are three boilers, two are working. **Mr. Hale** added that the two working boilers could handle a cold snap but it is not ideal. They are all the same age (circa 1961). **Mr. Towne** reiterated that the internal mechanisms of the boiler are gone. They will push for a full replacement, should to do so need arise. They will get the full insurance report.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council under MGL c. 44, §53, to appropriate up to \$375,000 (Three Hundred, Seventy-Five Thousand Dollars) for ordinary expenses in the Special Revenue Account #294007.10.472.52000.0000.00.000.00.052 entitled Reserved for Appropriation, Insurance Reimbursements >\$20,000, Contracted Services, for the purpose of replacing a boiler at Gloucester High School from insurance reimbursement proceeds.**

**Councilor Ciolino** asked that the matter of the GHS boilers be brought back to the B&F February 7, 2013 agenda so the Committee can receive an update.

**8. Special Budgetary Transfer Request (#2013-SBT-8) from Police Department**

**Mr. Towne** stated this transfer of \$3,800.00 is to fund the cleaning, sanding and painting the bottom of the Police Boat and to apply primer of TRIUX33 to bottom of that boat as well to help maintain the bottom of the boat better. The boat is ready to be winterized but this work is waiting to be done before that process. It is an investment in maintenance of the police/harbor patrol boat. **Chief Campanello** understood that when the boat was purchased there was a misunderstanding with the company it was purchased from and that the material they propose to put on the bottom was to have been put on by that company but was not. It is a stronger bonding material to properly weatherize it. This is for the harbor patrol boat. **Mr. Towne** stated they got this boat free of charge through a grant. The Harbormaster’s office pays for most of the gas, some of the winterizing costs, and they do split costs from time to time, trying to treat it equally between the two departments. The Police Department had budgeted for two shifts

of two men for so many shifts in the summer; and it wasn't used as much this year which is why there are extra funds in Sal/Wage Overtime account. This is for contract services to have the work done. **Councilor Ciolino** expressed his concern that this funding wasn't coming from the Waterways Board.

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to transfer (2013-SBT-8) \$3,800.00 from Police Harbors, Sal/Wage Overtime, Account #101000.10.216.51300.0000.00.000.00.051 to Police-Harbors, Boat/Marine Maintenance, Account #101000.10.216.52520.0000.00.000.00.052 for cleaning, sanding and painting the bottom of the Police Boat and to apply primer of TRIUX33 to bottom of boat.**

9. *Supplemental Appropriation-Special Budgetary Request #2013-SA-7 from Community Development Dept.*  
10. *Supplemental Appropriation-Special Budgetary Request #2013-SA-8 from Community Development Dept.*

**Mr. Costa** explained these two transfers are due to the fact that conservation fees must be appropriated by the City Council. It is an annual occurrence. These funds go to the budget for ConCom and the Conservation Agent's salary and supplies and expenses they may have to that department. It is restricted funding, and not a revolving account.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council that \$3,000.00 (Three Thousand Dollars) be appropriated (2013-SA-7) from ES-AP Conservation Fees Transfer Out, Account #295030.10.991.59600.0000.00.000.00.059 to Conservation fees other charges and expenses, Account #1010000.10.181.57100.0000.00.000.00.057.**

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council that \$67,166.00 (Sixty-Seven Thousand, One Hundred Sixty-Six Dollars) be appropriated (2013-SA-8) from ES-AP Conservation Fees Transfer Out, Account #295030.10.991.59600.0000.00.000.00.059 to Conservation fees salary-wages, Account #1010000.10.181.51000.0000.00.000.00.051.**

11. *Memorandum from CFO re: permission to pay invoice for services procured and goods purchased by the IT Department without a purchase order*

**Mr. Towne** explained he submitted this request on the behalf of the IT Director, John Blanchard. There was one additional invoice that should have been submitted for payment of a prior year invoice with current year funds when he submitted his last request to the City Council for Mr. Blanchard. He asked that this invoice be put through for payment now.

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to pay invoice #49259 dated 6/27/2012 by American Lazer Services, Inc., Beverly, Mass., for \$173.22 to be paid from the FY13 IT Department budget without a Purchase Order in place.**

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council, in accordance with MGL Chapter 44, Section 64, to pay invoice #49259 dated 6/27/2012 by American Lazer Services, Inc., Beverly, Mass., for \$173.22 for services provided in the prior fiscal year with funds from the current FY13 IT Department Budget.**

12. *Memorandum from DPW re: permission to pay invoices for services procured and goods purchased without a purchase order*

**Mr. Hale** stated the first invoice before the Committee is from Ipswich Ford in the amount of \$561.74 for repair work that was thought to be covered under warranty; but it was not. They were not informed of that fact until after the work had been done. Because of that situation, there was no purchase order in place. He asked the Committee to allow for the invoice to be paid.

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to pay an invoice #59882 dated 5/31/12 by Ipswich Ford, Inc., Ipswich, Mass., for \$561.74 to be paid from the FY13 DPW Department budget without a Purchase Order in place.**

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council, in accordance with MGL Chapter 44 Section 64, to pay an invoice #59882 dated 5/31/12 by Ipswich Ford, Inc., Ipswich, Mass., for \$561.74 FY13 DPW Department budget for services provided in the prior fiscal year with funds from the current DPW Department budget.**

**Mr. Hale** explained they had a purchase order with Cameron Office Products. The quarterly bill was submitted after the fiscal year was closed and a new purchase order was not opened in time

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to pay an invoice #012976 dated 7/27/12 by Cameron Office Products, Nashua, NH, for \$399.80 to be paid from the FY13 DPW Department budget without a purchase order in place.**

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council, in accordance with MGL Chapter 44 Section 64, to pay an invoice #012976 dated 7/27/12 by Cameron Office Products, Nashua, NH for \$399.80 for services provided in the prior fiscal year with funds from the current FY13 DPW Department budget.**

**13. Memorandum from Acting Community Development Director re: an off-cycle recommendation for a Newell Stadium application from the Community Preservation Committee for Round 3, FY12 Funds**

**J.J. Bell**, Co-Chair of the Community Preservation Committee (CPC) explained that the CPC has received an off-cycle application for funding to support the Newell Stadium Capital Improvement Project from the City of Gloucester through the Newell Stadium Building Committee/Gloucester Fishermen's Athletic Association, Inc. This application was agreed to be reviewed as an off-cycle application, which is allowed when there are compelling reasons, because the rules governing the use of CPA funds for recreation have recently been amended to allow such projects. Prior to this change recreational space not acquired or created with CPA funds were not eligible to be invested in. The CPC also recognizes the importance of this project to the community and the true collaborative support and funding strategy that has unfolded. The Committee held a public hearing on October 16, 2012 to review and obtain the views of any interested persons. As a result, the CPC makes the recommendation that the City Council appropriates \$298,000 to the Gloucester Newell Stadium Building Committee for the purpose of funding athletic field lights, a red track surface and walking track lights as part of the overall Newell Stadium renovation project to insure a fully functional and high quality recreational facility to be opened in the early fall of 2013. It has been an amazing grassroots effort and they want to help them get to the "goal line". After discussions with Mr. Costa, the funding is subject a condition that the total funding of \$298,000 shall be in the form of currently available funds of not less than \$85,000 and a 15-year bond of not more than \$213,000. The CPC wants to keep the cash drain on the CPA fund as minimal as possible but step up to the plate on this issue, as they did with City Hall.

**Mr. Towne** stated they want to do this now because the bid for these things for the stadium is time sensitive. They now have the immediate funding to continue with the three alternate options to the contract. This is another great example of an "awesome" partnership, putting many different resources into one great project. The timing of this is important. Even if they do the appropriation, and more funding comes in so that there is more cash, he is not opposed to a 15-year bond but would rather keep it short like all debt. They don't set the term of 15 years when they do the borrowing or authorized. But they try to work with the CPC to help with their needs for cash flow. The money will be raised and appropriated. **Dick Wilson**, Village Road, GFAA Chair Emeritus, stated \$50,000 more in donations had been received that day. They are now down to a \$100,000 needed. Four checks at \$1,000 each had come in the previous day. He also noted the bids for the three additional items for the stadium are time sensitive. **Mr. Towne** confirmed Stephen Winslow, Project Manager with the Community Development Department, said they have to work on the design right now. Timing is critical on all three items. **Councilor McGeary** commented there is some room to maneuver in order to set the amount to be borrowed. **Mr. Towne** agreed and that rates are great right now. This is another thing where they know they will spend this portion of it, but he will hold out to see

if there is any other cash to save costs. **Mr. Bell** stated the debt for the funding of the City Hall restoration is just under \$200,000 per year now. That is why they want to bond for 15 years; but they hope to go out 10 years or less. For City Hall the city bonded for 13 years for less money and said it was a “win:win.” **Councilor Cox** asked for a new budget breakdown for the GFAA Newell Stadium fundraising effort. **Mr. Towne** responded they will have that available at the public hearing. **Councilor Cox** noted when the next round of CPA funding occurs she would like to see that each project shall be open to the public one or two days a year at no charge, since they are receiving taxpayer money. **Councilor Ciolino** expressed he was pleased to see the red track surface was in the loan order. **Mr. Costa** stated like with the City Hall funding, should there be more cash that can be put into this funding, they would have to come back and appropriate more funds. They are just authorizing the Treasurer to go out for \$213,000. It has to be a specific dollar amount for the bid.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend to the City Council to appropriate \$85,000 (Eighty-Five Thousand Dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of the City of Gloucester Newell Stadium Building Committee to fund athletic field lights, a red track surface and walking track lights as part of the overall Newell Stadium renovation project. The appropriation will be allocated to the Open Space category and funded by up to \$85,000 from Unreserved Fund Balance in Fund #270000. The project will be tracked in the Community Preservation Fund Capital Projects – Open Space Projects Fund #340001; AND ADVERTISE FOR PUBLIC HEARING.**

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the following loan order:**

**ORDERED: That \$213,000 (Two Hundred, Thirteen Thousand Dollars) is appropriated for the purpose of funding a portion of the following Newell Stadium Renovation project expenses: athletic field lights, a red track surface and walking track lights; that to meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow \$213,000 under G.L. c.44B (the Community Preservation Act) or pursuant to any other enabling legislation; that the Mayor is authorized to contract for and expend any federal or state aid available for the project; and that the Mayor, with the approval of the City Council, is authorized to take any other action necessary to carry out this project; and that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes; AND FURTHER TO ADVERTISE FOR PUBLIC HEARING.**

#### ***14. Memorandum from Police Chief re: proposed fees for Police Department Services***

**Chief Campanello** explained that he would like to institute fees for certain Police Department services. Of the communities on the North Shore, Gloucester is virtually the only community not charging certain fees to vendors and the general public for services that it provides that rise above what would normally be expected from a public safety entity. After reviewing several communities around Gloucester, he created a listing of proposed fees that would enable his department and the City to recoup reasonable revenue for the expense involved in providing these services. **Suzanne Egan**, General Counsel stated most departments do charge for copies under state law and the Council does not have to approve that fee. As to the rest of the fees, the Council does not need to send this entire matter to O&A. This is only creating administrative fees. The Chief already has the authority to charge the copying fees. However, the Council needs to approve the fee structure. These fees are not set by City ordinance. **Chief Campanello** agreed the fees other than the copying are not covered by state law. **Ms. Egan**, after reviewing the scope of the Chief’s proposed fees stated the rest of the fees only need the approval of the City Council: The \$45 fee for 911 tapes; the \$5.00 fee for accident report; the \$1.00 per page fee for photos and the \$10 per hour fee for a cruiser detail. They do not have to amend the Code of Ordinances to institute these fees, as long as the fee reflects the cost of the lowest paid person within the department that is able to produce that. That fee would be found reasonable and that is what people charge. There has to be a basis for the fee. **Chief Campanello** stated the comparisons of other communities he forwarded (on file) to the Committee stated this is a standard method within a municipality for the amount of work that is being expended not covered in day-to-day duties which is requested, for instance, from attorneys who profit from the information. He also pointed out they have requests, several at a time, to pull all accident reports for an entire year. It creates a serious workload. These fees are in line with the



compendium for the City. Larger cities all charge these fees. He expressed these are not unreasonable to charge for-profit entities. The transition they did in Saugus was for Cruiser Detail Fees with no grumbling from the private vendors doing the work in Saugus. The recoup of the fees helped to maintain their cruiser fleet. This is a way to bring revenue into the City and does not impact the residents and taxpayers, but to those who profit from the information. **Councilor Ciolino** asked about the cruiser detail fee. He pointed out the detail is a large amount of money, saying that for bigger projects it is fine, but for smaller projects it is an overwhelming cost. There is a four hour minimum [for the charge of an officer at the site]. **Chief Campanello** stated it is the same company with the same profit base. This wouldn't necessarily apply to the City. **Councilor Ciolino** stated if he was having his water service being redone; a private company is doing the work. It is determined a detail has to do the work, now he has to pay for the detail and it may take one hour, and it is a four hour minimum, and now there is the fee for a cruiser detail. **Chief Campanello** stated the minimum comes in with an officer, and that is contractual. The cruiser detail fee does not require a four-hour minimum. The department is looking to recoup the rising cost of gas and maintenance. The fee is fair, and a widely used fee by many different municipal departments. Nothing is free any more. They should not be loaning services or personnel to for profit agencies that are benefitting from the work. They should recoup their maintenance fees. **Councilor Cox** stated they use cruisers to direct traffic for the parade. The Chief stated this is for vendors who come in and request a cruiser or are ordered to have a cruiser for public safety, and then they would pay this fee. It is charged due to the amount of traffic that goes through the area, the safety of the crews and pedestrians. They mostly do it at the request of the vendor. **Mr. Hale** added they had a cruiser detail this evening on Washington Street and was thankful it was provided because they had to work at night. Without the blue flashing lights there the crews would have had to quit for the night. The job in question cost \$4,000 per day for the crew. He didn't see cruisers being used for water service or water relays. It is for bigger projects. They're working after hours and in tight areas. They work with the fees with the Police Department. He saw the need for it. **Chief Campanello** made clear this is for private vendors who is profiting from the work. If they are doing work for the City, that is different. They have stipulations that the DPW work supersedes these fees. **Mr. Hale** stated the courtesy of a cruiser if his staff needs to do a job. **Councilor McGeary** said that with the proviso that they pay a fee for only the time the cruiser was on site, then it makes sense. The officer's time is separate. **Mr. Towne** expressed he agreed with the Chief's instituting these fees.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend to the City Council to institute fees for certain Police Department services to the public as follows:**

<b>911 Tape Fee</b>	<b>\$45.00</b>
<b>Insurance Company Accident Report Copies Fee</b>	<b>\$ 5.00</b>
<b>Photos Fee</b>	<b>\$ 1.00 per page</b>
<b>Cruiser Detail Fee</b>	<b>\$10.00 per hour</b>

**15. Memorandum, Grant Application and Checklist from Environmental Engineer re: Mass DEP Water Conservation Grant**

**Mr. Hale** explained that the DPW submitted a Massachusetts Department of Environmental (MassDEP) Water Conservation Grant application submitted August 3, 2010. On December 8, 2010 they received a MassDEP notice of award. However, he was unsure that the grant was even brought to the Council in 2010. The purpose this evening is to get City Council approval for the DPW to move forward with this grant. MassDEP approved \$50,000 in reimbursable expenses that requires a minimum of a 25 percent match equaling \$12,500 which can be in-kind City labor concerning water conservation, leak detection, and leak repairs. The DPW's proposed application budget included hiring a part-time DPW Water Conservation person. MassDEP approved the budget which includes a lower grant labor figure and for DPW in-kind labor. At this time, the DPW is not planning to hire a part-time Water Conservation person; however, the DPW may consider hiring persons for scoping water meter installations at currently non-metered locations including City fields and cemeteries. Some of the work has been done but the checks haven't been cut. **Councilor McGeary** asked what has been done. **Mr. Hale** explained this was for leak detection work. This is unaccounted for water (UAW). Gloucester has a very high UAW volume, as much as 24 percent. They do a better job now with the Fire Department to determine volumes for fighting fires and for training purposes. He noted the municipal playing fields are not yet metered, although that is a goal. They expect that to be a small percentage along with the street sweeper, and when they flush drains. City water usage is over a half billion gallons per year. Leak detection is done late at night when they put listening devices on the surface and use

electronic scopes to hear if any water is passing. The state Department of Environmental Protection (DEP) is always looking to give them funds to identify UAW. The city has a water withdrawal permit specifying how much water the city can take from the watershed, and when they exceed that limit, they have to ask permission to do take more from the DEP. He noted this is a rare occurrence.. Having a 25 percent match is comprised of their crews that go out with the detection company crews at night looking for water valves and hydrants. He commented it is good for his crews to see how this process works as they are looking to purchase this equipment so they could put this matter to rest. **Mr. Towne** asked if people hooked up to the system could be hooked up illegally and causing such a large problem. **Mr. Hale** stated they are very good about it, and go home to home. It would have to be a larger business that is doing that and that has a way to do it. **Councilor McGeary** asked with the \$50,000 where efforts are being focused. **Mr. Hale** stated they're looking at the main transmission lines, but not those that were done in recent years. The water detection group is a specialty, and is all they do. If it was found that they detected a leak between a homeowner's meter and the line, they would send a letter to the homeowner and advise them of it.

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend to the City Council to accept a Water Conservation Grant under MGL c. 44, §53A for \$50,000 from the Massachusetts Department of Environmental Protection (MassDEP).**

**16. Special Budgetary Transfer Request (#2013-SBT-9) from Legal Department**

Under direct questioning by the Committee **Suzanne Egan, General Counsel** explained this transfer is to make funds available to hire an Assistant Attorney for the Legal Department. This will save the City money to hire a part-time attorney. The position is an M-7 grade, with a salary of between \$58,628.43000 and \$69,352.92, and will be a 19-20 hour a week position, and so these funds will get them to the end of this fiscal year. As the Council is aware, the legal needs and pressures on the department are not being met by having just one attorney. As an example of how this will save the City money, Ms. Egan explained she had to hire outside legal firm to handle the process to tear down an abandoned building which was a very pressing need. She didn't have the time to do it. It cost \$15,000 to have this done for one house, and it was not complex legal work. Having someone in-house to do this work would pay off. It is \$250/hr. for an outside firm versus \$45/hr. in house. This would be a permanent part-time position. In the next fiscal year it will be budgeted. The potential is there to move this position to full time; and she would always advocate for a full-time position. She noted that when she was the Assistant General Counsel, there were actually two Assistants and one General Counsel. This person will have benefits. This position has been advertised, and she is currently interviewing candidates. What this Assistant Attorney concentrates on will depend on the candidate; if their specialty is labor, they would focus on that. If the successful candidate was a land use expert, then they would handle those cases. **Councilor Cox** pointed out these funds was already budgeted to the Legal Department for FY13 for outside legal contract work, and is not appropriated from Free Cash. **Mr. Towne** commented the department heads all go to Ms. Egan for many issues; but there are times when she is in court, in meetings, etc. She will now be able to do the "big stuff" and not tie up all her time with smaller issues.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to transfer (2013-SBT-9) \$18,000.00 from Legal Consultants, Account #101000.10.151.53140.0000.00.000.00.052 to Sal/Wage-PT Position, Account #101000.10.151.51250.0000.00.000.00.051 to pay salary for Assistant Attorney for the Legal Department.**

**17. Special Budgetary Transfer Request (#2013-SBT-10) from Fire Department**

**Fire Chief Eric Smith** explained this transfer is to continue funding the position of the Assistant to the Emergency Management Director (EMD) for the remainder of FY13. This person is not on staff, but is paid under a contract; and therefore, does not receive benefits from the City. The money is from the EMD stipend which the Chief is doing. The assistant has many projects still open, and they run out of funding at the end of December and have chosen to take care of continuing funding in this manner. The Chief indicated he could have taken the stipend, but didn't feel it was appropriate to take it. He is choosing to spend the funds this way as the assistant is doing the "lion's share" of the work. In the long term he intends to reorganize the department to set it up to fall on full-time personnel working on the administrative cycle. He is formulating the structure as to who would carry what load and at what cost. The assistant takes care of the Emergency Operations Center (EOC) with the CERT staff. She goes to all of the regional meetings, meets with MEMA and does a great deal on her own time. She is paid hourly.

**MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to transfer (2013-SBT-10) \$10,000.00 from Civil Defense, Sal/Wage-Perm Pos, Account #101000.10.291.51100.0000.00.000.00.051 to Civil Defense Contractual Services, Account #101000.10.291.52000.0000.00.000.00.052 to continue funding the position of the Assistant to the Emergency Management Director to June 30, 2013.**

**18. *Special Budgetary Transfer Request (#2013-SBT-11 NOW CHANGED TO #2013-SA-14) from Planning Department***

**NOTE: #2013-SBT-11 is retired and rendered moot and is replaced with #2013-SA-14.**

**Ms. Egan** stated in settlement for a particular lawsuit, the opposing counsel provided the City with the \$1,500 to pay for an appraisal that the City obtained. She doesn't have a revolving account in her department. Since this was a land-use case, she asked Mr. Cademartori, Acting Community Development Director, to use their revolving account. They deposited it, but in the meantime they paid for it out of her account. This is just transferring the money back into the Legal Department's account. **Mr. Towne** stated they would like to establish for the Legal Department a revolving account for just such things so this is handled appropriately going forward.

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to transfer (2013-SA-14) \$1,500.00 (One Thousand, Five Hundred Dollars) from OSR-Planning Board Sub Div Review Fees, Contractual, Account #295006.10.991.59600.0000.00.000.00.059 to Witness Fee/Litigation Support, Account #101000.10.151.53800.0000.00.000.00.052 to pay for the cost of an appraisal for settlement of outstanding litigation.**

**19. *Memorandum from Police Chief re: permission to pay an invoice for services procured without a purchase order***

**Chief Campanello** explained this is an invoice reflecting charges incurred in August 2012 from ALL-COM Technologies for a Verizon problem that had to be tracked down. These services were retained immediately following an unexpected dispatch failure, and a purchase order was not in place at that time. **Councilor McGeary** asked the procedure to get a purchase order in place quickly. **Mr. Costa** stated there should have been a purchase order in place for this vendor open; but that purchase orders can be put in place very quickly. **Mr. Towne** stated the problem comes when you think something is under warranty but then it's discovered that it isn't.

**MOTION: On motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to pay an invoice #7610 dated 8/13/12 by ALL-COM, Inc., Revere, Mass., for \$281.25 without a Purchase Order in place.**

**A motion was made, seconded and voted unanimously to adjourn the meeting at 9:00 p.m.**

**Respectfully submitted,**

**Dana C. Jorgensson  
Clerk of Committees**

**DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.**