

Budget & Finance Committee
Thursday, December 5, 2013 – 4:00 p.m.
1st Fl. Council Committee Room – City Hall
Minutes

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

Also Present: Kenny Costa; Harbormaster Jim Caulkett; Chief of Police Leonard Campanello; Hans Baumhauer; Bethann Godhino; Tony Gross

The meeting was called to order at 4:00 p.m. Items were taken out of order. Councilor McGeary noted this would be the only regularly scheduled meeting of the B&F Committee for December.

1. CC2013-052 (Whynott/Verga/Cox/Theken) Request the Administration to reduce FY14 Water and Sewer Rates (Cont'd from 11/21/13)

Councilor McGeary noted that the Committee had requested a memorandum from General Counsel, Suzanne Egan regarding the legality of a roll back of FY14 water and sewer rates once the state certifies the city's tax rate and water and sewer rates as part of the Tax Recap.

Suzanne Egan, General Counsel, spoke to the issue of changing sewer and water rates after the water and sewer rates are submitted to the Department Of Revenue. She said that M.G.L. Chapter 83, §16, which lays out the statutory framework for setting sewer rates for the year and which speaks to an annual rate. Once the annual rate is set, there is nothing in the statute that authorizes the City to recalculate those rates, she said. She said that after the process is done, in the middle of a fiscal year, a city or town should not go back and change rates. **Ms. Egan** clarified that there is a process to set rates through cost analysis, and to plan how the sewer system will function for the year. Once that is done, then the rates are set, and should not be changed, **Ms. Egan** said.

After a brief discussion by the Committee on Council process, **Councilor Ciolino** commented that the Council should take the advice of General Counsel. **Councilor McGeary** pointed out he would have not supported the request to the Mayor on its merits and that he would prefer the money be invested in infrastructure.

MOTION: On a motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 0 in favor, 3 opposed to recommend that the City Council request that the Mayor recommend a Supplemental Appropriation of the available Water and Sewer Retained Earnings ("Free Cash") as of July 1, 2013, as certified and approved by the Department of Revenue for the purpose of reducing the Fiscal Year 2014 Water Rate of \$9.17 per 1,000 gallons and Sewer Rate of \$12.21 per 1,000 gallons.

MOTION FAILS.

2. Memo from Harbor Planning Director re: City Council acceptance of the remaining \$200,000 Seaport Advisory Council Floating Docks grant

Jim Caulkett, Harbormaster, reviewed for the Committee the \$200,000 Seaport Advisory Council's funding for a grant for floating docks. The total grant is \$250,000 of which \$50,000 has already been received by the City. The money will be used for dockage including slips for transient boaters. Mr. Caulkett submitted an engineering drawing showing the proposed float configuration at Solomon Jacobs Pier, once the National Grid (NG) contamination remediation of the area is complete. The plan showed the area to be used for transient boaters. The Waterways Board is increasing the docks to three times the current capacity. The outer, L-shaped dock configuration will be for short-term boat tie-ups. All the Harbormaster's boats will be able to be docked in this area as well. The area closest to shore will be a location for the pump out boat.

The Waterways Board, working with National Grid, contacted the Massachusetts Department of Conservation and Recreation (DCR) and requested that the funding be held until Fiscal Year 2015, which the DCR has agreed to do. **Mr. Caulkett** said the Council's approving of the acceptance now will allow for a smooth startup of the project at the start of FY15. He pointed out that the Board will have until June 30, 2015, to spend the funds, which tracks better with the National Grid remediation schedule. The total estimated cost for this project is about \$1.2 million. The \$250,000 grant is just one portion, **Mr. Caulkett** explained. The Board is finalizing plans with National Grid who will probably pay for the steel, concrete-filled pilings at an estimated cost of \$250,000. The Board, he said, will look to the

Division of Marine Fisheries to tap into federal boating infrastructure grants, and also to Department Of Transportation funding. He told the Committee that the old piers are scheduled to come out in October 2014. Dredging is highly regulated and can only be done from October to February with a possible extension to May. He touched upon the work schedule. **Mr. Caulkett** with **Tony Gross**, Waterways Board Chair, also briefly touched upon the remediation process and how the new pilings will be put in place.

Mr. Caulkett noted the grant in-kind match has already been fulfilled by the Board's contract with GZA Vine, the engineering consulting firm hired by the Board for the engineering and permitting at a cost of \$58,000. It is still to be determined where the rest of the \$700,000 needed to complete the project will come from; and **Mr. Caulkett** added that the Board is already pursuing other grants.

MOTION: On a motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council under MGL c.44, §53A accept a grant in the amount of \$200,000 from the Massachusetts Executive Office of Energy & Environmental Affairs, Seaport Advisory Council Rivers and Harbors Program for Phase 2 of the City of Gloucester Floating Docks project.

3. *Memo from Police Chief re: City Council acceptance of a FY14 Bulletproof Vest Grant for \$9,298.22 from The U.S. Dept. of Justice and the Executive Office of Public Safety & Security of the State of Massachusetts*

Chief Leonard Campanello said that the grant is an annual award from the Massachusetts Executive Office of Public Safety and Security of the State of Massachusetts through the U.S. Department of Justice which will provide 14 officers with ballistic vests. The costs are split 50 percent from the federal government and 50 percent from the State government. Funding is provided up front, and there are no costs to the City and no match, he said. **Chief Campanello** noted the department's bulletproof vests are all up to date; some are older than others, but none outside of their service life. This grant helps to replace the vests on a rotating basis. Useful life of the vests was noted by the Chief to be about four years, depending on use.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council under MGL c. 44, §53A to accept the FY2014 Bulletproof Vest Program grant, a pass through grant from the United States Department of Justice to the Massachusetts Executive Office of Public Safety and Security of the State of Massachusetts for a total of \$9,298.22. The Federal portion of the grant is \$4,649.11 and the State portion is \$4,649.11.

4. *Memo from Director of Finance & Operations for Gloucester Public Schools requesting permission to pay for Services/goods procured without a purchase order in place in the amounts of \$384, \$769 and \$1,846.70*

Hans Baumhauer, Director of Finance & Operations for the Gloucester Public School System said that extra police details from the towns of Ipswich and Rockport were secured for the opening of the New Balance Track and Field at Newell Stadium opening night. The details were requested by the Mayor. **Mr. Baumhauer** said he had been unaware of the request at the time, and that, had he known, a purchase order would have been issued.

MOTION: On a motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council authorize payment of an outstanding invoice #2892 from the Town of Ipswich Police Department incurred by the Gloucester School Department for Private Detail services rendered on September 6, 2013, for a total of \$384.00 without a purchase order in place. The invoice will be paid from current FY2014 School Department budget.

MOTION: On a motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council authorize payment an outstanding invoice from the Town of Rockport Police Department, Invoice #2975 incurred by the Gloucester School Department for Private Detail services rendered on September 6, 2013, for a total of \$768.00 without a purchase order in place. The invoice will be paid from current FY2014 School Department budget.

Additionally, **Mr. Baumhauer** explained that the Auditor's Office now requires purchase orders to be in place for gate receipt splits for playoff, championship and special games. The gate split was with the City of Beverly for the quarter-final playoff game held in Gloucester on Nov. 1, 2013. This was, he said, his first time he had had to deal with splitting gate receipts. He noted the Thanksgiving Day game had an open purchase order available in advance.

MOTION: On a motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council authorize payment to the City of Beverly School Department of \$1,846.70 for its portion of split gate receipts from a Gloucester Football Sectional Quarter-Final Game played on November 1, 2013 in Gloucester, Mass., without a purchase order in place. The invoice will be paid from current FY2014 School Department budget.

5. *CC2013-057 (Cox) Request City Council with Mayor's approval to adopt MGL c. 60A, §1 re: exemption of motor vehicle tax for prisoners of war or the surviving spouses of former prisoners of war*

Councilor Cox explained that by the Council's adoption of MGL c. 60A, §1 allows for those Gloucester citizens who may have been Prisoners of War (POWs), or their surviving spouses, to receive an abatement/exemption on their vehicle's excise tax locally. She noted no special license plate is required, and there is no added cost to the veteran for the exemption. She said it was a simple process for a former POW or their surviving spouse to apply and qualify for the abatement/exemption. She said the Council's adoption of State law to assist Gloucester's POWs and their surviving spouses was the right thing to do. Both **Councilors McGeary** and **Ciolino** also added their support.

MOTION: On a motion by Councilor Cox, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council accept the provision of Massachusetts General Law c. 60A, §1 which provides that:

The motor vehicle tax imposed by MGL c. 60A, §1 shall not apply to a motor vehicle owned and registered by a former prisoner of war defined as any regularly appointed, enrolled, enlisted or inducted member of the military forces of the United States who was captured, separated and incarcerated by an enemy of the United States during an armed conflict; provided however, that the excise tax shall not apply to a motor vehicle owned and registered by the surviving spouse of a deceased former prisoner of war, until such time as the surviving spouse remarries or fails to renew such registration.

6. *Memorandum from City Auditor regarding accounts having expenditures that exceed their authorization And Auditor's Report*

Kenny Costa reviewed his submitted documentation (placed on file) and discussed it with the Committee.

A motion was made, seconded and voted unanimously to adjourn the meeting at 4:47 p.m.

Respectfully submitted,

**Dana C. Jorgensson
Clerk of Committees**

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- Submitted by Kenny Costa: Memorandum from City Auditor regarding accounts having expenditures that exceed their authorization and Auditor's Report