

Budget & Finance Committee
Thursday, May 23, 2019 – 5:30 p.m.
1st Fl. Council Conference Room – City Hall
-Minutes-

Present: Vice Chair, Councilor Scott Memhard; Councilor Ken Hecht

Absent: Councilor Cox

Also Present: Kenny Costa; Jim Destino; John Dunn; Mark Cole; Karin Carroll; Harbormaster T. J. Ciarametaro; Jill Cahill; Gregg Cademartori; Police Chief Edward Conley, III; Fire Chief Eric Smith; EMS Coordinator Jonathan Sanger; Firefighter Andrew Lyons; Vanessa Krawczyk

The meeting was called to order at 5:30 p.m. Matters were taken out of order.

1. Memorandum from Director of Public Health re: request approval to accept a grant in the amount of \$20,000 to expand regional transportation for seniors

Karin Carroll, Public Health Director explained the following: The grant before the Committee for acceptance is for the funding of a pilot program. Termed as an important initiative, regionally, as well as through the Mass In Motion program and Age and Dementia Steering Committee, the issue of transportation in conjunction with senior health continues to come to the fore. The project is funded by Beth Israel-Lahey Hospital/Addison Gilbert Hospital which will be managed regionally. The objective is to move seniors from where they live to points of fresh food and exercise – the senior centers, supermarkets and farmers markets. The program will be coordinated through the Mass In Motion coordinator, with oversight on a regional level. Each town will have their own contract with their transportation provider with fixed routes with no dispatch involved which will be set up with Councils on Aging and Senior Care. Mentioned were some physical activities outdoors for seniors where transportation to and from these activities would be essential.

Councilor Memhard asked if this grant “dovetails” with other transportation partners like CATA or is it the city staff and equipment. **Ms. Carroll** advised they’ll coordinate the contract with existing transportation providers; in Gloucester and Rockport, most likely CATA. The other two Cape Ann communities have different set ups and will build their program on their own. The overarching public health goals are on a regional basis, she added. She reported that the hospital approached them to develop this program with funding. She mentioned the public open spaces seniors can walk but can’t get to, adding that the Mayor has shared this is one of her goals that city seniors are able to get to the senior center and open spaces. On inquiry by **Councilor Memhard**, **Ms. Carroll** advised largely the Council on Aging in each community will determine the routes they believe will best serve their senior population. Then they’ll look for sustainability, and she suggested they’d seek out partnerships to that end along with any state transportation grant opportunities and/or programs. This funding will likely get them to October or November latest, she noted. Were they to get a state grant, they’ll be able to broaden the scope and go for an entire year. There is no local match, she noted.

COMMITTEE RECOMMENDATION: On motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council accept under MGL c. 44, §53A, a private grant for \$20,000 for FY19 Beth Israel-Lahey Health Beverly & Addison Gilbert 2019 Community Collaborative Grant Regional Senior Transportation Program for the purpose of a regional senior transportation program for the communities of Gloucester, Rockport, Essex and Manchester-by-the-Sea. The purpose for this grant is to expand existing transportation systems to include trips to grocery stores, the Farmer’s Market and the Food Pantry as well as to Gloucester’s Stacy Boulevard and trails/recreation areas throughout Cape Ann. Grant funds must be expended by December 31, 2019. There is no local match for this grant.

2. Memorandum from Harbormaster: request approval for acceptance of a donation in the amount of \$2,000 from the Minogue Family Foundation

Harbormaster T.J. Ciarametaro asked that the Committee recommend acceptance of the Minogue Family Foundation donation in thanks for service rendered by his department provided to the community. **Jim Destino**, CAO, mentioned that Mr. Minogue is a personal friend of the Mayor, and the funds come from a family trust. It was

noted that this trust has also donated money to the Police Department. It was suggested that the funding will go towards improvements at a public landing and for other initiatives of the department.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council accept under MGL c. 44, §53A, a cash donation in the amount of \$2,000 from the Minogue Family Foundation to be used to benefit the on-going efforts of the Harbormaster's Department.

3. *Special Budgetary Transfer Request 2019-SBT-10 from the DPW*

Mark Cole, Assistant Public Works Director, explained that before the Committee is a request to move funds within the Water Enterprise Fund for the funding of overtime costs for the Water Department to work at Wallace, Haskell and Goose Cove Dams to put in place the dam vegetation. The Dept. of Environmental Protection has come out with new management plans they have to follow. He reported they've already accomplished some of the work but their overtime budget is tapped out for this fiscal year. He pointed out they've done a really nice job and they're seeking to finish the job with Goose Cove remaining to be done.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council approve Special Budgetary Transfer 2019-SBT-10 in the amount of \$20,000 from Account #600052-558000, Water OM Other Supplies to Account #600051-513002, Water PS Overtime - Labor, for the purpose of funding overtime costs for Water Department personnel to work at Wallace, Haskell and Goose Cove Reservoirs to put in place the Dam Vegetation.

4. *Memorandum & Supplemental Appropriation-Budgetary Request 2019-SA-35 from the Treasurer/Collector*

Harbormaster T.J. Ciarametaro explained that there is a need to make repairs to the Sailing Center floats that are used by Cape Ann Community Boating and Sail GHS as well as a variety of non-profit programs. Those floats were around \$100,000 12 years ago and take a beating southwest. The quarter irons (connectors between floats) are worn out; the issue is that the manufacturer who made the quarter irons is defunct and need to be custom made and are expensive. The majority of the floats are in great condition. Sail GHS has raised some money towards these repairs, and the city does own the floats; the department maintains them. In the next five to seven years will likely need to be replaced, he pointed out. None of this can be done in the water -- the floats will have to be pulled out. These funds will be the city's contribution to the float repairs. This will be adequate, the Harbormaster advised, and the folks who looked at them have assured that these repairs will stand the floats in good stead for some time.

Councilor Hecht asked about the percentage of this funding through donations. **Harbormaster Ciarametaro** pointed out it is about 50% of the overall cost.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council approve Supplemental Appropriation 2019-SA-35 in the amount of \$10,000 (Ten Thousand Dollars) from the Capital Projects Stabilization Fund-Undesignated Fund Balance, Account #7600-359000, to Sail GHS Float Repairs CP Stabilization – Site Improvements, Account #760024-584000 for the purpose of funding repairs to the Sail GHS float system located in the inner harbor.

5. *Memorandum & Supplemental Appropriation-Budgetary Request 2019-SA-36 from the Treasurer/Collector*

John Dunn, CFO, explained that a year ago the Council approved a Supplemental Appropriation to purchase three 2015 Nissan Leaf electric cars that were under lease. He indicated that this was a good deal for the city when they entered this program because there was a discount for the purchase of the vehicles. At this time the three 2016 Leafs are at the end of their lease term, and the city has the option to purchase them as well. The total cost for the city is about 40% of the sticker price with each vehicle having relatively low mileage. All six Leafs are located currently at the City Hall Annex. He reported they will likely leave one Leaf at City Hall for the use of the Assessors who are in the field frequently, but in general, the vehicle will be available for City Hall staff who needs to use it. This program has given the city cars that meet energy mandates and for what they're used for they have worked out very well. He noted the vehicles don't leave Gloucester; the vehicles have a range of 120 miles. They

only go about 5,000 miles a year, he mentioned for **Councilor Hecht**. They have served the city well and will continue to do so for some time to come, he added.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council approve Supplemental Appropriation 2019-SA-36 in the amount of \$37,000.00 (Thirty Seven Thousand Dollars) from Capital Projects Stabilization Fund-Undesignated Fund Balance, Account #7600-359000, to Nissan Leaf Purchase CP Stabilization, Vehicles Account #760015-585001 for the purpose of funding the purchase of three 2016 Nissan Leaf vehicles per the purchase option included in the underlying lease agreements with Nissan Motors.

6. Addendum to Mayor's Report: Gloucester High School Flood Barrier Grant Application & Loan Order

Gregg Cademartori, Planning Director, explained that before the Committee is the next phase of an on-going project the city has worked on for about a year for flood mitigation for the High School campus. He reported that they made the submission as soon as they could to the Council, but the filing deadline for the next phase of grant funding came up too fast as they had enough design work completed to submit the grant application for construction funding. He noted that there will be additional meetings before the Council and with the public shortly as the design has entered into permitting.

The city has received successful awards through the Municipal Vulnerability Preparedness Grant (MVP) with a maximum cap through individual projects of \$2 million. There is a budget estimate of about \$3.15 million and so the request is for the reward possible. He conveyed this is the type of project the state looks to fund. This is for the protection of a facility estimated at over \$200 million. He suggested this project is a cost-effective investment while there continues to be a need for planning to protect the high school campus over the next 30 years to determine what the city is facing moving forward. This project has been designed to take advantage of the maximum design for protection that is allowed while not impacting the surrounding area; that is, if the structure were any higher, the control points are for the Boulevard and the Blynman Bridge. This is at about Elevation 13 and this project carries that along the frontage of the High School on the water side. One of the other aspects in the final design work is looking at the potential for off-site impact mentioning the need to do additional modelling to ensure that other properties aren't impacted by this installation. The results are coming quickly, he highlighted. The application was submitted due to timeline issues and because of the FY20 budget meetings they were unable to present this application before now. The grantor are looking to make swift decisions and may make the grant award in June.

Councilor Memhard asked what the next step would be. **Mr. Cademartori** noted that the next step beyond the grant application is a loan authorization which the CFO will address. The match is considered significant, about one third of the construction budget which means that the loan authorization have the grant award applied to it and end up ultimately as \$1.15 million. He added that this is a one-construction season project in the late spring of 2020.

Responding to an inquiry by **Councilor Memhard** for the construction project elements **Mr. Cademartori** gave the following description: Renderings (on file) were noted in the B&F packet of the project, with a number of design alternatives looked at such as berming which was described as problematic and the why's of the issues were briefly described. Ultimately an alternative selected for the project was a sheet pile wall driven along the perimeter of the property. There is a controlling elevation of 13 where it makes no sense to move it any higher; while higher than that may provide more protect, but given the elevation of the Boulevard if there was a storm of great magnitude it would affect that area and Centennial Avenue. Along the property there is likely going to be a replacement of the chain link fence almost to the same elevation -- at the ends of it there's more of a difference from the current condition. As you go towards the "cut" bridge it dies into the elevation so it will appear like nothing and then start to build up and may even offer more protection to homes on Perkins Road. There is some grading towards the science wing and a regrading of a path as well. It is a variable height wall but consistent in what it will look like; the only element remaining to be designed is the cap.

Mr. Destino noted they reached out to the Ward Councilor and will have an informational meeting on Monday, June 3 for the public and will invite City Councilors. At that time it is expected they'll have better renderings and can talk about landscaping and other aesthetics regarding the project.

On inquiry by **Councilor Hecht**, **Mr. Cademartori** advised this sheeting wall doesn't go as far as Dun Fudgin ramp as the elevation at that location actually is higher. This is taking into consideration the two scenarios which protects under certain storm events, referring to a table (on file). This sheeting wall protects the campus but he cautioned under certain storm event circumstances there is always a potential for overtopping. They've gone as far as

they can before there's a bigger impact overall. **Councilor Hecht** spoke to Mr. Cademartori briefly on technical issues to do with construction materials.

Councilor Memhard asked how the design deals with sea water that gets behind the wall. **Mr. Cademartori** noted that there is drainage already; while it is being impacted it will build up but there is a drainage system in place. That is one of the things they'll be looking at for grading behind and in front of the wall. **Councilor Memhard** mentioned sharing an email with Mr. Cademartori about the fresh water table affected by sea water rise from a constituent who is a published author on the subject and asked if GZA (the city's engineering consultant) has gotten into that issue. **Mr. Cademartori** advised he had forwarded the email on, saying that this is a real issue for those communities whose water supply is through well systems; these are future design considerations that any coastal community must look at. He also talked about how roadways could be affected. **Mr. Destino** advised they spoke to Mr. Cademartori about these very issues of ground water mounding and roadway impacts. He confirmed their engineer will look at these issues. He added that the city probably won't go forward with the project unless they receive the grant.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council in accordance with GCO Sec. 16-1 permit the Planning Division of Community Development to apply for a Municipal Vulnerability Preparedness Grant (MVP) through the MA Executive Office of Energy and Environmental Affairs for a grant total of \$2,000,000 to build out a Gloucester High School Flood Barrier in order for the protection of the GHS campus. The grant requires a minimum local cash match of 25% that will be identified through a loan authorization request.

John Dunn, CFO, addressed the accompanying \$2 million loan authorization advising that the loan order contemplates the entire cost of the project and that any grant funding received by the city will be rolled into the loan authorization. Should the loan order move forward, he advised he'll only issue debt for the difference between the grant monies and the loan. If the project is complete, and the grant is accepted, the debt issued would only be \$1.15 million versus \$3.15 million. **Councilor Memhard** pointed out this is a very good investment saying it would be supported by many constituents.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council approve the following a loan authorization of \$3,150,000 as follows:

Ordered: That the City of Gloucester appropriates Three Million One Hundred Fifty Thousand Dollars (\$3,150,000) to pay costs of improvements for the redesign and retrofit of the Gloucester High School flood barrier, including costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G.L. Chapter 44, Section 7, or pursuant to any other enabling authority. The Mayor and any other appropriate official of the city are authorized to apply for, accept and expend any grants or gifts that may be available to the City to pay costs of the projects. Any premium received by the City upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

Further Ordered: 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.

7. Memorandum from Assistant DPW Director re: request approval to pay a FY18 invoice w/FY19 funds

Mr. Cole explained that Tighe & Bond is the city's landfill monitoring company at Magnolia Woods and generally invoices the city in the fall and the spring for their monitoring services. In FY18 they sent their first invoice to the city dated 4/23/2018. The city didn't receive their second invoice until recently, and the purchase order had been closed out for that year and weren't able to reopen it, he reported, and so they need permission to pay this invoice. **Councilor**

Hecht confirmed with **Mr. Cole** that this funding was in the DPW's budget. He confirmed for **Councilor Memhard** that this is a three-year contract.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, 1 (Cox) absent, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, to recommend that the City Council in accordance with MGL c. 44, §64 to approve payment of a prior year invoice for the city's landfill monitoring at Magnolia Woods, Tighe & Bond, Invoice #061897210 dated 6/15/2018 for a total of \$13,225 from FY2018 and the invoice to be paid with FY2019 General Fund, DPW-Public Services budgeted funds.

8. *Special Budgetary Transfer Request 2019-SBT-11 from the Police Department*

Chief Edward Conley, III, asked for a transfer of funds in the Police budget for \$22,500 on a line item in surplus in order to fully renovate the department's radio infrastructure. He recounted the receipt and acceptance of a \$75,000 earmark grant, and received a quote from their contractor to repair up to that amount of money. For an additional \$22,500 they can complete their project and put in redundancy which they don't have at this time. He likened their current system to Christmas tree lights -- when one goes out, the entire string goes out. He advised currently when one site goes out, with the new system, when one site goes out within a fraction of a second another site will take up that load. This will also add redundancy to the Plum Cove and Kondelin Road site, he indicated, for battery back-ups.

Councilor Hecht asked if this will work city wide for all first responders. **Chief Conley** noted Fire and Police are typically on different FCC frequencies, the upgrades won't positively affect the Fire Department. This will solve a lot of the dead areas for police and may inform the Fire Department on their radio upgrades moving forward, he suggested.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Hecht, the Budget & Finance Committee voted 2 in favor, opposed, 1 (Cox) absent, to recommend that the City Council approve Special Budgetary Transfer 2019-SBT-11 in the amount of \$22,500 from Police–Uniform, Accreditation Incentive, Account #0121151-519031, to Police-Uniform, Repairs & Maintenance-Communication Equipment, Account #0121152-524006, for the purpose of funding repairs and maintenance on Police Department radio infrastructure in order to provide reliable communications amongst public safety officials.

9. *Memorandum from EMS Coordinator re: proposal to update the Fire Department Ambulance Service Billing & Collection Policy, and write-off of uncollectable debt*

Chief Eric Smith, speaking to the requested write-off of uncollectable debt for the Fire Department Ambulance Service, recounted for the Committee that due to circumstances dictated by hospitals the department is no longer able to access electronically hospital patient information systems which makes it difficult to track down patient information for billing purposes and in turn for the department to recoup ambulance charges from insurance companies. The write off is less than last year but it is also smaller to some degree as they are shifting to a calendar year to make it a better process for the CFO, the City Auditor and billing company to sort through the uncollectable debt. **Councilor Memhard** commented that they are making progress. **Chief Smith** expressed agreement, advising that they do keep their billing company "under a microscope", and while they are "okay" with their current billing company, but are looking into other companies that may do a better charged job but need to do more analysis. The reporting issue is the main issue, he indicated. If it is determined it is appropriate to change billing contractors, he advised, the contract has an out clause.

Jonathan Sanger, EMS Coordinator, advised he is recommending changes in next year's billing fees, and highlighted in Appendix A (on file) two relatively new revenue streams -- a charge for both "TNT (treat no-transport)" and "Med Flight assist" calls. He spoke to the issue of Med Flights saying that when the hospital has a patient in dire straits and needs transfer to a higher level of care hospital, they call Med Flight. The landing zone is the O'Maley School, and the department's ambulance has to transport the Med Flight crew from the landing zone, bring the crew to the hospital and then transfer the crew and patient to the waiting air transport. He has now made it clear that the department can charge for that service. If they are in a situation where the department has to call Med Flight to a scene, they're more focused to get the patient to care, and some of those situations that could have been billed weren't. If there is a scene call, this now gives the department a way to bill insurance companies. This is

common practice in other communities, he reported. A new element that was first suggested their billing agent, which at first he indicated he wasn't in favor of initially. However, after further discussion he noted there is a movement amongst insurance companies that if an ambulance goes on scene, treats the patient, but doesn't transport to the hospital they could bill for rendering on-scene care. He explained the particulars when called to deal with a diabetic situation and what paramedics do to revive the patient which involves Advanced Life Support care on scene briefly. He pointed out that many times when a patient becomes stabilized that they then refuses to be transported. Under those circumstances, the department collects nothing from the patient's insurance for that ambulance call. He briefly touched on the movement towards community paramedicine care and noted that some insurance companies are now allowing for payment for these calls because they would much rather pay for this service than taking the patient to the hospital and bearing that expense. He made clear that in creating this new charge, he was explicit and opened a new category on their PCRs (Patient Care Report system) so that citizens don't incur any cost to them. This is under a separate line. If the insurance pays nothing the patient is not charged; if the insurance pays 50% of the charge the patient will not be charged for the balance. He assured that no citizen will see a bill for this service. **Councilor Memhard** expressed that the new charges were a practical solution. **Chief Smith** advised community paramedicine is an emerging trend in EMS and will require another level of certification which is very favored in rural areas. He noted this is a trend that is coming. **Mr. Destino** advised that Harvard Pilgrim is the only insurance company reimbursing for this right now, and that they'll watch over this issue. He reported that Intermedix is a good billing company (current department billing firm) so they will keep working with them to fix any deficits. They want to find ways to add revenue but don't want to hurt residents, he conveyed. He added that they'll come back in a year to advise if this is working out or not. He mentioned a program concept of imbedding paramedics several times a week to places like Sheedy Housing, and other similar situations in the city where studies have shown such a program is very effective.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council approve the Gloucester Fire Department Billing and Collection Policy as presented by the EMS Coordinator and approved by the Mayor dated April 30, 2019 and further to approve the proposed fee schedule attached to and incorporated into the policy effective July 1, 2019.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, to recommend that the City Council authorize the write-off of \$319,857.58 in uncollectible, outstanding ambulance billing.

10. Memorandum from Community Development Director re: request acceptance of the PY19/FY20 Community Development Block Grant (CDBG) and Entitlement and HOME allocations totaling \$749,635

Jill Cahill, Community Development Director, asked for the acceptance of its Community Development Block Grant (CDBG) and HOME funding allocations (for the PY19/FY20-July 1, 2019 to June 30, 2020 from the U.S. Dept. of Housing & Urban Development (HUD)). The CDBG allocation for the year is up a bit to \$662,525 and HOME allocation is \$87,110. The CDBG funds are used for public services, public facilities, economic development, first-time homebuyers and housing rehab programs. It also pays for the administration of the program entirely saying that these are important programs to the community. She reported since she came to her position, her department has worked hard to clean up the program and using the funds appropriately.

Councilor Hecht commented that this funding is used broadly and spread well throughout the community, to which **Councilor Memhard** offered his agreement.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council under MGL c. 44, §53A accept federal grants in the amount of \$662,525 for the Community Development Block Grant from the U.S. Department of Housing and Urban Development for Program Year 2019/Fiscal Year 2020 and the HOME Grant from the North Shore HOME Consortium for Program Year 2019/Fiscal Year 2020 in the amount of \$87,110.

11. Memorandum from CFO re: request amendment to Loan Order 2019-001 to increase it by \$250,000 for engineering and construction costs

Mr. Dunn briefly outlined that the Council approved a loan order (Certificate of Vote 2019-054 on file) in the amount of \$900,000 to fund the demolition of the existing Magnolia Pier and reconstruction of a new Magnolia Pier recently. When the bids came in there wasn't enough funding in place, and really nothing for contingencies which he reported was concerning to the DPW Director and the Administration. He pointed out that any time that you do work in the water something comes up. The concerning issues, that the low bid was considerably under by a lot, and unless they move quickly to get the contract signed that the contractor may come back they aren't interested any more. In conversation with the contractor, he advised he was comfortable at that time he responded to the bid and is a good contractor. They want to add \$250,000 so they don't have to do this again.

Councilor Memhard mentioned some off-setting private donations towards this project. **Mr. Dunn** noted that the wording of the loan order accounts for such contributions just as with receipt of grants for capital projects -- they can apply that funding against the loan, and thereby lower the permanent debt issuance.

Councilor Hecht asked if this was part of the FEMA application for relief funding. **Mr. Destino** advised that this is possibly going to see a FEMA reimbursement. They will get something at some point, he suggested. **Mr. Dunn** reiterated he doesn't issue debt until a project is completed. They can't sign the contract until the loan order is voted, advising that the public hearing is scheduled for June 11. He asked that should the Council vote in favor that they then vote a motion for reconsideration immediately thereafter so that the contract can be signed and the project can move forward as soon as possible.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Cox) absent, to recommend that the City Council approve the following amendment to Loan Order 2019-001 for an additional \$250,000 for a new total loan authorization of \$1,150,000 as follows:

Ordered: That Loan Order 2019-001, Certificate of Vote 2019-054 of this Council approved March 26, 2019 authorizing the borrowing of \$900,000 to pay costs of the demolition of the existing and reconstruction of a new Magnolia Pier, is amended in its entirety to provide as follows:

That the City of Gloucester appropriates One Million One Hundred Fifty Thousand Dollars (\$1,150,000) to pay costs of the demolition of the existing and reconstruction of a new Magnolia Pier, including costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G.L. Chapter 44, Section 7(1), or pursuant to any other enabling authority. The Mayor and any other appropriate official of the city are authorized to apply for, accept and expend any grants or gifts that may be available to the City to pay costs of the projects. Any premium received by the City upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

Further Ordered: 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.

This matter will be advertised for public hearing.

12. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization & Auditor's Report and other related business*

Mr. Costa reviewed the previously submitted documentation with the Committee.

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:50 p.m.

Respectfully submitted,

Dana C. Jorgenson

Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.