

Budget & Finance Standing Committee
Thursday, February 4, 2021 – 5:30 p.m.
REMOTE MEETING
-Minutes-

Present: Chair, Councilor Melissa Cox; Vice Chair, Scott Memhard; Councilor John McCarthy;

Also Present: Councilor Val Gilman; CAO Nicole Kieser; City Clerk, Joanne M. Senos; Auditor Kenny Costa; CFO John Dunn; Police Chief Ed Conley; Public Health Director Karin Carroll, Grants Administrator Jamie Corliss

Absent: None

This meeting was conducted remotely through ZOOM. All votes were by ROLL CALL.

Meeting called to order at 5:30 p.m. Councilor Memhard joined the meeting at 5:35 p.m. Items were taken out of order.

Chairperson Cox announced, “This meeting is recorded by video and audio in accordance with state open meeting law. Consistent with the Governor's orders, suspending certain provisions of the open meeting law and banning gatherings of more than 10 people, this meeting will be conducted by remote participation. The public may not physically attend this meeting, but every effort will be made to allow the public to view and listen to the meeting in real time. Persons who wish to do so are invited to view the meeting and you have the information that was on the posting. If you are calling in on a phone, you can press *9 to request to speak. If you are watching on a computer or a device, there is a raised hand button that you can tap or press to request to speak. Please use either these options to be recognized to speak.”

1. Memorandum from the Cape Ann Veterans Services Director requesting the acceptance of donations totaling \$3,000

CAO Nicole Kieser on behalf of Veteran’s Services Director Adam Curcuru, conveyed to the Committee that the donation was made by David and Susan Millhouser in honor of David's parents, who both served in World War II. David’s mom was a lieutenant and his dad was a staff sergeant, and they met after the war here on the boulevard in Gloucester.

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted by ROLL CALL 2 in favor, 0 opposed, 1 absent to recommend that the City Council accept a cash donation under MGL c. 44, §53A, to support Cape Ann Veterans Services in the amount of \$3,000 from the following member within our community:

Mr. and Mrs. Millhouser	<u>\$3,000.00</u>
Total	\$3,000.00

2. *Memorandum, Grant Application & Checklist from the Public Health Director requesting acceptance of \$10,000 from the Metropolitan Area Planning Council to cover COVID-19 expenses incurred prior to December 31, 2020*

Public Health Director Karin Carroll conveyed to the Committee this grant was meant to cover expenses incurred by December 31, 2020. This was an award that came through DPH and could be used in a number of different ways for covid-19 activities, including surveillance or tracing team data managing, monitoring travelers, surge staffing, risk communication and public health coordination with health care systems. They actually use the bulk of this for their mass testing site after they had a significant cluster in the fall. They had an ambulance team in town testing and there were some related expenses for that. These funds were also used it for the covid kits that they distribute to seniors and to other populations at risk. There will be additional funding coming from them for the vaccine efforts, but this was largely for the covid response effort back in the fall.

MOTION: On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A, a federal grant from the Federal CARES Act passed through the Metropolitan Area Planning Council (MAPC) on behalf of the Commonwealth of Massachusetts and the Department of Public Health, in the amount of \$10,000 for the purpose in responding to the COVID-19 outbreak to cover expenses incurred from July 1, 2020 to December 31, 2020. There is no local match for this grant.

3. *Memorandum, Grant Application & Checklist from the Police Chief requesting acceptance of a FY21 MED-Project Grant in the amount of \$1,300*

Police Chief Conley conveyed to the Committee that this is their MED grant that they receive every year. It basically funds their ability to both have a kiosk in the police station to collect unwanted prescription drugs and then also to have a twice a year destruction of those drugs, which, of course, keeps people from doubling them down the toilet or in other places and ends up into our groundwater. It's been a successful program that renews every year.

MOTION: On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A, a private grant through the MED Project LLC and in partnership with the Commonwealth of Massachusetts approved FY21 MED-Project drug stewardship program in the amount of \$1,300 for the purpose of the management and disposal of unwanted household generated opioids and benzodiazepine medications, as regulated by the Massachusetts Department of Public Health. There's no local matching requirements for the private grant.

4. *Memorandum, Grant Application & Checklist from the Police Chief requesting acceptance of the FY21 Addison Gilbert Hospital Community Collaborative Grant in the amount of \$5,000*

Police Chief Conley conveyed to the Committee that this is a grant that comes out every year. Last year, they received a slightly larger grant to help assist their efforts in the Community Impact Unit. They reapplied for that grant this year but they weren't eligible to receive the larger grant. The Addison Gilbert Hospital was so impressed with the progress they made in with the Community Impact, also

known as ACE, and the type of program they are trying to do with ACE, that they reached out to them informing them that they can give them a smaller grant, but with more ability for them to do what they want with it. They going to utilize this grant for programing throughout the rest of the school year to get ACE into the schools and interact with the kids.

COMMITTEE RECOMMENDATION: On motion by Councilor Cox , seconded by Councilor Memhard, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A, a private grant from the Beth Israel-Lahey Health, Beverly & Addison Gilbert Hospitals for the FY21 Community Collaborative Grant in the amount of \$5,000 to enhance the ongoing project of the Gloucester Police Department's Community Impact Unit. The grant period is from January 1, 2021 through September 30, 2021 and there's no local match for this grant.

5. *Memorandum from Grants Administrator with the recommendations from the Community Preservation Committee for Round 11 FY20 Funds in the amount of \$513,623 for one-time Projects:*

- a. Cape Ann Museum, Stabilization of the Babson-Alling House, \$125,000
- b. City Hall Restoration Commission, City Hall Fire Protection & Suppression, \$0
- c. City of Gloucester, Fitz Henry Lane House Roof Renovation/Replacement, \$120,000
- d. Ocean Alliance, Paint Factory Sea Wall Stabilization, \$68,623
- e. Stage Fort Park Advisory Committee, Fort Area Restoration & Lucy Davis Pathway Construction, \$0
- f. North Shore YMCA, 71 Middle Street, \$200,000

(Cont. from 1/21/21)

The presentations were taken out of order.

CPC member, Pamela Tobey conveyed to the Committee that she was happy to answer any questions, and a lot of these projects they are all very excited about. They are all important to the community, whether it is historical, housing or city hall and support them.

City of Gloucester, Fitz Henry Lane House Roof Renovation/Replacement, \$120,000

DPW Director, Mike Hale conveyed to the Committee that the Fitz Hugh Lane house is a very historic structure in the heart of the city in the waterfront. The building is home to a couple of recreational activities, sailing and the Schooner Adventure. The building has fallen into a bit of disrepair. It was roofed a few years back with an ichobrand shingle that failed nationally. It is an asphalt three tab shingle, and if you walk up to the main grounds, you'll probably find more shingle in the grass than you will on the roof. There was a warranty issue with those shingles that if you had the original receipt, they would have refunded you the cost materials. Whoever did the work didn't keep the receipt and that was before his time. We are stuck with a building that has poor roof and it really needs to be address. He is looking to go back with period black slate and this will be a one and done. We probably never see it roofed again in any of our lifetimes if we can use slate. And that is the gist of that project. **Councilor Cox** asked if this was just a roof replacement. **Mr. Hale** replied that they are going to do some bathrooms renovations themselves, but the CPA grant was pretty much slated toward towards the reroofing of that facility. **Councilor Cox** asked the Committee if there was a need for a site visit. The Committee replied that they did not. Council Cox announced that they will not be voting on the application tonight. The vote will be taken at the next B&F meeting and then proceed to the public hearing.

Ocean Alliance, Paint Factory Sea Wall Stabilization, \$68,623

Speaking for the Ocean Alliance was Iain Kerr, and he wanted to mention to everyone that they managed to heating back up in two more buildings, as this is the first time they have been heated in forty one years. They may be slow but it is getting it done. **Mr. Kerr** conveyed that this particular physical site project is one of the last projects. They have been getting a lot of erosion on the site since the building was taken down and in one particular area. They are repairing that area that is on the easterly side of the gravel parking area of the paint factory. The plans have been submitted and have engaged some interesting people. The DeRosa Environmental has been helping them with their permits, and they have already spoken with the Army Corps Chapter 91 and MEPA. Morin-Cameron Group are doing surveyed site plans. Geo Engineering Services have prepared the structural engineering drawing, and the Ladd Company will be the contractor installing the wall. It is all going pretty well. **Councilor Cox** declared that her employer has been a contractor for Ocean Alliance for another building and will not be the contractor for this project. **Councilor Memhard** commented that it was nice to see him moving forward. **Councilor McCarthy** added that he took a ride down there last week and wouldn't need a site visit. It was nice to see the gate open and a sign welcoming residents. He asked Mr. Kerr if there was anything else open to the public down there and do the Chapter 90 licensed to people do they have access to the floats at all? **Mr. Kerr** replied due to covid they are not there right now, but absolutely in the spring/summer when people are on the site, they welcome them to go anywhere. The love people walking around and seeing what they are doing. They are not mandated. They have a seating area that has been mandated by Chapter 91. They want people to see what's going on and they have been repainting the lettering on the wall, etc. As a nonprofit, the more people are there, the more likely people might support what they are doing and encourage people to come on site. Even when they are there, the robotics club is open and they have had all sorts of kids walk in and end up making balsa airplanes and everything. **Councilor McCarthy** noted that is the kind of message they want to get out where we are using public funds and what is open to the public. **Mr. Kerr** added that he does see a nonprofit is technically owned by the community and it is one of the exciting things to have a location like that that hasn't become privatized and unaccessible. They do have some liability issues when the docks are rented, but generally we want people to come down. In fact the work is finished now. A previous grant was actually for disabled access bathrooms. They will be opening up this spring/summer when they there so people can actually have a bathroom. The disabled access bathrooms will be on Rocky Neck. Councilor Cox added that of the things that they like to promote through the awards like this is Gloucester citizen's access to the non-profits or to any of the awards that they make through this process. They appreciate it when we have applicants that are already doing those things. The Cape Ann Museum is free for residents in January. The Beauport is free for residents and a lot of the award locations. The Fitz Hugh Lane House bathrooms are generally open to the public when they have events down at Harbor Loop. They are very excited about stuff like that and it makes their job easier to award taxpayer money job to things that are open to the public, and they always appreciate that. A site visit is not required as Councilors McCarthy and Memhard have already visited the site. **Councilor Cox** added that it was a great place to take pictures and she can attest to the fact that the Ocean Alliance has hosted many public events there.

Cape Ann Museum, Stabilization of the Babson-Alling House, \$125,000

Martha Oaks speaking for the Cape Ann Museum conveyed to the Committee that the Babson-Alling House is the yellow gambrel roofed house that you see when you come into town on the rotary and it is next door to the White-Ellery House and the White-Ellery Barn. It was purchased by the Cape Ann

Museum in 2019 to be part of what they are calling the Cape Ann Museum Green, and that includes the historic structures and then the new building in the back and the open space between the historic structures and the new building. Together, it's really an extension of our downtown property, which they sort of expanded as much as the can downtown. They have sort of maximized their footprint here and footprint, and they need more space. The new big new building is primarily collection's storage and collection's workspace, which they are in the process now of filling up out of the basement of Pleasant Street. They will keep the space in between the new building and the old buildings, including the Babson-Alling House as open space and then use the two historic houses as much as they can. What they are doing now is stabilization work on the Babson-Alling House. It was built in 1740 and it has had some updates over the years, but nothing had really been done until they started the exterior to secure the envelope of the building so that it is preserved. They preserved the interior finishes also. Ms. Oakes added that it was a two phase project and gave an overview of work that was already done. They are looking for CPA support to go on to phase two later this year, which involves stabilization of the facade. Clapboard repairs, trim repairs, restoration of the front doorway, which has been sort of butchered over the years. They are missing window sashes in some of the upper floors, and is just a storm window now. Some of the windows on what she calls the jog, which is the little addition on the side of the building that are vinyl clad casement windows, which are totally inappropriate for a historic structure like that. They are working with Wendy Frontiero, who is a restoration architect, has provided them with a survey of the building so that they know what needs to be done and what the projected cost figure out exactly how they will use the Babson-Alling House when it ready for visitors to go in. It may be like how they use the White- Ellery House, which is in a limited fashion. People will have free access to the first floor, but there is no elevator in the building and there never will be an elevator. In terms of sharing the building with the public, they will look to other techniques, photographs and some sort of audio visual presentation that talks about the history of the house and the floors that people might not be able to get up to but will be open as the rest of the site is open to the public. Councilor Memhard commented that it is wonderful to that all coming together and Cape Ann Green downtown. Councilor McCarthy commented that it was like being back in high school history class reading their presentation today, and it is great that the public is going to be able to get in at least on the first floor and the architecture is great. Councilor Cox said she would like to see the building and do a site visit for this, and asked Ms. Oakes if it the building was accessible. Ms. Oakes replied that she would like to show them the building and the new building. There was a discussion regarding the date and time of the site visit. The site visit was schedule for Saturday, February 6th at 10:00 a.m., and Councilor Cox would inform the rest of the City Council to join them, wear masks and social distance.

North Shore YMCA, 71 Middle Street, \$200,000

Chris Lovasco speaking on behalf of the YMCA conveyed that Tim Flaherty, Executive Director of the Gloucester YMCA and their consultant from the Affirmative Investments, Tara were in attendance to answer any questions. **Mr. Lovasco** conveyed to the Committee that they completed a comprehensive conditional permit with the ZBA in September, which allowed them to submit an application to the Department of Community Development Housing and the city. He thanked the city administration and the members of the ZBA in working with them so that they could hit a deadline of January 21st. They did accomplish together as partners, which allowed them to submit a one stop to DHCD for the renovation of 71 Middle Street, the current YMCA, into a new senior affordable housing development, which would be for forty seniors age sixty-two and over. They also have submitted, as part of their application, DHCH is requesting that five of those units be specific to veteran housing, and they anticipate that being met. Those units are very specific to YMCA culture for affordable housing. As people know, affordable housing by definition can be up to as much as eighty percent for low income housing tax credits. The units that they will be doing will have nine units at thirty percent of the AMI; we will have nine units at fifty percent of the AMI and we will have twenty six units at sixty percent of the AMI. One hundred percent of all forty four units will be sixty, fifty and thirty percent of the

average median income and are very proud of that. We have gone through many of our local boards and committees. What many people realize and the administration and the ZBA was very supportive of is that in order to move expeditiously through CHCD process with knowing that there is community support means everything and is a big factor. They look for community support, both of which we did accomplish the conditional permitting, and the second one is there financial investment. They have had meetings with the Affordable Housing Trust who recommended two hundred thousand dollars. They are here tonight CPA money for two hundred thousand dollars. They have been awarded one hundred and thirty four thousand from HOME funding through the city. Although there is no funding or approval necessary, they went to the Historic District Commission because of the district and was given a letter of support from them. At this point, they are looking at a complete project, and if they are awarded the full project, this will add a twenty million dollar asset to the community of Gloucester. They thought for the amount of funding that they are receiving, it is a great payback to the community they are successful in their attempt. They are hoping the earliest they will hear is July of this year. If they were successful, they would begin probably a 14 month construction and could be up and running sometime towards the end of 2020, more likely is it'll probably be in a second round or a special round. They anticipate this over the next two to three years being completed, and all of it is conditional upon CDHC approving their project, and that would then bring them to the point where they would be looking for the funding to be awarded. **Councilor Memhard** commented that he has gone through the plans and it looks like a wonderful project, well designed, good accessibility, and a good connection to downtown. It looks like a good step in the right direction, especially in terms of affordable housing downtown for our community. **Councilor McCarthy** inquired whether there was going to be a community room since he thought Mr. Lovasco said this when he appeared a couple of months ago before the committee. Mr. Lovasco replied that there will be a community room on the first floor. Councilor McCarthy added he would like to see the AMI's in the thirties, fifties and sixties, because that that truly is a lot better affordability for our senior citizens. **Councilor Cox** added that one of the things that they don't typically see when they award housing is public access as she mentioned earlier. This is actually a really nice aspect to the project. As he knew, she wished there was equal amounts of parking for every resident but it is certainly more than what is there now and appreciated all effort to making parking. **Councilor Cox** inquired whether the five veterans would also be required to be the age of sixty-two plus. **Mr. Lovasco** replied that they wouldn't and that they would have to be income eligible. She also inquired when the building is vacated to make to big move to the new YMCA what is their intention with that building on Middle Street until they are fully funded. Mr. Lovasco replied at this point the only thing they have committed, because of the way that the covid learning pods are set up, they had to all of them out of the YMCA. They do not have at this point any indication that they will be going back to the schools for any kind of after school or full day learning pods until the end of the school year. They do not have an additional plan even though he has met with the Mayor. She had a few thoughts and ideas that they were going to talk about but they are open to ideas to utilize the space. They will maintain the building until they are able to move forward with the housing project. **Councilor Memhard** inquired on whether the School Committee looked at that as a swing space option. **Mr. Lovasco** replied that they did bring it up and talked to the Mayor but their concerns was, if they were awarded, they would have a real conflict.

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

Mr. Costa review the report with the Committee commented that there has been improvement from the last report. **Councilor Cox** said she was curious because there was a deficit on their list for awhile and it is off this list for the legal department and would like to know how it got backfilled. **Mr. Dunn** replied that was what they were talking about budgeting last spring with the idea that Krisna Basu was going to go full time and take over the legal aspects that happened within HR, mainly to do with contractual issues, and that her time move was going to be captured within HR when the initial encumbrance for Ms. Basu went up. When she went full time, the entire encumbrance was charged to legal when it should have been split between legal and HR. This is just a movement of the encumbrance for her salary to where it was supposed to be from the beginning. Councilor Cox commented that she didn't recall any conversation during budget time about Ms. Basu going fulltime, and asked the Committee if they recalled that conversation. **Councilor McCarthy** added that no he didn't remember it ever being brought up when they review the legal department's budget. **Councilor Memhard** echoed the same as what Councilor McCarthy said. Mr. Dunn apologized and they had talked about it internally at that point and thought it was brought out, but he could very well be wrong. Councilor McCarthy asked Mr. Dunn to backfill the forty thousand deficit on that item where did that money acutally come from and how did it get in there? **Mr. Dunn** replied that the budget within HR when it was put together it had the full salary of the former HR Director, Donna Leete. As it turns out now that Ms. Leete had brought a lot of historical knowledge to the table in terms of how to deal with contractual issues from a legal point of view. It was thought that when the HR Dept. was somewhat reorganized that Ms. Basu would take over the legal issues that come up based on contracts in place and there was sufficient salary dollars available to do that. Mr. Dunn apologized and that they had discussed it at some general level last spring, but it was apparently not so. When Ms. Basu was brought on full time, she should have been charged to HR because that is where she is providing support to. Councilor **McCarthy** understood that it was lag money that was HR and moved into legal and asked where that will leave them when the budget gets submitted this year. Mr. Dunn replied that it wasn't lag money that was moved into legal. It was an expense that moved to lag money. It probably should have been when Ms. Basu was brought on full time and gave an example of a number of employees whose salaries are charged through multiple lines. In this case, the service that Ms. Basu is providing with their extra time is to support HR as they need to in various legal aspects that come up, and they come up all the time. Councilor McCarthy said what he is asking is this increase going to reflect in the budget they are going to review in the next few months. Mr. Dunn replied yes. Councilor Cox told Mr. Dunn that one of her issues here is that they discussed overage on multiple budget and finance meetings and this was never reintroduced to them as a conversation when they were asking why the legal department was in a deficit. She felt that they were blindsided with the announcement that Ms. Basu was becoming full time and it was to cover a shortfall in the department. That he was saying that because the director was budgeted for a full time position in the budget talks last year, then we promote some in the HR Director to fill that role and let's just say there was forty thousand dollars between the secondary HR person and the director, but that secondary person got bumped up to the director, probably not at the same rate the director was at so there's a little bit of money there. Then we backfilled the secondary person with somebody, probably not at the rate of pay that that secondary person was there. So there's a little bit of lag money there. Then we didn't have extra money in the legal department, so she just not sure that they are wholly covered with all the lag money. She personally would like to see those numbers shake out. Mr. Dunn replied he would send her that information, and they are certainly covered for this fiscal year between the two departments. Mr. Dunn said she was right and there is a difference as people move

through changes in the HR department that there were differences in pay rates and acknowledged that is where the bulk of this comes from. There were three people in HR this time last year and there are three people plus Ms. Basu in HR this time this year. The vast bulk of that is covered by those three original positions changing and not being paid at the same level as they were this time last year.

Councilor Cox thanked the auditor for the report and also for the CPA monies.

MOTION: On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget and Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to adjourn the meeting at 6:35 p.m.

Respectfully submitted,

Joanne M. Senos
City Clerk