

GLOUCESTER CITY COUNCIL MEETING

Tuesday, May 10, 2011

7:00 p.m. – Kyrouz Auditorium – City Hall

Council Meeting – 2011-009

-Minutes-

Present: President, Councilor Jacqueline Hardy; Vice President, Councilor Sefatia Theken; Councilor Bruce Tobey; Councilor Robert Whynott; Councilor Paul McGeary; Councilor Greg Verga; Councilor Steven Curcuru, Councilor Joseph Ciolino, Councilor Anne Mulcahey; Councilor Robert Whynott

Absent: None

Also Present: Linda T. Lowe; Kenny Costa; Mayor Carolyn Kirk; Jim Duggan; Jeff Towne; Mike Hale; Police Chief Michael Lane; Rick Noonan; Melissa Teixeira; Fire Chief Phil Dench; a compliment of Gloucester firefighters and police officers; Sharon DuBois; Mary Richardson

The meeting was called to order at 7:02 p.m.

Flag salute and moment of silence.

Oral Communications:

Jane Porter, 10 Ryan Road spoke to the Council on behalf of herself, James Cook, 622 Western Avenue as chairs and members of the City Landfill Committee. She recounted the history of the landfill as well as money spent by the City of \$6.5 million with the remainder, \$250,000 for comfort stations at the now recreational area at the former landfill now known as Magnolia Woods. They believe that the area has not been maintained and keeping up with what has been created. They propose the City enact an emergency ordinance to be posted at Magnolia Woods prohibiting parking anywhere on the engineered lift or adjacent to the fields. She noted the issues facing the engineered structure. Further, that no driving can be allowed on any of the emergency, safety pathways which were never designed to be driven upon but are. They would want to see fines imposed and have the police issue tickets. They wish to have the fenced area taken down was to be a community garden but never has been one so it is not serving any purpose. They wish to also see parking increased at Magnolia Woods to include an area at the top of the parking lot and to include a what would have been community garden area. They also wish to see the City repair the pipe which drains the swamp at the entrance to Magnolia Woods. This was all offered to maintain the recreational area to continue to keep Magnolia Woods as an asset to the City.

Councilor Tobey stated he would introduce an emergency order further into the agenda.

Presentations:**1 of 2: Mayor's Proposed FY12 Budget Submission to City Council**

Councilor Hardy acknowledged the presence of Val Gilman, Chair of the Gloucester School Committee along with Vice Chair, Melissa Teixeira; and then introduced the Honorable Mayor Carolyn A. Kirk.

Hon. Mayor Carolyn Kirk reviewed the highlights of the FY12 budget (on file). For the total expenses that will be paid by the citizens of Gloucester and whatever other outside revenue sources they have, including State aid, the total across all funds, water, sewer, waterways, the rink, CPA, the General Fund is \$101.3 million. On October 10th they forecasted a \$3.3 million gap to be closed to deliver the same level of services between the Schools and the City that they delivered last year. In reality, the gap was about \$3.6 million. The obligation is to present a balanced budget, and they have closed the gap. The total number of jobs full-time and part-time eliminated from City and School payrolls in the budget before them is 76. That's 34 full-time jobs in the City, five part-time in the City. School reductions already total 24 full-time and 13 part-time jobs. She believed the budget reflects the hard choices that had to be made. All of the recommendations they believe are feasible with the understanding that the service levels will be

reduced to the citizens of Gloucester in some areas. There is no one time use of one time monies or stabilization funds in this budget.

She pointed out revenue highlights. Net available revenue is revenues that come in and go off and are matched with expenses and pointed to the example of the debt shift for CSO comes in as revenue through that tax increase and goes out to pay the debt (a zero sum) and nets off available revenues. Available revenues for the General Fund are \$83.8 million representing an increase of 1.27% from FY11 to FY12. On page 3, she noted fourth year in a row State aid to the City has been cut feeling this has been a monumental obstacle to overcome. Local revenues are stagnant, a reflection on the economic picture. Section 2 relates to employee health insurance which has two factors in play. There has been reform making its way through the Statehouse, but no reform has been enacted in time for this budget. As to the local status on employee health insurance, the employees have made a counterproposal and negotiations have resumed. They are hopeful they'll come to some agreement; however, it is not in time for this budget. This budget reflects the 9.44 % increase in health insurance. Should they realize savings (pg. 4) they have prioritized the order the Administration would bring back positions. They'd bring back some of the public safety positions; and allow the School Department to keep their savings they're carrying on their side of the budget if savings are realized through successful negotiations. There were number of other positions not funded for FY12 that they will need to work together to determine what would and wouldn't be funded depending on available savings; and if possible to increase snow and ice appropriations.

Mayor Kirk spoke of Section 3, the School Department appropriations. The recommended funding level of the Gloucester Public Schools for FY12 is \$33,332,673. This reflects a cut to what the School Committee passed and turned into the Administration. The cut is \$628,865. She noted that beyond the \$33.3 million for the proposed operating budget, another \$10 million is carried in City budget that is for education spending: Charter School \$576,625; Retired Teachers Health Insurance \$1.7 million; School Choice Tuition \$1.2 million; Regional Vocational Schools \$1.0 million; School Facilities \$2.8 million and School Related Debt \$2.9 million. Total associated expenditures are \$43.6 million; over \$10 million more than is in the School Committee's operating budget. That represents over 50% of all total available revenues to the City. The second piece is a loss of \$890,000 of stimulus money. The City could not backfill the federal stimulus money, and so the School Committee has made adjustments. Most of the cuts have been well advertised. These cuts reflect on the declining enrollment; in the last 10 years it has declined by 911 students in the Gloucester public schools. Comparisons were done for wages and benefits carried and funded through the budgets. The School budget has \$1 million in wage and benefit increases (pg. 5). The same analysis has been done for the City side. Of that \$1 million \$350,000 is health insurance; the rest is wage increases. Section 4 is the expense highlights for FY12 fund available are \$82,929,308, a 0% increase. The reason for it is the way they calculate the Charter School which comes in as a revenue and taken as an expense the difference being what they get for revenue is not as high as what the expense is. They're holding \$300,000 in reserve in revenue to help pay for the snow and ice deficit. Previously they've been able to fund snow and ice deficit in the current fiscal year without "jumping" to the next fiscal year, but they're not able to do that because the Snow and Ice bill this year is so high because of the heavy snowfall this winter. They have to hold out that \$300,000 in reserve. The DOR will look for this at tax recap time in the fall.

The Mayor touched upon the City's emergency services stating the Police Department (page 6) budget shows the loss of three positions through retirements or death. The Fire Department has three positions eliminated, one through retirement, two are through layoffs. In Public Works the most significant change is the expansion of outsourcing of custodial services for the City and the Schools with a job loss of 24 employees but an anticipated savings of \$550,000. This reform is subject to impact bargaining and would not take effect until July 1st. In the Public Health Department, they have not funded the vacant position of Health Director, but rather are going with an interim director (staffing plan contained within the Mayor's memo).

Mayor Kirk reviewed that union contracts for the City, doing the same analysis, total wages carried from contracts settled in FY11 to FY12 is \$154,000; but the health insurance savings, if it comes to pass, is

\$390,000. Total wage and benefit increases, mostly made up of health insurance from the City side, is \$644,000. There is a debt summary in the memo, an obligation by City Charter which she communicated to the Council was \$105 million in long-term debt with an additional \$25 million in short-term debt outstanding as of June 30, 2011. General and Enterprise Funds the appropriations for debt service payments is approximately \$14.2 million and \$63 million in authorized but unissued debt. Deficit reserve is \$300,000 for Snow and Ice. She also made note of the CPA summary. Section 5 addresses the Enterprise Accounts. The Water Enterprise Fund has a proposed water rate which is same this year as for next year, which is \$8.75 at no increase against \$6.8 million in expenditures. Because the City is not in an emergency repair situation and more planned capital expenditures are being done, they believe they've settled out and so were able to keep the rate the same. With the Sewer Enterprise Fund against \$6.4 million in expenditures, the proposed sewer rate is \$10.98, a 3.4% increase over last year. That comes to about 34-38 cents, some of it due to the increase in anticipated contract operations. The Waterways Enterprise Fund has \$279,877 in expenditures. A new Enterprise Fund, the Talbot Rink, revenues and expenditures are expected to be \$263,000 which all together is \$101.3 million for FY12.

The Mayor concluded that the Administration looks forward to working cooperatively with Council through the budget process and recognized changes will be made. All department heads and managers will be available for the next 45 days to the Council for consultation.

Mayor Kirk, on inquiry by **Councilor Hardy**, noted the FY12 Draft Budget would be posted the following day by the close of business on the City's website and that the most recent budget review schedule will be posted there as well at that time.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Tobey, the City Council voted 9 in favor, 0 opposed that in accordance with MGL c.44§32 and pursuant to the Gloucester City Charter §6 that the City Council accepts receipt of the Mayor's FY12 Proposed Budget and becomes the budget of the City Council and to refer this budget to the Budget & Finance City Council Standing Committee for further review.

Councilor Hardy stated that the public hearing on the FY12 budget is scheduled for Tuesday, May 31, 2011 at 7:00 p.m. At that time the Mayor will make a power point presentation to the Council. The full City Council will be voting after the budget review meetings, open to the public, on Tuesday, June 21st at 7 p.m. to vote on the final FY12 budget.

2 of 2: Pre-application Conference (GZO §5.22.8) for Solar/Wind Project of Gloucester Engineering by Richard Kleiman (documentation on file)

Richard Kleiman, consultant representing Gloucester Engineering, Equity Industrial Partners owners of the site at the industrial park of the proposed solar and wind project explained to the Council the proposed solar and wind project at the Gloucester Engineering site in the Blackburn Industrial Park which would be a rooftop solar installation along with one to two wind turbines, up to 2 MW each on the roof of the building, with the project scope guided by community input. This is in the industrial park with no overlay. They would be a passive partner and share the revenues as part of a net metering under the Massachusetts Green Communities Act. The Varian Semiconductor project was approved a few years ago. This is not close in proximity to residential neighbors which is quite a ways away and is a windy site and an industrial area. Project goals are: to offset the City's use of fossil fuels with green renewable energy; provide the City a new revenue stream and advance its clean energy mission; stabilize Gloucester Engineering's energy costs to help them to increase local jobs and tax base (they employ about 100 people and are coming back from bankruptcy); and to minimize the City's level of effort and eliminate City liability/risk. The benefits are that this project will be on private land, privately finance, owned and operated. It is proposed the City would receive net metering payments for 20 years; Payments in Lieu of Taxes (PILOT) is based on assessed value of project. A pro forma projection of potential revenues of two turbines the City would gain at least \$107,000 a year and new revenues for taking no risk but just to allow the project to incorporate into the City's net metering program. This would offset most of the City's municipal electrical use. The financial risk would be on the private industrial group. During summer months during peak energy use there have been rolling brown outs from the grid which has caused them to lose productivity and believe this will help alleviate that problem by adding more electricity locally to the area. He explained to the Council the net metering process. Thanks to Councilor

McGeary, their ward Councilor, they've engaged in some community outreach. They went door to door to abutters and the response was very positive and on April 13th they had a Ward I neighborhood meeting which was a positive response. On April 27th the Clean Energy Commission voted that the Mayor consider this project. They have been in touch with the Community Development Director and her staff to make sure there is an open and transparent process with mutual benefit to the City and Gloucester Engineering. Next steps in the process are the technical studies (visual, sound flicker) will be performed with the results presented to the community. There has been preliminary looks at the studies and does not come near the residential neighborhoods. Gloucester Engineering will seek Special City Council Permits for this proposed project. He pointed out the federal incentive program ends 12/31/11 (federal tax credit) which allows for this project to be financially viable to Gloucester Engineering. There are a number of steps for them to accomplish all they need to by the deadline; and that they would need approval from the City by July/August in order to meet that deadline.

Appointments:

Councilor Theken stated the O&A Committee questioned the new appointees to their respective Committees and Commissions on their experience, background, professional affiliations as well as asking them to be familiar with the Open Meeting Laws and to file their proof of having taken the State Ethics Commission test with the City Clerk's office. They were asked also if they had any possible conflicts if they were on another Board, Committee or Commission in the City. The Committee expressed their appreciation at each of the appointees' willingness to step forward and volunteer on behalf of their City and thanked them for their commitment.

Community Preservation Committee TTE 02/14/12 Steven Phillips (Representative from Conservation Commission)

MOTION: On motion by Councilor Curcuru, seconded by Councilor Ciolino, the Ordinances & Administration Committee voted 3 in favor, 0 opposed to recommend to the City Council the Appointment of Steven Phillips as the Conservation Commission's representative to the Community Preservation Committee, TTE 02/14/12.

MOTION: On motion by Councilor Theken, seconded by Councilor Mulcahey, the City Council voted 9 in favor, 0 opposed to appoint Steven Phillips as the Conservation Commission's representative to the Community Preservation Committee, TTE 02/14/12.

Fisheries Commission TTE 02/14/14 Accursio Sanfilippo, Al Cottone, David Bergeron

Councilor Theken noted that **David Bergeron** and **Angela Sanfilippo**, appointees to the Fisheries Commission, both of whom have been before the O&A Committee were unable to attend this evening's meeting and so their appointment is continued to the next Council meeting of May 24, 2011.

The appointments of David Bergeron and Angela Sanfilippo to the Fisheries Commission are continued to May 24, 2011.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Mulcahey, the Ordinances & Administration Committee voted 3 in favor, 0 opposed to recommend to the City Council the Appointment of Accursio "Gus" Sanfilippo to the Fisheries Commission, TTE 02/14/2014.

Discussion:

Councilor Theken noted this was a resurrected commission and was grateful to these young active working fishermen who are volunteering and endorsed Mr. Sanfilippo's and Mr. Cottone's appointment and thanked them.

MOTION: On motion by Councilor Theken, seconded by Councilor Mulcahey, the City Council voted 9 in favor, 0 opposed to Appoint Accursio "Gus" Sanfilippo to the Fisheries Commission, TTE 02/14/2014.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Mulcahey, the Ordinances & Administration Committee voted 3 in favor, 0 opposed to recommend to the City Council the Appointment of Al Cottone to the Fisheries Commission, TTE 02/14/2014.

MOTION: On motion by Councilor Theken, seconded by Councilor Mulcahey, the City Council voted 9 in favor, 0 opposed to Appoint Al Cottone to the Fisheries Commission, TTE 02/14/2014.

Consent Agenda:

• **MAYOR'S REPORT**

1. Memorandum from EMS Coordinator re: updating Ambulance Billing & Collection Policy (Refer B&F)
2. Special Budget Transfer Request (#2011-SBT-24) from DPW (Refer B&F)
3. Special Budget Transfer Request (#2011-SBT-25) from DPW (Refer B&F)
4. Special Budget Transfer Request (#2011-SBT-26) from DPW (Refer B&F)
5. Special Budget Transfer Request (#2011-SBT-27) from Treasurer's Office (Refer B&F)
6. Special Budget Transfer Request (#2011-SBT-28) from Treasurer's Office (Refer B&F)
7. Special Budget Transfer Request (#2011-SBT-29) from Treasurer's Office (Refer B&F)
8. Special Budget Transfer Request (#2011-SBT-30) from Treasurer's Office (Refer B&F)
9. Special Budget Transfer Request (#2011-SBT-31) from Treasurer's Office (Refer B&F)
10. Special Budget Transfer Request (#2011-SBT-32) from Treasurer's Office (Refer B&F)
11. Special Budget Transfer Request (#2011-SBT-33) from Treasurer's Office (Refer B&F)
12. New Appointment: City Hall Restoration Committee Craig W. Herrmann TTE 02/14/14 (Refer O&A)

• **MAYOR'S REPORT ADDENDUM DATED 05/09/11**

1. Special Budget Transfer Request (#2011-SBT-34) from DPW (Refer B&F)
2. Special Budget Transfer Request (#2011-SBT-35) from DPW (Refer B&F)

• **COMMUNICATIONS/INVITATIONS**

1. Acknowledgement of City of Gloucester-s Resolution of March 22, 2011 from Kenneth Hanover, President & CEO of Northeast Health Systems – AGH (File)
2. Communication from Manchester-by-the-Sea Board of Selectmen re: support to City of Gloucester's Resolution of March 22, 2011 (File)
3. Magnolia Historical Society re: Dedication of the Magnolia Veterans Memorial at Knowlton Park (Info Only)
4. Letter from Attorney J. Michael Faherty re: 35 Dory Road Extension of Special Permit under Permit Extension Act of 2010 (Refer P&D)
5. Request from Seacoast Nursing and Rehabilitation Center, Inc. to hold 8th Annual Seacoast Seven Road Race (Refer P&D)

• **INFORMATION ONLY**

1. Gloucester Housing Authority 2010 Annual Report (Info Only)

• **COUNCILORS ORDERS**

1. CC2011-021 (McGeary) Amend GCO §22-270 "Parking prohibited at all times" re: Eastern Avenue (Refer O&A & TC)
2. CC2011-022 (McGeary) Amend GCO §22-291 "Tow Away Zones" re: Eastern Avenue (Refer O&A & TC)
3. CC2011-023 (Mulcahey) Amend GCO §22-287 "Disabled veteran, handicapped parking" by **deleting** one (1) Handicapped parking space in front of Mason Street #25 (No Referral Required)

• **APPROVAL OF MINUTES FROM PREVIOUS COUNCIL AND STANDING COMMITTEE MEETINGS**

1. City Council Meeting: 04/26/11 (Approve/File)
2. Special City Council Meeting: 05/05/11 (Approve/File)
3. Standing Committee Meetings: O&A 05/02/11; P&D 05/04/11; B&F 05/05/11 (**Under Separate Cover**) (Approve/File)

Items to be Added/Deleted from the Consent Agenda and the Unanimous Consent Calendar:

Councilor Hardy reminded the Councilors there are two consent agendas before them, their agenda and the Unanimous Consent Calendar containing an Addendum to the Mayor's Report which came too late to make the Council's Unanimous Consent Agenda. They would take up the original agenda first.

Councilor Ciolino wished to remove Item #4 under Communications.

The City Council by unanimous consent approved the Consent Agenda.

Councilor Ciolino wished to have Item #4 under Communications referred to P&D and to Legal Counsel so she can prepare a statement as to whether the wind turbines at Varian are appropriate under the Special Permit Extension Act of 2010 so when heard at P&D they can move the matter forward promptly.

By unanimous consent the matter was referred to the P&D Committee with a legal opinion to come from Legal Counsel on the matter of the Special City Council Permit extension for Varian, 35 Dory Road under the Permit Extension Act of 2010.

The City Council by unanimous consent approved the referral of Item #4 under Communications to P&D and to Legal Counsel.

MOTION: On motion by Councilor Tobey, seconded by Councilor McGeary, the City Council voted unanimously to take up the City Council Unanimous Consent Calendar containing the Addendum to the Mayor's Report for the May 10, 2011 City Council Meeting.

Councilor Tobey expressed he had never seen before a proposal to transfer money from an account in deficit, thereby increasing that deficit which is what the first of the two proposed transfers would do; taking the snow and ice budget currently \$559,773.40 in deficit, and adding another \$4,138.14 to that deficit. Secondly, the expense is to pay for the Emergency Management Director's coverage. Noting the appropriation for the stipend already in the fiscal year's budget and didn't understand why the additional monies on top of the stipend already in place especially in light of fire station closures and firefighter/paramedics being laid off. He believed these two transfers should not be referred out to Budget & Finance but should be returned to the Administration. He asks the Council to not refer these two transfers.

MOTION: On motion by Councilor Tobey, seconded by Councilor Ciolino, the City Council voted 9 in favor, 0 opposed to refer Item #1 of the Addendum to the Mayor's Report as shown on the City Council Unanimous Consent Calendar for the May 10, 2011 City Council Meeting back to the Administration without referral.

MOTION: On motion by Councilor Tobey, seconded by Councilor Ciolino, the City Council voted 9 in favor, 0 opposed to refer Item #2 of the Addendum to the Mayor's Report as shown on the City Council Unanimous Consent Calendar for the May 10, 2011 City Council Meeting back to the Administration without referral.

Standing Committee Reports:

Councilor Hardy asked the Council to take the Budget & Finance Committee Report first which the Council assented to.

Councilor Ciolino also noted there are Boy Scouts from Troop 56 in attendance observing this evening's meeting.

- **Budget & Finance:**

The following matter was continued from the 4/26/11 City Council Meeting:

MOTION: On motion by Councilor Mulcahey, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council under MGL c. 44, §53A the acceptance of \$731,936.00 for the Community Development Block Grant Program from the U.S. Department of Housing and Urban Development for PY2011 and the anticipated HOME grant from the North Shore HOME Consortium in the amount of \$121,601.00.

Discussion:

Councilor Curcuro stated this discussion started at the last City Council meeting and he had asked a question related to the shift from the last few years to economic development from housing rehabilitation, and he asked for an update.

Ms. DuBois, Grants Administrator noted at a recent HUD training it was emphasized by the Director of the Boston office was that there is a major shift to economic development with HUD funding. That didn't mean they were taking away from the emphasis on social services agencies or housing rehabilitation. They want them to put a very heavy emphasis on economic development to incorporate all those different

areas. They're in close contact with the staff in Boston so they're sure they are doing what is approved and be able to translate that on a local level to help the citizens in Gloucester. **Councilor Curcuro** asked about how much the shift was over the last few years. **Ms. DuBois** noted housing rehabilitation for PY08 was \$553,238 which was for 26 units. PY09 was \$411,899 for 29 units. PY10 was \$178,516 for 20 units to date and one pending currently. **Councilor Curcuro** asked as to economic development, how much money has gone towards that. At that last Council meeting they spoke of CABI. He felt they were a great group, even though they were used as an example only. **Ms. DuBois** noted upon taking over this position there was only one CDBG information session yearly and she instituted another for two information sessions per year. Folks receive invitations, and the information sessions are advertised heavily. The agencies who did or did not received funds, from those information sessions they would have heard her state clearly that CDBG it is not supposed to be long-term funding; that this is supposed to be seed money, speaking of the social services arena. It is less than two years ago they established a Maritime Heritage Development Fund which has a committee with an application process. The concept developed on that is not to hand over the grant money but that these start ups must put some "skin in the game" as well; and pointed out the new water shuttle business seasonally employing three Gloucester residents provided they pass the final Coast Guard inspection later this month; and the Green Boat Project at the Maritime Heritage Center employing three residents. **Councilor Tobey** noted at the last Council meeting he asked for data for job creation by CABI year by year and dollar allocation by year and goals for the year to begin in October. **Ms. DuBois** responded CABI received in PY08 \$50,000 and had seven new businesses started up. PY09 was a \$25,000 grant and had 10 new business start ups; in PY10 they received \$25,000 and had 10 new start ups that year also. This year they will receive \$15,000 but as they had heard, they were sure of a 16.5% cut in CDBG funds this year. All funded grantors received that level of cut to their funding this year. **Councilor McGeary** asked about the CABI money, the seven new businesses, 10 new businesses, what is CABI's role. **Ms. DuBois** noted her being impressed with CABI as a stepping stone for start ups, assisting efforts to those starting new businesses. CABI works with the retired business executives (SCORE) who in turn assist these start ups. **Councilor Ciolino** stated the downtown merchants have now partnered with CABI. CABI will put on the sidewalk bazaar this year. They'll be the bank, do the taxes and help to make it a reality. He endorsed them as a business person with a business downtown and felt CABI is doing what their mission statement says. **Councilor Curcuro** stated that they are not 'taking on' CABI and knows they do a great job. As far as other businesses they have funded over the last few years he asked if CABI is the only one CDBG continues to re-fund. **Ms. DuBois** noted since PY08, 7 different organizations that have not been funded continuously since PY08. Following up on **Councilor Curcuro's** inquiry, **Ms. Dubois** stated there is a new mix going, which is what CDBG should be. A few have been funded several times, like the Health Center; and this past year, an organization who had been receiving funding over the years were cut this year. **Councilor Curcuro** stated he was an advocate of the housing rehabilitation program, and stated he is a contractor in order to show he did not have a conflict, and asked if he was the CDBG contractors list to which **Ms. DuBois** responded "no". **Councilor Theken** noted as a healthcare advocate, CBBG assists in funding local North Shore ARC programs and thanked them for their work and supported them; and that they were not picking on any one organization but the Council is doing their due diligence. If the City gets audited they want to be sure that the same organizations are not continuously being funded. She thanked CABI for their work in the community. **Councilor Ciolino** noted non-profits are applying for grants to fund positions also. He felt this is not just a hand out, these organizations are creating jobs. The programs are working, and should be continued. He thought Ms. DuBois was doing a great job.

MOTION: On motion by Councilor Curcuro, seconded by Councilor Theken, the City Council voted BY ROLL CALL 9 in favor, 0 opposed to recommend to the City Council under MGL c. 44, §53A the acceptance of \$731,936.00 for the Community Development Block Grant Program from the U.S. Department of Housing and Urban Development for PY2011 and the anticipated HOME grant from the North Shore HOME Consortium in the amount of \$121,601.00.

- **Budget & Finance Meeting: May 5, 2011**

MOTION: On motion by Councilor Hardy, seconded by Councilor Curcuru, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council that in accordance with and pursuant to Gloucester's Home Rule Charter, §2-7 and Gloucester Code of Ordinances §2-109, that the Budget and Finance Committee recommends to the full City Council, as the appointing authority for personnel in the Office of the City Auditor, that it declare that the supposed April 28, 2011 termination of the Assistant City Auditor, Mary Richardson by the Administration of Mayor Carolyn Kirk is null and void inasmuch as that Administration is not the appointing authority for the Auditor, Assistant City Auditor or the staff within the office of the City Auditor, and therefore lacks the legal capacity to terminate employees within the Auditor's department; and, further, that Mary Richardson return forthwith to her performance of her duties as Assistant City Auditor without a lapse in service, loss of any pay or benefits to which she was and remains entitled due to her employment in that position.

Discussion:

Councilor Curcuru stated this was from a referral at a Special City Council meeting. That office is a cog in the City finances; that for the first time this past year they are off the DOR watch list. The Assistant City Auditor is an integral part of that team and of the Auditor's office. He felt the dismissal was unjust and stood behind his fellow Councilors for reinstatement.

Councilor Ciolino felt that the money is in place for this year, but for FY12 it is funded by \$1. The continued funding for FY12 won't be settled for a couple of months. He would support this motion.

Councilor Mulcahey believed that Mr. Costa has an extension of himself with the Assistant City Auditor; that if he is not here that position takes on his work. The City has to be up to date on all their records. His Assistant is perfectly capable to take over that role. It is very important to have them in place and that she support the reinstatement of the position.

Councilor Tobey expressed the City is a corporate entity. If the corporate entity can't close its books, the corporation will be in great difficulty, which they were previously. The solution, he believed, lay with the Auditors Office as the lead agency to conduct that audit function that closes the books, puts together the recap and so on. He heard the concern of Councilor Ciolino raised about FY12. He felt it was good to reinstate this position and to assert the Council's primacy as a full and equal partner in the financial oversight of the City's affairs. For FY12 he would be introducing an order under MGL c. 44, §33 whereby the Council can request the Mayor put funding in place for an item not included in the budget; and if the Administration does not do so the Council can do so by making the offsetting cut elsewhere by a 2/3 vote. This position, he contended, was that important. If they can't account for their financial resources, nothing else will happen.

Councilor Whynott while sympathizing with the Administration to balance the budget, but he believed in the separation of powers which the City Charter is clear on this, notwithstanding the opinion of City Solicitor which indicated possible gray areas. He requested the Mayor put the position back in the spirit of cooperation with the Council. This is something the City needs. The Auditor's office has made great strides in the last year and wanted to see that trend continue going forward.

Councilor McGeary would support the motion as it is a well established precedent that power first belongs with the legislative authority for them to effectively carry out that duty requires they have sound financial advice and management from the Auditor who is named specifically in the Charter as an appointee of the Council. He noted the City Solicitor in her written opinion cited a case in New Bedford where it concludes that the Council has ability to appoint people to help them carry out their legislative power and believed that to be the operating precedent. It is important as an institution and as to the corporate entity that they maintain the separation of powers and a balance of power; and maintain the fiscal watchdog role of the Auditor's office. In order for the Auditor to carry that out effectively it needs an Assistant Auditor; and that requires the Council's ability to control that office. For that purpose, he will be supporting the reinstatement.

Councilor Theken would also support the reinstatement in order to maintain the viability of the interaction and cooperation of the CFO and Auditors Office. They have in front of them increased costs,

etc. If you take away the Auditor's Assistant, she felt you take away half the office. They work so closely with the Treasurer's office. They are looking good with the DOR but taking away one person like this will not do well for the City.

Councilor Hardy delivered a message at the B&F meeting and read it again for the benefit of the Council: "It has been said that we live in a society which features a government of law, not of men. That is just as true in the City of Gloucester as it is in our federal and state governments. Our government is defined by a City Charter and by ordinances enacted pursuant to State law. That Charter is the Constitution of our City, and it makes it very clear that there are multiple bodies of government which are charged to run the affairs of our City: an Administration, a Council, a School Committee, and numerous appointed bodies. No one of them is all powerful, and each of them must work with and respect the prerogatives of the other bodies of our local government. As citizens we need to be assured that the checks and balances built into our City Charter continue to stand strong and are respected by those who run the affairs of our City. So, when it comes to the conduct of City affairs, the Mayor and Council must work in tandem, respecting the rules and engaging one another in partnership. And we need to recognize the divided structure of our Charter and the "checks and balances" that are built into it. The Council is in charge of the City Clerk's office and the Auditor's office; and the Mayor is in charge of the rest. Each can question the conduct of the other in how it fulfills these responsibilities, but neither can interfere in the other's fulfillment of those responsibilities. By attempting to terminate the Assistant City Auditor, the Administration has violated this rule; and we need to say "no." And in saying "no", let's make something very clear: there's a reason why people chose the "checks and balances" system of divided government with a sharing of responsibility – they want decisions made in fair and balanced ways, after careful deliberation, collaboration, and with an open exchange of competing points of view. That didn't happen here; and it needs to stop - here and now. I ask the Council to join me in drawing a line in the sand not only for this Council, but for future Councils to come, or until such time as the registered voters of the City of Gloucester vote to eliminate the checks and balances system of our government by voting to change our Charter." She would be supporting the motion and moved the question.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Hardy, the City Council voted BY ROLL CALL 9 in favor, 0 opposed that in accordance with and pursuant to Gloucester's Home Rule Charter, §2-7 and Gloucester Code of Ordinances §2-109, that as the appointing authority for personnel in the Office of the City Auditor, that it declare that the supposed April 28, 2011 termination of the Assistant City Auditor, Mary Richardson by the Administration of Mayor Carolyn Kirk is null and void inasmuch as that Administration is not the appointing authority for the Auditor, Assistant City Auditor or the staff within the office of the City Auditor, and therefore lacks the legal capacity to terminate employees within the Auditor's department; and, further, that Mary Richardson return forthwith to her performance of her duties as Assistant City Auditor without a lapse in service, loss of any pay or benefits to which she was and remains entitled due to her employment in that position.

MOTION: On motion by Councilor McGeary, seconded by Councilor Hardy, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council that \$22,846 (Twenty-Two Eight Hundred Forty Six Dollars) be appropriated from the General Fund Unreserved Fund Balance ("Free Cash") to the Police Department Budget for related personnel expenses for FY2011 resulting from the Gloucester Superior Officer Association settlement accounts as follows:

ACCOUNT DESCRIPTION	AMOUNT
101000.10.211.51100.0000.00.000.00.051 Police-Uniform, Sal/Wage-Perm Pos	\$9,709
101000.10.211.51320.0000.00.000.00.051 Police-Uniform, Overtime E911	\$3,695
101000.10.211.51430.0000.00.000.00.051 Police-Uniform-Night Differential	\$3,158
101000.10.211.51450.0000.00.000.00.051 Police-Uniform, Holiday Pay	\$2,157
101000.10.211.51950.0000.00.000.00.051 Police-Uniform, Career Incentive	\$2,027
101000.10.211.51400.0000.00.000.00.051 Police-Uniform, Longevity	<u>\$2,100</u>

\$22,946

Discussion:

Police Chief Michael Lane explained the Administration just concluded negotiations after several months. They've agreed to a three year contract for FY11, FY12 and FY13, with respective raises of 1.5%, 2% and 2%. They also agreed to a reduction of accumulated sick time allowances effective in Year 1. There is an increase in the cash in value for sick days from \$65 to \$75 in Year 3; and to reduce the number of undocumented days of allowable sick time from 10 to 8; and have agreed in principal to civilian dispatch which is something the City has been looking towards for the future. He noted this contract is similar to the Patrolman's contract. They're all wearing several hats in the department like many others in the City; and they've taken their zeros. The Administration agrees to this slight modest increase.

Councilor Curcuru thanked the Superior Officers Association for the contract which shows the union is working with the City in good faith in tough times stating it was a win:win for everyone.

Chief Lane agreed that they understand the situation the City is in.

Councilor Hardy asked Mr. Duggan for the Administration's viewpoint.

Mr. Duggan echoed Chief Lane's sentiments that the Administration fully supports and accepts the Police Superior Officer's contract before the Council.

Mr. Towne, CFO, on inquiry from **Councilor Hardy** related that the funding for this contract will be for the full FY11 with funds coming from free cash; and that going forward it will be in the budget for FY12.

MOTION: On motion by Councilor McGeary, seconded by Councilor McGeary, the City Council voted BY ROLL CALL 9 in favor, 0 opposed to recommend to the City Council that \$22,846 (Twenty-Two Eight Hundred Forty Six Dollars) be appropriated from the General Fund Unreserved Fund Balance ("Free Cash") to the Police Department Budget for related personnel expenses for FY2011 resulting from the Gloucester Superior Officer Association settlement accounts as follows:

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101000.10.211.51400.0000.00.000.00.051 Police-Uniform, Longevity	<u>\$2,100</u>
	\$22,846

- **Ordinances & Administration: May 2, 2011**

No items for the Council's action were taken at this meeting.

- **Planning & Development: May 4, 2011**

No items for the Council's action were taken at this meeting.

Councilor Tobey introduced an emergency preamble motion that an emergency of a threat to public health exists under City Charter §2-11(b) inasmuch as the parking on the landfill cap at Magnolia Woods can breach the cap and cause the pollution of water bodies downstream on the site with contaminants detrimental to human health which was seconded by **Councilor Verga**. **Councilor Ciolino** noted the landfill was professionally capped at the cost of millions of dollars and that if breached it would be a

health disaster on many levels. They promised the people of Magnolia that it would be strictly a recreational area. They need to protect those areas and will support this.

MOTION: On motion by Councilor Tobey, seconded by Councilor Verga, the City Council voted BY ROLL CALL 9 in favor, 0 opposed that under City Charter §2-11(b) there is an emergency arising from a threat to public health inasmuch as the parking of cars on the landfill cap at the Magnolia Woods can breach the cap and cause the pollution of water bodies downstream of the site with contaminants detrimental to human health.

Councilor Tobey then offered an emergency ordinance as follows: That the City Council Amend Section 22-242, "Parking Prohibition, Towing, Immobilization, Signs" by adding sub-part (14) as follows:

No parking at the Magnolia Woods east and south of the turnaround on the entrance road, this prohibition extending to all playing fields and surrounding slopes and to all paved walkways, with parking allowed only in designated parking areas; and was seconded by **Councilor Verga**.

Councilor Tobey noted the City can be proud that took an environmental disgrace and turned it into a community asset when the landfill was capped and rededicated uses that the community chose and turned it into Magnolia Woods. Their obligation now is to preserve and protect it. He believed the DPW needs to step up the vigilance in keeping the slopes cut, keeping it free of construction debris, and to maintain the site. He was told that the Administration will be retaining engineering services to do an update on the site to see what further needs there may be from an engineering and environmental perspective and to adapt it to eliminate, for example, the community gardens that never came to be. **Mr. Duggan** noted a point of clarification, the landfill was never "officially closed" because when originally capped there was not an approved maintenance plan in place. He stated, "Yes", they will have an engineering services review. **Councilor Tobey** assumed the Administration didn't think they had a working landfill "on their hands", and **Mr. Duggan** confirmed they did not think so.

Councilor Verga thanked Councilor Tobey for putting the emergency order forward and to Ms. Porter and Mr. Cook for their vigilance. Enforcement, he believed, will be a large part of this process. He hoped for the Council to pass the emergency ordinance.

MOTION: On motion by Councilor Tobey, seconded by Councilor Verga, the City Council voted BY ROLL CALL 9 in favor, 0 opposed to AMEND Section 22-242 "Parking Prohibition, Towing, Immobilization, Signs" by ADDING sub-part (14), "No Parking at the Magnolia Woods east and south of the turnaround on the entrance road, this prohibition extending to all playing fields and surrounding slopes and to all paved walkways, with parking allowed only in designated parking areas.

MOTION: On motion by Councilor Tobey, seconded by Councilor McGeary, the City Council voted BY ROLL CALL 1 (Whynott) in favor, 8 opposed to reconsider the vote to AMEND Section 22-242 "Parking Prohibition, Towing, Immobilization, Signs" by ADDING sub-part (14).

MOTION FAILS TO BE RECONSIDERED.

Public Hearings:

1. PH2011-020: Acceptance of St. Anthony's Lane pursuant to MGL c. 79 and MGL c. 82

This public hearing is opened.

Those speaking in favor:

Mike Hale, DPW Director stated that 18 months ago he attended a Ward I meeting with Councilor Paul McGeary to look at the condition of St. Anthony's Lane, then a private way. They determined that if improvements were made to the way so that it might make sense to bring it into a public standing. He had been to a number of meetings, mostly in Ward I on this type of issue of taking private roads to public ways. The situation puts the residents of private ways in a precarious position, he felt, of what the City legally can do for them. They forwarded a 50:50 private way paving project (50% funded by the St. Anthony's Lane abutters and 50% by the City) last fall to the Council and once passed was paved at that time. Since then they've produced a record plan for the acceptance of that way which now it is before them as a street acceptance. As far as the responsibility of the DPW they believe it makes sense to accept this way as public. They already do services on it; and it is freshly paved, and welcome it as a public way to add to the City's Chapter 90 funding from MassHighway.

Rolf Franke-Otten, 34 St. Anthony's Lane noted the Lane was much better than before but that there is an issue to the part of St. Anthony's Lane which is an extension consisting of a private common driveway and wished to have a sign posted there indicating no turning in that driveway as it presents a safety hazard to the resident there who was unable to attend and on whose behalf he was speaking.

Councilor McGeary stated that driveway is not part of what they are taking this evening and believed the residents there would be able to post a sign for no turning in the driveway as it is on private property.

Those speaking in opposition: None.

Communications: None.

Questions: None.

This public hearing is closed.

MOTION: On motion by Councilor Verga, seconded by Councilor Whynott, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend to the City Council that the City of Gloucester, pursuant to Massachusetts General Law Chapter 79, for the purpose of laying out a public way upon a showing that it is for common convenience and necessity take in the name of the City of Gloucester a permanent easement in St. Anthony's Lane from beginning at the intersection of Grapevine Road up to and including the way which runs in front of Assessors Map 83, lots 113 and 55, as shown on the Street Acceptance Plan dated March 16, 2011 prepared by Jay Jarosz, PLS, 3 Mill Street, Manchester, MA. The easement shall extend along the full width of the private way and within the traveled way except for the portions of the way abutting lots shown on Assessor's Map 83, lots 55 and 107, where the retaining wall encroaches into the way. Further, that the easements shall be taken at the following described property locations against all who have an interest in said property as registered in land court and as shown on Gloucester Assessor's Map and as indicated and attached hereto:

Robert and Clarke Victorine, 2 Ocean View Drive, Map 76, Lot 102
Dana and Virginia Cohen, 1 Ocean View Drive, Map 76, Lot 103
Rosalie Militello, 2 St. Anthony's Lane, Map 83, Lot 56
Antonio and Geraldine Parisi, 6 St. Anthony's Lane, Map 83, Lot 117
Accursio and Laurie Sanfilippo, 14 St. Anthony's Lane, Map 83, Lot 108
Maryjane and John Carollo, 18 St. Anthony's Lane, Map 83, Lot 107
Rosemarie and Calogero Larocca, 22 St. Anthony's Lane, Map 83, Lot 55
Robert and Ethel Weeks, 28 St. Anthony's Lane, Map 83, Lot 113
Robert and Barbara Trenti, 32 St. Anthony's Lane, Map 83, Lot 114
Rolf and Cynthia Franke-Otten, 34 St. Anthony's Lane, Map 83, Lot 115
Andrew and Pamela Orlando, 36 St. Anthony's Lane, Map 83, Lot 116
Richard Fowler, 7 St. Anthony's Lane, Map 83, Lot 62
Marnoto, Armando and Filippena, 5 St. Anthony's Lane, Map 83, Lot 60
Joan Chatfield, 3 St. Anthony's Lane, Map 83, Lot 59
Mary Ciaramitaro, 1 St. Anthony's Lane, Map 83, Lot 57

Discussion:

Councilor Ciolino explained that the Committee endorsed the taking of this street as a public way unanimously and also had the endorsement of the DPW Director. **Councilor Hardy** asked if the City had sufficient funds to maintain the road; which **Mr. Hale** believed they did. **Councilor McGeary** asked how taking of the way benefits the City. **Mr. Hale** replied the benefit is that it adds to the public road mileage which is reflected in Chapter 90 money from the State. It separates who is responsible for what as well. Public Works can now make sure it is passable and knows with certainty the responsibility lies with them.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Theken, the City Council voted BY ROLL CALL 9 in favor, 0 opposed, that the City of Gloucester, pursuant to Massachusetts General Law Chapter 79, for the purpose of laying out a public way upon a showing that it is for common convenience and necessity take in the name of the City of Gloucester a permanent easement in St. Anthony's Lane from beginning at the intersection of Grapevine Road up to and including the way which runs in front of Assessors Map 83, lots 113 and 55, as shown on the Street Acceptance Plan dated March 16, 2011 prepared by Jay Jarosz, PLS, 3 Mill Street, Manchester, MA. The easement shall extend along the full width of the private way and within the traveled way except for the portions of the way abutting lots shown on Assessor's Map 83, lots 55 and 107, where the retaining wall encroaches into the way. Further, that the easements shall be taken at the following described property locations against all who have an interest in said property as registered in land court and as shown on Gloucester Assessor's Map and as indicated and attached hereto:

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Joan Chatfield, 3 St. Anthony's Lane, Map 83, Lot 59
Mary Ciaramitaro, 1 St. Anthony's Lane, Map 83, Lot 57

[**Note:** Order of Taking and Map shall be recorded at Land Court/Registry and filed permanently with the Clerk.]

Councilor Ciolino stated this was to take the street and for the City to accept the street as a public road.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Theken, the City Council voted BY ROLL CALL VOTE 9 in favor, 0 opposed that by the authority invested in the City Council under MGL c.82 and MGL c. 79 , the Council hereby adopts the Order of Taking of the documents before the City Council for St. Anthony's Lane, all as shown in said Order of Taking and on Street Acceptance Plan date 03/16/2011 prepared by Jay Jarosz, PLS, 3 Mill Street, Manchester, MA.

2. PH2011-021: Loan Order #11-03: Loan Authorization in the amount of \$750,000**This public hearing is opened.****Those speaking in favor:**

Mr. Hale explained that they request \$750,000 for paving of ways within the City of Gloucester. Currently the majority of the City's paving funding comes from Chapter 90 as noted in the last public hearing. This year the City received \$670,000 in State aid for public road paving and can be only used for public road paving. They have 80 miles of public ways in the City. The other 75-80 miles of City ways are private and can't be used for that purpose. These funds are a 29% increase over last year. That is about \$8,300 per public road mile. This year it costs about \$350,000 to pave one road mile, and pointed to the discrepancy from what they receive vs. what they need to do. At that rate it places the City road paving on a 42 year cycle. As he paves Washington Street this month, they'll be back in 42 years based on just using their Chapter 90 funding. If they double their spending they're on a 20 year life cycle which he felt was more in keeping with what needs to be done. Main arterial ways need maintenance sooner than that. Main arterial roads loop roads that service the City's neighborhoods, such as East Main Street, Washington Street, Farrington Avenue, Centennial Avenue, etc. They try to aggressively attack these main roadways that lead in and out of neighborhoods. In some areas there is only one way into that neighborhood, like Annisquam. They try to allocate Chapter 90 funds equally throughout the five wards. They will continue this program with this loan order they're asking the Council to pass this evening. Two major projects are planned with their Chapter 90 funds, a section Washington Street which was just completed and a section of East Main Street onto a portion of Rocky Neck Avenue to start in a few weeks. Later this summer a smaller project will be a section of Wheeler Street. The \$750,000 will be divided among the wards, focusing on the main loop roads. Roads are a major headache and the cause of the most numerous complaints to the Council, Mayor's Office and the DPW. They try to use the money not for capital equipment and not just for a simple overlay but to build the roads to get the full life expectancy out of them.

Those speaking in opposition: None.

Communications: None.

Questions:

Councilor Ciolino asked that the roads to be hot topped, what was the plan. Will they fill the pot holes to get by until the hot top is done; is it because they are in the repaving list. **Mr. Hale** stated they do pot holes three days a week every week around the City. There are a lot of roads in need of attention. In 2004 they did a pavement management study. The worst roads were over \$6 million to bring the roadways to good shape at that time. Asphalt has doubled since then, and Chapter 90 funds are what they can use to do this. They do have the highway force account which only grows as fast as road openings are done and is generally funded by National Grid. **Councilor Ciolino** stated even if the road is going to be resurfaced, they go and refill the pot holes. **Mr. Hale** stated "yes". They will, but they will not do serious repairs if they know the roadway will be repaired in the next few weeks.

Councilor Tobey asked Mr. Towne for a search of records to see if City ever in past borrowed money simply for purpose of paving streets separate and distinct from sewer or water projects. **Mr. Towne** related he went back 15-20 years and didn't find any. **Councilor Tobey** asked what guidance the Administration received, as required under Charter, from the CIAB on this borrowing. **Mr. Towne** replied the CIAB met six times. When they first met with CIAB they talked about not talking about paving because at that time it was just talking of Chapter 90 funds which are not a loan authorization. They did not talk specifically about the \$750,000 in the six meetings. They're still in role of reviewing. They haven't reviewed water or sewer or this item. **Councilor Tobey** stated they were asking for funding of this road paving. Did they get guidance from CIAB, and he heard the answer is "no" the Administration did not. **Mr. Towne** stated "no". Responding to further questioning by **Councilor Tobey**, short term borrowing in FY12, **Mr. Towne** related, would be a bond anticipation note about \$15,000; and it stops being that and turns into a general obligation note in FY13 at about \$100,000 to borrow over 10 years and paying it off in \$100,000 over 10 years annually. **Councilor Tobey** thought

that would be the equivalent of the funding for two teachers a year; two firefighters positions, which **Mr. Towne** agreed with the Councilor's estimate.

Councilor Curcuru noted Chapter 90 funds this year were \$670,000 this year, a 29% increase from last year. What can they get done for \$1.4 million (State funds combined with the potential Loan Authorization of \$750,000). **Mr. Hale** believed they can get most of the loop roads addressed. **Councilor Curcuru** stated as a ward Councilor this is all they hear, when a citizen's road is going to be fixed. He also noted the money would be a general fund obligation. He asked what roads would be paved. **Mr. Hale** stated they're looking to do more portions of Washington and much of East Main Streets, Atlantic Road which had a binding course laid down on it last year and needs a final course; Gloucester Avenue, sections of Concord Street and so on. He believed if they don't do it now they'll have to do it next year or the following year. A forty year pavement management program isn't acceptable which they have now. **Councilor Curcuru** noted funds were excluded this year by the Administration. **Mr. Hale** noted there had been small funding and that it costs \$350,000 just for one mile of road paving.

Councilor Verga agreed that as a Councilor he, too, also heard many complaints regularly that the roadways are in bad shape from his constituents. And the second most complaint would be when is fire station is going to be open (in West Gloucester and Magnolia). **Mr. Hale** stated by milling, grind and paving you can reclaim a road and double the life expectancy of it. **Councilor Verga** noted they're borrowing for about 10 to 15 year life expectancy. **Mr. Towne** stated originally the law for the term you could borrow for paving was five years. The Municipal Relief Bill, effective October 2010 allows borrowing for road paving to a maximum of 15 or the length of the useful life of the road. He didn't advise going past 10 years of borrowing. **Councilor Verga** asked why borrow \$750,000 at the same time you're putting \$750,000 into the rainy day fund. **Mr. Towne** replied the importance of establishing a stabilization fund is good for Moody's and Standard & Poor's credit rating of the City. That fund is in case of, literally, an emergency. Paving of roads is not an emergency but rather should be maintained on a regular and systematic basis. The Stabilization Fund is at \$2.3 million. The unreserved fund balance is on the weak side of what is acceptable as typical norms for municipal governments. He stated they shouldn't tap the stabilization fund for something like this. **Councilor McGeary** thought the rainy day fund is not necessarily the thing to touch for this, but it is for teachers and firefighters. He understood the City is on the low end and sympathized with the need to get on solid footing. However, he warned that during the budget deliberations he will repeatedly raise the issue to use rainy day funding for this particular year.

Councilor Theken asked how this would affect the bond rating. **Mr. Towne** noted the City is well below the debt ceiling. There are low interest rates currently; and maintaining capital structure will help, he believed. **Councilor Theken** asked when last time borrowed money to keep teachers and firefighters. **Mr. Towne** stated they can't borrow for that purpose but can, on further inquiry from **Councilor Theken**, take money out of the stabilization fund. **Mr. Hale** reiterated they can get a much longer life out of the streets by grinding the road down and giving it a good base and then paving. She asked about continue maintenance which **Mr. Hale** stated part of the road maintenance is to keep the conditions up. Chapter 90 spending in early 2000's was nil. The lack of investment in the road maintenance caught up with the City in 2008 and 2009. **Councilor Theken** asked how many calls the DPW fields asking for roadway repairs. **Mr. Hale** responded there are numerous insurance claims against the City. They maintain a list of pot hole complaints in the order they are received. There are less now but the most frequent inquiry is through the City's web site and is the reason for the majority of phone calls into his department. He pointed out that the last two seasons they have been paving roads with Chapter 90 funds. In the last two years paved Poplar, Prospect, Main Street to Warren Street, Rogers Street, as an example, and many others throughout the City some in portions, other in whole. **Councilor Theken** asked with this short-term borrowing would all their public roads will be paved or how many. **Mr. Hale** stated they will have \$1.4 million. He can spend it all this paving season. They have a favorable bid which is good through October. Asphalt is expected to go up dramatically beyond the current paving season. It is he who determines the roads to be paved, ultimately. The road paving is case specific. Much of Chapter 90 money is spent on roads where they spend a great deal of time for on-going repairs. He pointed to East

Main Street, with the last surface treatment of a seal coat which is peeling off adversely affecting the road surface and causes the need to replace it.

Councilor Mulcahey noted there are many bike and road races across the City this summer. These bring revenue to the City and believed the streets need to be paved.

Councilor Hardy what is the Administration's point of view on this borrowing despite the layoffs and a constricted budget.

Mr. Duggan stated, "Yes", they are in favor of paving streets in need of paving despite the layoffs and constricted budget

Councilor Tobey noted this borrowing gets them through this season but what do they do the following year to keep it going. **Mr. Hale** responded they don't have enough money to maintain the roads through an aggressive paving program. They have to develop a maintenance plan to be executed to preserve the roadways. But roads have to be in a condition to be maintained. The cost of repairs is greater to a road in poor condition than to maintain a road now in good condition in the future. They will not be back to borrow again for this. He pointed to those roads that were paved as a result of CSO work 15-20 years ago as now in very poor condition. **Councilor Tobey** didn't disagree but asked again how they would pay for it next year and beyond. Do they borrow for this paving program each year? **Mr. Towne** noted one items at CIAB and with Administration and at B&F as debt comes off in 2015, 2016 prioritize that. The majority of debt comes off line in 10 years on the City side. They still have other projects outstanding though, and school roofs were recently added. As those items start to come of, it is his recommendation that as the debt comes off line they spend that cash that is in their tax base to pay for some of these projects. It would be factored in, as they get a stronger CIAB, to the five year plan. It won't happen for several years that way but is a medium-range plan as he saw it. **Councilor Tobey** noted the good news is that the City is moving to a progressive point of view to use its capital capacity going forward and pointing to the City of Bedford which does that type of curve tracking so that they are replenishing their capital assets. The bad news is the City won't be in that position for another 10 years. What will they do a year from now to ensure that this paving program isn't a one year phenomenon or was there some other way an additional \$750,000 can be raised or was there no plan. **Mr. Towne** noted it would not come from operating expenses, with a \$600,000 snow and ice deficit, positions laid off, fire stations closed. If they are going to do anything in next several years it may be through an additional bond. **Mr. Hale** talked about the Chapter 90 formula for public road funding. They've only captured 50% of City roads in their current formula. Acceptance of private ways is key; and he didn't care what their condition was. If they're all public ways, the City could increase their chapter 90 funds and have a much larger Chapter 90 funding. Once they have the large roads out of the way they can get the side roads attacked. **Councilor Tobey** thought it to be a good vision for future to bring the streets not under the City umbrella but believed it was a non-answer.

Councilor Theken noted utilities working in roadways and that she believed they have to bring the roads back to proper condition; and were they staying on them to do that. **Mr. Hale** stated the road opening plan has been revised that if work is done in fall the utility must come back in the spring fix the road. They work with the public utilities closely to coordinate their work.

Councilor McGeary understood \$1.4 million spent this year on main arterial roads and in 8 to 10 years when the debt comes off line, of putting that money into the operating capital. This loan will bridge that gap, and goal is to do a one shot deal and in 10 years hope to be in a better financial and managerial position with which **Mr. Hale** agreed.

This public hearing is closed.

MOTION: On motion by Councilor Hardy, seconded by Councilor Mulcahey the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the full City Council to authorize a loan order as follows:

Ordered: That up to \$750,000 is to be appropriated for surface improvement and paving in conjunction with the road improvement paving program for the City of Gloucester. To meet this Appropriation, the Treasurer, with the

approval of the Mayor, is authorized to borrow up to \$750,000 and to issue bonds or notes therefore pursuant to MGL c. 44, §7(6).

Discussion:

Councilor Curcuru expressed his support of this loan order feeling this was worthwhile for the City to maintain its major roadways. He offered the following language as an amendment to the main motion as follows:

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.

Councilor Verga seconded the motion to amend, and the Council voted 8 in favor, 1 (Tobey) opposed to amend the main motion as offered by Councilor Curcuru.

Councilor Ciolino believed that it is the postponement of projects such as this then they're forced into the projects costing three or four times what it would have originally been done at. The roads here are bad because they don't have a plan and that now the DPW has a plan which is a start. The Chapter 90 money will increase. You can't borrow to pay for salaries. He pointed to many areas where the safety of the citizenry was at risk due to the poor conditions of the streets. They don't want to have to borrow this money, but the community expects their roads to be in good repair and safe. He asked the Council to support the loan order.

Councilor Verga would support this but not wholeheartedly. Moving forward he would push for the use of the Stabilization Fund. He felt this was a band aid but was a start.

Councilor Tobey noted he would vote no. Everyone wants to see the streets fixed but believed there was not a plan in place. He hadn't heard a plan to pay for it expressing borrowing is not a plan. They are approving a "mortgage on the corporation" if they vote yes on this. The money they spend to pay the mortgage could be used to pay the salaries of teachers or firefighters. This will not have a positive impact on the City's bond rating either. Further, he believed this is procedurally inadequate if they believe in their charter as the CIAB has not given them advice nor had it been before the CIAB for their review. Every street that Mr. Hale named has been repaved within last 15-20 years. East Main Street mid-late 1990's to the traffic lights all the way to the Eastern Point light when they put in the water lines for instance He felt it was not that the roads weren't repaved; but rather, they were not maintained. He wants to see the maintenance of the roadways maintained appropriately instead. While they all want freshly paved streets, they can't afford this now.

Councilor Theken did not agree with Councilor Tobey. They all want everything and promise much. She pointed to many projects that can't be funded. The DPW Director will lose personnel in FY12. She cited her support of the Fire Department. But she also noted the many things the City has to pay for. She felt they have good management with this DPW Director and their CFO. Many roads are in terrible condition and not safe to drive or walk on. She would support this as an "equity loan" and not view it as a "mortgage".

Councilor Mulcahey believed that Mr. Hale has a preventative maintenance program. He has been putting it together piece by piece. It costs money to fix things. Preventative maintenance after the paving will surely be in place, and they won't have to be borrowing for this all the time.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Ciolino, the City Council voted BY ROLL CALL 8 in favor, 1 (Tobey) opposed to authorize a loan order as follows:

Ordered: That up to \$750,000 is to be appropriated for surface improvement and paving in conjunction with the road improvement paving program for the City of Gloucester. To meet this Appropriation, the Treasurer, with the approval of the Mayor, is authorized to borrow up to \$750,000 and to issue bonds or notes therefore pursuant to MGL c. 44, §7(6). 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.

The City Council recessed at 9:36 p.m. and reconvened at 9:46 p.m.

For Council Vote:

1. Receipt of Proposed FY12 Budget (City Charter §6.2) and referral to Budget & Finance Standing Committee

Linda T. Lowe, City Clerk announced this matter had already been voted upon earlier in the evening.

2. CC2011-019 (Tobey) Request City Auditor to prepare analysis for presentation to Council re: Fire Dept. Paramedics

Councilor Tobey moved adoption and was seconded by **Councilor Verga**.

Councilor Tobey stated the motion requests the City Auditor work with Sander Schultz and the Fire Department to prepare an analysis of the pros and cons from a business/financial management perspective of the decision not to incur costs on overtime for paramedics, a cost item versus revenue loss based on historic trends as they were not able to use those paramedics simultaneously to run ambulances and have them count towards opening outlying stations which would have been closed. When this was put forward at the last City Council and briefly discussed, he asked that the City Auditor prepare this analysis. Not only did he and Mr. Schultz get on it, but are done. He is prepared, if this is passed, to immediately act on the order's proposition that the analysis is to be referred to B&F.

Kenny Costa City Auditor provided a brief synopsis of the City's ambulance service (documentation received at meeting and on file). Of significance, on March 29th, 2011, the Fire Department was not authorized for the usage of overtime unless declared as an emergency by the Fire Chief. Prior or March 29th, the Fire Department did staff the minimum of 14 per shift. From July 2010 through March 29, 2011, there were a total of 83 "turfed" runs due to Rescue 1 and Rescue 2 (names of each ambulance in service with the Fire Department) being committed to E911 (emergency) calls. "Turfed" runs are E911 calls that have been redirected by the Fire Department to a private ambulance service in the City. In this case it would be Beauport Ambulance Services. During this time period, the monthly average of turfed runs was 9.22. The highest number of turfed runs in a month was 17 in August of 2010. The lowest number of turfed runs in a month was 5 in February of 2011.

The 83 turfed runs could have produced a potential billable amount of \$90,451.12 for a cost to the City of \$170,730 with a projected loss of \$80,278.88. This is a "what-if" scenario if the City was to implement a Rescue 3 unit into service.

From March 29th to April 30th 2011, there were a total of 56 turfed runs, five times the normal monthly average. The 56 turfed runs could have produced a potential billable amount of \$74,632.75 for a cost to the City of \$26,710 with a projected profit of \$47,922.75. During this time period, the Fire Department did not staff the minimum contractual obligation of 14 per shift.

There were a total of 66 shifts from March 29th to April 30th:

- 16 shifts indicated no ambulance service or 24.2% of the time;

- 8 shifts indicated that Rescue 1 was in service and Rescue 2 was out of service or 12.1% of the time;
- 5 shifts indicated that a "what-if" scenario for a Rescue 3 could be put into service due to Rescue 1 and Rescue 2 being committed or 7.5% of the time;
- 37 shifts indicated that Rescue 1 and Rescue 2 were in service or 56.2% of the time.

Projected 12 months – Trending:

- Total of 672 turfed runs;
- Loss of approximately \$900,000 in billable services;
- Cost to the City of \$320,520;
- Potential profit of \$575,073.

Mr. Costa thanked the Fire Department for providing him the information including Fire Chief Dench, Sander Schultz, Chief Dench and Susan Mills.

Councilor Tobey would look forward to feedback from the Council believing the current state of affairs was a bad business practice.

MOTION: On motion by Councilor Tobey, seconded by Councilor Verga, the City Council voted 9 in favor, 0 opposed to request the City Auditor prepare analysis for presentation to Council on the financial implications of hiring paramedics on an overtime basis when there would not otherwise be enough paramedics on duty to maintain the on-duty status of the Fire Department's ambulance service, with such analysis thereafter to be referred to the Budget & Finance Committee.

3. CC2011-020 (Tobey/Hardy) Request compilation of documents previously posted on the old homepage Of the City website to homepage of new City website

Councilor McGeary suggested that if digitizing the documents, that they be submitted to an OCR process if financially reasonable. There is software available that will turn them into a searchable document upon being scanned and asked the Director of Information Services look into that matter.

MOTION: On motion by Councilor Tobey, seconded by Councilor Hardy, the City Council voted 9 in favor, 0 opposed that the compilation of documents previously posted on the old homepage of the City website, including, but not limited to management and financial audits and contracts with all City and School bargaining units, be restored to the homepage of the new City website forthwith.

4. Decision to Adopt: SCP2010-001: 79-99 Essex Avenue, §2.3.1(12), §5.7.3 Major Project, §3.1.6(b) height Excess 35 ft., lowlands §5.50, lot area per two guest special permit §3.2.6

Ms. Lowe noted there was a decision included in the Council packet; however, there was a change to that decision due to an error in it on page 8. The vote was erroneously reported as having a Councilor vote on both sides of the matter and is now corrected to reflect the correct vote. That is what the Council should be approving.

MOTION: On motion by Councilor Hardy, seconded by Councilor Whynott, the City Council voted 9 in favor, 0 opposed to adopt SCP2010-001 decision for 79-99 Essex Avenue pursuant to §2.3.1(12), §5.7.3 Major Project, §3.1.6(b) height excess 35 ft., lowlands §5.50, lot area per two guest special permit §3.2.6.

5. Decision to Adopt: SCP2010-016: New Way Lane #50, GZO §5.13 Personal Wireless Service Facilities (PWSF)

MOTION: On motion by Councilor Ciolino, seconded by Councilor Whynott, the City Council voted 9 in favor, 0 opposed to adopt SCP2010-016 decision for New Way Lane #50 pursuant to , GZO §5.13 Personal Wireless Service Facilities (PWSF).

Councilor Hardy brought up a matter that was before the Council previously that Councilor Tobey moved that the City Council President be the conduit between their Pro Bono Attorney and the City Council. It has progressed to where she no longer felt comfortable being the conduit due to the complexity of the legalese, and therefore made the following motion:

MOTION: On motion by Councilor Hardy, seconded by Councilor Theken, the City Council voted 9 in favor, 0 opposed in order to maintain contact between the City Council and Pro Bono Charter School Litigation Attorney, George Skelly of Nixon & Peabody, LLC, that the City Council designate Councilor Bruce Tobey to be the person of contact with the representative, Attorney Skelly, and to the Administration.

Unfinished Business: None.

Individual Councilors' Discussion Including Reports by Appointed Councilors to Committees: None.

Councilors' Requests to the Mayor:

Councilor Curcuru noted that the budget review begins the following evening and encouraged the public to come to those meetings which are posted on the City's website calendar and get a sense of the process; it is very interesting and very important.

Councilor Theken thanked the B&F Committee and had faith in them; she would attend some of those meetings also. She informed the public that Thursday evening, May 12th is the Open Door Food Pantry's Empty Bowl fundraising event at Cruiseport. She pointed out that some of the Councilors who cannot attend like the B&F Committee, they can't possibly attend; and when the public sees one Councilor at an event they see all the Council. She acknowledged B&F Committee Chair, Councilor Curcuru, Vice Chair, Paul McGeary and Council President Hardy; and that if the City doesn't see them in the next 45 days, the rest of the Council is standing for them during the budget process. She encouraged the public to attend. She noted the fashion show at the High School at 6:30 p.m. the same evening with the football team and cheerleaders acting as models.

Councilor Mulcahey noted there will be a new cancer fundraiser; a dog walk called "Bark for Life" on August 13th, and encouraged all dog owners or anyone interested in participating to get in touch with her.

Councilor Ciolino announced he would be at the Empty Bowl fund raiser Thursday evening at Cruiseport with several Councilors' having painted bowls up for bid.

Councilor Tobey mentioned that on acceptance of St. Anthony's Lane he mentioned former Councilor Jason Grow who pushed during his Council tenure for just such an action by the City; and he hoped this would be one of many more. He noted that he and Councilor McGeary went on a tour of the Babson water treatment plant at the reservoir this past Saturday to see the good work of Larry Durkin and the DPW crew from the City staff and the citizens group that has provided helpful advice and guidance who were also in attendance. The renovation was impressive. He asked people to keep in mind some of the money they are spending is investing in infrastructure such as this, and was a great observance of National Drinking Water week.

A motion was made, seconded and voted unanimously to adjourn the meeting at 10:01 p.m.

Respectfully submitted,

**Dana C. Jorgensson
Clerk of Committees**

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- **City of Gloucester Proposed FY12 Budget to City Council from Mayor Carolyn Kirk**
- **Statement by Jane Porter, 10 Ryan Road under Oral Communications**
- **Statistical analysis on City Fire Dept. Paramedic Service by City Auditor, Kenny Costa**