

Budget & Finance Standing Committee
Thursday, March 18, 2021 – 5:30 p.m.
REMOTE MEETING
-Minutes-

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

Also Present: City Clerk, Joanne Senos; DPW Director, Mike Hale; CAO, Nicole Kieser; Assistant to CAO, Chris Sicuranza; Community Development Director, Jill Cahill; Auditor, Kenny Costa; Treasurer, John Dunn; Police Chief, Ed Conley; Grants Administrator, Jaimie Corliss

Applicants: CPC Co-Chair Matthew Lundberg and Linda Harvey for Hammond Castle

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

Meeting called to order at 5:30 p.m.

Chairperson Cox announced that this meeting is being 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.

Matters were taken out of order.

1. *Memorandum from the Director of Elder Services re: status of the Executive Office of Elder Affairs Massachusetts Formula Grant in the amount of \$88,848*

Summary of Discussion: Treasurer, John Dunn stated this was an annual grant and that the acceptance of this grant would resolve a number of overdrawn accounts within the Council On Aging. Auditor, Kenny Costa stated the grant has been the same amount since 2019. Mr. Dunn explained an update in the census would change the grant amount.

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted by ROLL CALL 3 favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A, a Massachusetts State FY2021 Council on Aging Formula Grant Allocation from the Mass. Executive Office of Elder Affairs in the amount of \$88,848. There's no local matching requirements for the state grant and the grant period is from July 1, 2020 through June 30, 2021.

2. *Memorandum from the Community Development Director re: CPC Off Cycle recommendation for Hammond Castle*

Summary of Discussion: CPC Co-Chair Matthew Lundberg stated this was an off cycle application for Hammond Castle. CPC had funded a project last year for restoration of the clerestory where some

major issues with the roofing structures was uncovered and discovered, which required additional funding in the amount of \$38,128.

Linda Harvey of Hammond Castle stated matching funds were applied for through the Mass Preservation Fund for the Mass Historical Council. Completion of the repairs should be done by May 1st, which is when Ms. Harvey intends to open the castle to the public for the season. **Ms. Harvey** stated there was an area above the clerestory with an extreme amount of rot and deterioration to wood and metal that needed repair. She stated it wasn't possible to see this area until the staging was put into place and work commenced on the original repair and the original project couldn't move forward until this area was fixed. **Councilor Cox** asked Ms. Harvey how much of the project would be covered by the \$38,128. **Ms. Harvey** stated it was approximately half of what the emergency request was. The added amount to the original budget was \$76,256.

Councilor Cox asked Ms. Harvey if Hammond Castle offers any free services for the residents of Gloucester in exchange for being granted a second round of funding from CPA, a tax payer funded program. **Ms. Harvey** explained there were programs planned for April School Vacation week with minimal or no cost, with one day being a free day to tour the castle for Cape Ann kids. **Ms. Harvey** also talked about the Santa program where 80 children were serviced with events with parties (pre-COVID), a free trick or treat event, and Hammond Castle was now offering an educational series at no cost through video and streaming, including every Tuesday a video called Hammond Weekly through YouTube.

Councilor McCarthy asked Ms. Harvey how COVID has affected Hammond Castle and what the long-term forecast was for the Castle. **Ms. Harvey** stated COVID has affected Hammond Castle as they were not able to open their doors until July of last year, but was finally able to do so with a reservation system of timed ticketing to monitor the number of people in the castle at any given time. She stated COVID has affected the Castle's revenue stream and there were no fundraising events planned because of gatherings. **Ms. Harvey** stated revenue for 2019 jumped 46% from 2018 in part due to a new executive director and new and exciting programming. **Ms. Harvey** stated the staff at Hammond Castle was very excited about the upcoming season and credits her staff with being able to open to the public safely during COVID.

COMMITTEE RECOMMENDATION: 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 appropriate up to \$38,128 (Thirty Eight Thousand One Hundred Twenty Eight Dollars) from the Community Preservation Act Funds as recommended by the Community Preservation Committee, to provide off-cycle funding to the Hammond Castle for the purpose to preserve and rehabilitate the Hammond Castle Courtyard Clerestory ceiling in order to restore an historic resource. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserves in Fund #4500. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #4741.

3. Memorandum from the Mayor re: FY2021 Local Cultural Grant in the amount of \$10,900

Summary of Discussion: Auditor, **Kenny Costa** stated the Local Cultural Grant was an annual grant to the Gloucester Cultural Council that has gone up by \$2,400 since 2019. **Community Development Director, Jill Cahill** stated this grant helps support live performances in and out of schools.

COMMITTEE RECOMMENDATION: 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 state grant from the

Massachusetts Cultural Council in the amount of \$10,900 to the Gloucester Cultural Council for the purpose of supporting FY21 local cultural projects in the City of Gloucester by the Gloucester Cultural Council. The grant period is from July 1, 2020 through June 30, 2021 and there is no required local match.

4. *Memorandum from the CFO re: Loan Authorization request in the amount of \$3,225,000 for various DPW Sewer Capital projects*

Summary of Discussion: DPW Director, Mike Hale stated this was for various sewer projects throughout the city including East Gloucester infiltration and inundation removal, Mansfield Street interceptor, Bertoni/York Road neighborhood, Rogers and Main Street interceptor and Grove Street and Colonial Street repairs. Mr. Hale stated the work should begin immediately and hopefully be done by mid-summer with most of the work.

COMMITTEE RECOMMENDATION: 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 approve the following loan authorization as follows:

Ordered: That the City of Gloucester appropriates Three Million Two Hundred Twenty Five Thousand Dollars (\$3,225,000) to pay costs associated with various sewer improvement projects including, but not limited to, East Gloucester I&I work, Mansfield Street sewer interceptor cleaning and lining, Bertoni/York Road neighborhood sewer relay, Rogers/Main Street interceptor cleaning and lining and Grove/Colonial Street sewer repairs, including costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G.L. Chapter 44, or pursuant to any other enabling authority. The Mayor and any other appropriate official of the city are authorized to apply for, accept and expend any grants or gifts that may be available to the City to pay costs of the projects. Any premium received by the City upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

Further Ordered: That the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes.

5. *Memorandum from the CFO re: Loan Authorization request in the amount of \$1,200,000 for various DPW Water Capital Projects*

Summary of Discussion: DPW Director Mike Hale stated this was for water repairs for the Bertoni and York Road neighborhood and a small section of Millett/Forest/Warner Streets. Mr. Hale stated that the repairs that are needed for both sewer and water were predicated by age, not by neglect.

Councilor McCarthy asked **Treasurer, John Dunn** if the debt service for these loans gets paid out of the water and sewer enterprise funds. Mr. Dunn confirmed they did and stated that the debt service becomes part of the rate moving forward. Councilor McCarthy asked if the rate would increase because of these loans. Mr. Dunn stated debt may not be issued on these particular items for another three or four years. He stated over the past four years the combined water and sewer rate has gone up by 8%.

COMMITTEE RECOMMENDATION: 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 approve the following loan authorization as follows:

ORDERED: That the City of Gloucester appropriates One Million Two Hundred Thousand Dollars (\$1,200,000) to pay costs associated with various water improvement projects including, but not limited to, the Bertoni/York Road neighborhood water main replacement and Upper Millett/Forest/Warner Streets water repairs, including costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G.L. Chapter 44, or pursuant to any other enabling authority. The Mayor and any other appropriate official of the city are authorized to apply for, accept and expend any grants or gifts that may be available to the City to pay costs of the projects. Any premium received by the City upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

FURTHER ORDERED: That the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes.

6. Memorandum and #2021-SA-13 from the CFO for the DPW in the amount of \$200,000

Summary of Discussion: DPW Director, Mike Hale, stated these funds would be used for repairs to the City's schools relative to bathroom repairs, doors and windows, as well as some HVAC work. He stated this was a fund dedicated to this type of work and this was a cash-on-hand account for these types of repairs. Mr. Hale stated the repairs were not limited to any particular school, but right now targeting the Gloucester High School including bathroom partitions and fixtures and some exterior doors at Beeman Elementary.

COMMITTEE RECOMMENDATION: 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 approve Supplemental Appropriation 2021-SA-13 in the amount of \$200,000 (Two Hundred Thousand Dollars) from the Building Maintenance Stabilization Fund-Undesignated Fund Balance, Account #7700-359000, to the Various School Building Repairs - Building Improvements, Account #770010-582003 for the purpose of funding various school building repairs during the summer of 2021.

7. Memorandum from the CFO re: Loan Authorization request in the amount of \$600,000 for ADA Compliant Street-Scape Improvements

Summary of Discussion: Community Development Director, Jill Cahill stated this project stemmed from a project the DPW Director was working on related to accessibility throughout the City, with particular focus on the downtown area. She stated the grant was a DOT grant, but was in conjunction with the Executive Office of Housing and Economic Development to revitalize main streets and downtowns after the COVID pandemic. Ms. Cahill stated she worked together with the DPW Director to identify ADA ramps that needed attention. With a focus on connectivity, she stated Parsons Street would be resurfaced, which connected Main Street to Rogers Street, over to the top of the HarborWalk,

connecting you to the parking lot, and adding a rectangular rapid flashing beacon at that crosswalk. **DPW Director, Mike Hale** stated for the last few years he has been working on an ADA transition plan that addressed deficiencies and downtown ADA compliance. He stated the balance of the funds would be used to address the Civic District between the Post Office and Middle Street. **Mr. Hale** explained \$275,000 must be spent by the end of May.

Councilor Cox asked if there was a way to avoid using the plastic sidewalk bump-outs [detectable warning panels] as they seem to wear down quickly. **Mr. Hale** stated the detectable warning panels are mandatory in crosswalks, as they were for sight-impaired people. **Mr. Hale** stated the panels come in plastic, metal or concrete and the City would look at the different materials.

Councilor Cox asked how much of these funds are the grant. Ms. Cahill stated the grant was approximately \$275,000.

COMMITTEE RECOMMENDATION: 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 approve the following loan authorization as follows:

ORDERED: That the City of Gloucester appropriates Six Hundred Thousand Dollars (\$600,000) to pay costs associated with various street improvement projects including, but not limited to improvements to streets, curbing, sidewalks, pedestrian walkways and signage and signaling, whether for ADA-compliance or any other requirement, including costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G.L. Chapter 44, or pursuant to any other enabling authority. The Mayor and any other appropriate official of the city are authorized to apply for, accept and expend any grants or gifts that may be available to the City to pay costs of the projects. Any premium received by the City upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

FURTHER ORDERED: That the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes.

8. *Memorandum and #2021-SA-14 & -15 from the CFO for the Police Department in the amounts of \$180,000 and \$20,000*

Summary of Discussion: Police Chief Ed Conley stated money was encumbered that was in excess of the budget to cover back pay for raises following the collective bargaining process and also to cover the parking enforcement officer moving from part-time to full-time last summer. He stated these two transfers were being used to cover the deficits from those two items.

City Auditor, John Dunn stated last year the idea was to encumber salary money for the settlement of the patrolmen contract. The contract extended too far into the new fiscal year so the money was let go. The extra that was going to be encumbered flowed out to free cash. The \$180,000 transfer was to cover the back pay for salaries and the \$20,000 was to cover the deficit from moving a part-time parking enforcement officer to full-time.

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2021-SA-14 in the amount of \$180,000 (One Hundred Eighty Thousand Dollars) from General Fund - Undesignated Fund Balance (“Free Cash”), Account #0001-359000, to the Police Uniform - Salaries, Account #0121151-511000 for the purpose of funding for FY2020 retro payout per union contract.

COMMITTEE RECOMMENDATION: 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 approve Supplemental Appropriation 2021-SA-15 in the amount of \$20,000 (Twenty Thousand Dollars) from the General Fund-Undesignated Fund Balance (“Free Cash”) Account #0001-359000, to the Police Parking – Salaries, Account #0121851-511000 for the purpose of funding an anticipated shortfall in FY2021.

9. *Memorandum from Asst. Public Health Director re: Health Dept. Grant and Expenditure figures for COVID-19 (INFO ONLY)*

Summary of Discussion: Councilor Cox stated if any of the councilors had any questions to reach out to Karin Carroll of the Board of Health directly or bring it up at the next budget meeting.

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

Summary of Discussion: City Auditor, Kenny Costa stated there has been progress including resolved accounts with the Board of Health account and Council On Aging account. Councilor Cox asked Mr. Costa why there was a deficit in the Veterans account. Mr. Costa stated it was for a vacation buyback that was recent. Councilor Cox stated a memo had been received from CAO, Nicole Kieser increasing the snow and ice budget for the year.

MOTION: On a motion by Councilor Cox, seconded by Councilor McCarthy, the Budget and Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to adjourn the meeting at 6:41 p.m.

Submitted by: Sherry Karvelas, Clerk of Committees

Documents submitted at the meeting: None.

Meeting Recording:

<https://drive.google.com/file/d/1KD4GLk5V9AR8IU742NBM0-iXsYDo-1dF/view?usp=sharing>