

**SPECIAL GLOUCESTER CITY COUNCIL MEETING**

Tuesday, June 7, 2011

6:00 p.m. – 1<sup>st</sup> Fl. Council Committee Room – City Hall

Special Council Meeting – 2011-006

**-Minutes-**

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

**Absent:** None.

**Also Present:** Linda T. Lowe, Jim Duggan; Kenny Costa; Jeff Towne; Fire Chief Dench and a contingent of Gloucester firefighters; Superintendent Safier; Tom Markham; Suzanne Egan; School Committee members Melissa Teixeira and Kathy Clancy; Anne Marchand

**The meeting was called to order at 6:09 p.m.**

**Flag Salute and Moment of Silence.**

**Unanimous Consent Calendar:**

**Councilor Hardy** noted a bike-a-thon is taking place in Gloucester which needs to be taken up as soon as possible due to the timing; and therefore, under a unanimous consent calendar for the Council she asked to refer the 6th Annual Reid's Ride to P&D.

**By unanimous consent of the Council the matter of Reid's Ride is referred to P&D.**

**City Council Special Meeting Agenda:**

1. Administration's Presentation re: City Auditor's Report on Ambulance Service Revenues (cont'd from 05/24/11 & 05/31/11 City Council Meetings)

**Jim Duggan, CAO** stated that noted that with the demands with the budget process he and CFO, Jeff Towne are working on the scope of services to be able to share with the appropriate team who will examine that scope of service and to move forward. The scope is not done yet. The ambulance service needs to be examined, and they are going to do it. **Councilor Hardy** believed they were asking for more time. **Mr. Duggan** agreed. **Councilor McGeary** noted this is for the FY12 study. **Mr. Duggan** thought this is an overall examination of the ambulance service; and whether FY11 or FY12, he thought the Council had asked the service itself be examined. It was not a time-sensitive issue in terms of 'by June 30<sup>th</sup>'. **Councilor Ciolino** asked if they have picked out the independent impartial consultant. **Mr. Duggan** noted other than identifying the team composed of two Firefighter's union representatives, the CFO, himself and a member of the Council, the City Auditor and the CFO are part of the ad hoc committee. He reiterated he is defining the scope of services to share with the team so they can have their input and make any changes. The number crunchers are part of the team, the CFO and the Auditor. On follow up by **Councilor Ciolino, Mr. Duggan** reiterated the scope of service had to be defined first before they can get the independent person to crunch the numbers who would be the neutral party. **Councilor Theken** further clarified that in order to pick that independent person to "crunch the numbers", they have to first define the scope of service by the team of which she will be a part of as the Council's representative. **Councilor McGeary** thought the scope was outlined in the motion he had proposed and was passed of what was intended to study and the results that were supposed to be forthcoming. **Mr. Duggan** thought there had to be more of a definition of the scope and not making it so general. He is trying to define the specific issues are to give a better idea for the pricing and to come back to the team with a deliverable. **Councilor McGeary** thought that was fair but expressed concern that this not be "paralysis by analysis". **Councilor Curcuru** clarified the evening they made the motion to set up the committee they did discuss the scope of services but that it wasn't outlined at that point. He thought the team, as a group, would discuss what the scope of services is going to be, not one individual. **Mr. Duggan** agreed. He would introduce a general scope of services to the team as a working document and let them work to refine it as they feel necessary. **Councilor Hardy** and **Mr. Duggan** agreed the scope he submits to the team would be a working document. **Councilor Theken** recalled the Administration disagreed with the Auditor's study and were supposed to

come back to the Council on their analysis of Mr. Costa's numbers. The Councilor reviewed the last time this was discussed and voted upon by the Council with the realization by the time they approve it, it is the end of the fiscal year, and now they're into July. **Mr. Duggan** pointed out the numbers originally submitted by the Auditor was corrected by the CFO; that correction supported by Sander Schultz, EMS Coordinator that evening. It was his understanding they would have a better understanding of the service itself. What Mr. Towne had said in regard to billing, the billing numbers were in comparison to the reimbursables; it's examining the service. **Councilor Curcuru** noted everyone brought a different view to the table that evening and that was why they wanted to develop this scope of services using an ad hoc committee. As far as the firefighters being put back to work, **Councilor Curcuru** recalled that was the second portion and was vetoed by the Mayor. **Councilor Ciolino** asked who is in charge of this Committee. **Mr. Duggan** believed it was not a matter of who was in charge but who would be the point, which he would be for the Committee, recommending a scope of services, developing the document with the changes made by the committee. The committee will give him instructions as to how and when they wish to meet, or if the Committee wishes to set up with a Chair. **Councilor Ciolino** noted they hadn't had a meeting yet. **Councilor Hardy** asked how long they anticipate the process to take. **Mr. Duggan** stated this will be a first priority after the budget is voted. **Councilor Ciolino** asked if any of that had been done. **Councilor Hardy** noted they hadn't even met yet with Councilor Ciolino pointing out it had already been a few weeks; and if Mr. Duggan was going to call a meeting, with what appeared to be foot dragging, he wondered when they'd get it all together. Councilor Hardy asked if there was an idea of how long this process was going to take so they could better gauge when they would see an end product. **Mr. Duggan** responded it would be a first priority after the budget is voted on the 21<sup>st</sup>. The scope is in rough draft form with a rough outline. **Councilor Hardy** asked when the Committee will gather for a first meeting. **Mr. Duggan** responded it would be before the end of this month. **Councilor Hardy** expressed some frustration that it hasn't moved forward yet since late May. **Mr. Duggan** warned this would not be a simple process but thought once the scope of services was developed it would not be turned around in a matter of days. He believed it would take interviews, examination of records. **Councilor Hardy** believed this process had become more complicated than it should be. **Councilor Curcuru** thought this was more complicated item, however. He thought there was a great deal of different opinions by each of the Councilors on the subject and a mediator may be the best course of action letting them plug in the data and come to a conclusion. **Councilor McGeary** noted that when he made the second proposal of paying for the overtime to fund the ambulance service for the remainder of FY11, he was using the Treasurer's numbers which were the most conservative set of numbers. That still looked like, using that set of numbers, it was more than **Councilor Mulcahey** recounted speaking with Mr. Costa about last year's ambulance service revenue losses; last year they were promised they'd be getting a new collections agency, and they didn't. This year the losses have doubled suggesting the City has lost approximately \$250,000 in the past year and a half. She reiterated this was promised last year when they were \$139,000 in the red. This needs to be considered as a lot of money has been lost, which is no fault of the City, but because they didn't have the right collection agency. **Mr. Towne** stated there are going to be receivables they'll never collect for a variety of reasons. A significant portion of those write-offs, according to the City's policy, they've sent out numerous notifications of delinquency; there are steps that must be gone through which they did with their previous billing company. They have a new billing company, a national company, which should be in effect as soon as possible, with the transition already underway. Some of those receivables, those outstanding items, should go to a collections agency and they should work with outside counsel. Ambulance billings are hard to lien against, but they do need to take this next step; and he will work with the EMS Coordinator to see this is done. **Councilor Theken** stated the City does have an indigent program to forgive these bills because of very low income. Did their ambulance service make money? **Mr. Towne** stated they budgeted \$975,000 for FY11, and he felt they'd reach that amount. The debate is if you didn't have the paramedic service, what staffing would you have for just a Fire Department. **Councilor Theken** stated even though they "ate" \$300,000 last year, they still made money. **Mr. Towne** responded they still brought in a significant volume of money, "Yes". **Councilor Hardy** asked to put a date on the first meeting of the ad hoc committee. **Mr. Duggan** stated a meeting will be called by June 30<sup>th</sup>. **Councilor Hardy** asked they coordinate with Councilor Theken's schedule in order that she can attend their meetings.

2. Memorandum from Mayor Kirk re: Council Request for Plan to Fund a Minimum of a 14 Person Fire Department (Dated June 1, 2011)

**Councilor Hardy** asked for Council comment on the Mayor's memorandum referring to §3-9 of the City Charter dealing with the information they were just speaking of, the lost revenue from the ambulance service. She hoped this also would be brought up during discussions during those meetings and asked would this be discussed at those meetings. She asked the Mayor what is it the Mayor was asking the Council to do with the memorandum.

**Mayor Carolyn Kirk** stated this was submitted per the Charter §3-9 which asks the Mayor to return with an opinion about why the action has been taken (the Mayor's veto).

**Memorandum from Mayor Kirk re: Council Request for Plan to Fund a Minimum of a 14 Person Fire Department was placed on file. This matter is closed.**

3. Discussion and Council Vote to override Mayor's Veto of City Council Vote of May 24, 2011 re: Plan to Fund a Minimum of a 14 Person Fire Department

**Councilor Verga** stated the issues all comes back that to the contention that the Council is interfering with negotiations which he didn't believe was the intent, nor was it ever mentioned. The fact that they had three weeks of stalling was why he was making this motion giving a bit of "push back", although it may be moot at this point.

**Councilor Ciolino** would support the override because he thought the money has been in the budget all along and didn't see the logic of laying of the firefighters. He believed the independent consultant will prove the ambulance service is profitable. **Councilor McGeary**, stating he was the maker of the original motion, thought it important to go on record in support the full staffing of the Fire Department when it can be shown that the staffing can be paid for out of revenues generated within the Fire Department; and setting aside sufficient overtime to cover the anticipated overtime needs and would support the override. **Councilor Whyntott** agreed with the other Councilors. This vote wouldn't have much affect but would show his support of the ambulance service by voting in favor. **Councilor Hardy** declared under MGL c. 268 she was recusing herself from this vote as her brother is a Gloucester Firefighter to be completely transparent. She didn't believe her brother benefited from the ambulance service but didn't know that to be true and would step aside on this vote hoping the Council would speak for itself.

**MOTION: On motion by Councilor Verga , seconded by Councilor Ciolino, the City Council voted BY ROLL CALL 7 in favor, 0 opposed, 1 (Hardy) recused that under Charter §3-9 regarding the City Council vote of May 24, 2011 re: Plan to Fund a Minimum of a 14 Person Fire Department to override the June 2, 2011 veto of the Mayor.**

**FOR THE RECORD: Vote to override passes and the Mayor's veto is overridden as there are six votes which were necessary to override it.**

**Councilor Tobey entered the meeting at 6:37 p.m.**

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4. Update from Mayor re: Health Insurance Cost Savings Proposal (under separate cover) (documentation provided to the Council on June 6, 2011 and on file)

**Councilor Hardy** stated they now know this proposal to be a resolution from the Mayor's office. This is a vote to refer to Budget & Finance who is meeting immediately after this Special City Council Meeting. **Councilor Curcuro** stated it was the intent of the B&F Committee to take this matter up at their meeting following the Special City Council meeting.

**By unanimous consent the Mayor's memorandum regarding a Joint Resolution for Health Insurance Cost Savings Proposal was referred to the Budget & Finance Committee.**

5. Council Discussion re: inclusion/restoration of FT Assistant City Auditor position, salary and benefits to the FY2012 Budget

**Councilor Hardy** stated in order for the Council to vote to restore or include funds in the fiscal year budget it must vote to ask the Mayor to make such inclusion(s) in the budget. She then read the MGL c. 44 §33 to the Council. **Councilor Tobey** asked the Mayor if in her opinion was this even necessary, the invocation of c. 44, §33. **Mayor Kirk** responded in their discussions from the time of the public hearing to this evening, in all the scenarios they were looking at; in the best case scenario (referring to the joint resolution) there are a number of services that are restored, including the position of the Assistant City Auditor. In the worst case scenario which is if health insurance savings fail and don't have the support to use the Stabilization money, based on the cuts and revenues they have raised, they still have almost \$300,000 of flexibility to do things in the budget. In the worst case scenario, the Assistant City Auditor is "absolutely included" in that. **Councilor Tobey** stated then there was no need for the

Council to invoke this law as the Administration is committed to this position in any scenario envisioned being back in the budget, to which **the Mayor** responded, "Exactly". **Mayor Kirk** stated it wasn't so a week ago because they hadn't gone through in looking at some of the revenues, cuts; but stated "with absolute confidence" that the City Auditor and she went through this, and agreed on some of the worst-case scenarios in terms of what the revenue raises would be. In every case, no matter what happens, that position will be in the FY12 budget. She felt the City Auditor had made a compelling case to have the position restored, as has the City Council. **Councilor Tobey** told the Council he had a long conversation with the Mayor on his way to this meeting and that they should respect and honor the commitment the Mayor has made and to not proceed any further with MGL c. 44, §33. **Councilor Hardy** asked even if the joint resolution is not signed by the prerequisite number of signatures was obtained would the Assistant City Auditor's position still be included. **The Mayor** responded "Yes". The savings from the health insurance is \$428,000, and about \$1 million in play in the budget. So if that \$428,000 goes away, they still have a balance. The other question would be the Stabilization Fund which is \$300,000 which brings them up to about \$700,000; so between the cuts and alterations in the revenues they've agreed on, there is still another \$300,000 to play with. It will not go far she warned, nor address all of the needs that were identified, but they are firm and will not change their commitment with the Assistant City Auditor's position. **Councilor Hardy** asked if there was any scenario that the Mayor could conceive that the Assistant City Auditor wouldn't be in the budget. **The Mayor** said the Council could vote it down because if they get to the worst-case scenario, the Council will be the ones making those choices. **Councilor Hardy** noted at this point in the budget review they would now include this position in the budget. **Councilor Curcuro** stated that it would be taken up in their B&F revisits meeting. **Councilor Hardy** noted the vote on the 21<sup>st</sup> of June will include that [position] in the budget. **Councilor Tobey** suggested the Council table the matter with **Councilor Whynt** recommending that the matter, instead, be postponed indefinitely as a matter of procedure.

**MOTION: On motion by Councilor Tobey, seconded by Councilor Verga, the City Council voted 8 in favor, 0 opposed to table the matter of the invoking of MGL c. 44 §33 on the matter of the inclusion/restoration of the FT Assistant City Auditor position, salary and benefits to the FY2012 Budget.**

#### 6. Council Discussion and Motions related to FY2012 Budget

**Councilor Hardy** noted that this budget is being worked on diligently and quite a few transfers will be coming forward by the Administration. She asked if it was agreeable to the Council that the transfers go directly to B&F and come back to the Council which would save a great deal of time with the budget deadline looming.

**By unanimous consent the Council allowed for the adjustment in procedure of sending all transfers related to the City budget directly to B&F and then to come to the City Council for voting.**

#### 7. FOR COUNCIL VOTE:

Motion to Rescind the City Council vote of May 31, 2011 re: appropriation of up to \$10,000 from the General Fund Unreserved Fund Balance ("free cash") for the purpose of the purchase of computer tablets

**Councilor Tobey** explained he was unable to be at the last Council meeting and would have voted no on this matter, and wasn't aware of any data that the cost would be made up in savings. He didn't believe that since some of them already provide their own equipment, and in light of layoffs, that they should do this. **Councilor Verga** was pleased that this was brought forward as he had "voter's remorse". He already has the technology; and while he understood the drive to save time and money, he believed it would be quite a while to recoup the money. He didn't think this expenditure of \$10,000 was appropriate. **Councilor McGeary** asked the City Clerk, who had done research on the matter, if she had any numbers to share with the Council. **Linda T. Lowe**, City Clerk had provided information at the last meeting. She also expressed this request for the purchase of the computer tablets did not come from her. She noted for the Council that there was an article in the Globe about North Reading who did this same thing for their Board of Selectmen, a town about the size and economy of Gloucester. They were thrilled with their cost saving and time savings to their staff. It is an enormous amount of paper and wear and tear on equipment. The cost of paper, from the purchasing agent, is \$2.57 a ream. The machine used, a newly leased centralized Konica copier in City Hall, has a cost factor of wear and tear of \$0.005 per piece of paper; as well as the time savings by personnel. In her Office City Council and Standing Committee packets consume an enormous amount of time. The Assistant City Clerk can spend the better part of two days to assemble many of these City Council packets, she

explained. There was no question, she felt, that a lot of human resources and paper is used. **Councilor McGeary** thought it really is the cost associated with the City Clerk's personnel's time in making all these copies; and it would be a significant savings. He reminded the Council the Clerk's office recently lost two part time people [to lay-offs]. While three Councilors have iPads and several others have PC's, he would agree to a cut to the appropriation but felt there is an appropriate savings to the City by this purchase. **Councilor Whynott** explained he has a PC and a mini-PC but he may not be here after the next election; and recounted in his 17 years in the City Clerk's office that it is labor and paper intensive to produce these packets. There is no question, he felt, this would pay for itself in a short period of time. **Councilor Ciolino** noted he seconded the motion to have the discussion but would not support the rescinding. They took a vote to become green; and it is time for the Council to become green. The amount of paper used "is just incredible". The cost of the paper, the handling of the paper and being down two part-time people makes the case; and while they have the money they should do this. They will turn these over to the City Clerk for use by the next Council. He believed it is the right thing to do if they're going to be green by stopping all the waste of paper.. **Councilor Curcuru** stated he brought this forward noting is an iPad holder. This brings the Council into modern technology. Kyrouz Auditorium will be Wi-Fi'd. They'll have all their agendas and packets on the computer tables and will move them into the 21<sup>st</sup> century believing the computer tablets are a great tool to have. **Councilor Mulcahey** noted if she knew they would have this discussion she would have brought a pick up truck which would have been completely filled of all the paper she had received from the Council since taking office. **Councilor Tobey** wanted to commend Councilor Ciolino to be green but quipped it was all about the 'green'. He stated they are stewards of the people's money. They shouldn't be spending money of the people for "doo-dads" for the Council. **Councilor Theken** liked her paper packets. She wasn't too happy with an iPad, but they have to embrace the new technology. This money won't save a job. It is the Council's money [to use]. Those that have the iPads have all their information at hand and is easier to respond to the community. She would go with the will of the Council and would vote in favor of this. **Councilor Hardy** noted this is one-time money that the Mayor allowed the City Council to spend in her memo of November 22, 2010. She graciously gave \$25,000 to the Council; and she would vote against the motion to rescind.

**MOTION: On motion by Councilor Tobey, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 2 (Tobey, Verga) in favor, 7 (Ciolino, Curcuru, Hardy, McGeary, Mulcahey, Theken, Whynott) opposed TO RESCIND the vote taken on May 31, 2011 by the Council for the appropriation of up to \$10,000 from the General Fund Unreserved Fund Balance ("free cash") for the purpose of the purchase of computer tablets for use by the City Council.**

#### **MOTION FAILS**

**Councilor Hardy** on inquiry by Councilor Ciolino noted the proper identification will be done on the tablets indicating they were the property of the City of Gloucester City Council.

8. Council Discussion of appropriations from "Free Cash" balances

**No action taken on this matter as it was a placeholder on the Council agenda.**

9. Council Discussion on FY2012 Budget Status

**Councilor Curcuru** explained to the Council that they have two departments left and they are making progress in their review of the FY12 budget..

**A motion was made, seconded and voted unanimously to adjourn the meeting at 7:03 p.m.**

**Respectfully submitted,**

**Dana C. Jorgensson**  
Clerk of Committees

**DOCUMENTS/ITEMS SUBMITTED AT MEETING:**