

**Budget & Finance Committee**  
Thursday, August 23, 2012 – 6:00 p.m.  
1<sup>st</sup> Fl. Council Committee Rm. – City Hall  
-Minutes-

**Present: Chair, Councilor McGeary; Councilor Melissa Cox**

**Absent: Councilor Ciolino**

**Also Present: Kenny Costa; Jeff Towne; Jim Duggan; Jim Hafey; Lucy Sheehan; J.J. Bell; Debbie Laurie**

**The meeting was called to order at 5:15 p.m.**

**1. Continued Business:**

- A) Memorandum from CAO requesting permission to pay an invoice for K12 Insight in the amount of \$4,999 (Cont'd from 08/09/12)

**Jim Duggan**, CAO through made the following points:

- This was an oversight; this service was procured through the School Department, with the City taking responsibility for paying for it. The purchase order was not placed on time.
- K12 did a survey on the School Department's website to ascertain whether people were in favor of neighborhood schools, which came back strongly in favor of that concept.

**Councilor McGeary** observed here are a number of matters on the agenda like this tonight. He asked that Mr. Duggan go over procedures with the department heads. **Mr. Duggan** noted it is a \$100 million budget and that with all the invoicing and purchase orders done, their percentages (of this kind of oversight) are low. A reminder or refresher can be done, at the twice monthly department managers' meeting. He would convey the concern of the committee to them regarding the process. **Mr. Costa** pointed out this was a purchase order carried over and this is out of FY12 funds.

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL Chapter 30B to permit payment of \$4,999 (Four Thousand Nine Hundred and Ninety Nine Dollars) for the procurement of a subscription to K12 Insight's Web-Based Platform DIY from 3/1/12 to 2/28/13, Invoice #54101248 dated 2/21/2012 for the Gloucester Public School District without a purchase order in place.**

**2. Memorandum, Grant Application & Checklist from Heath Director re: Massachusetts Bureau of Substance Abuse Services MA Collaborative for Action, Leadership and Learning (CALL) Extension Grant In the amount of \$70,000**

**Noreen Burke**, Health Department Director summarized the grant as follows:

- This is a \$70,000 extension of a five-year \$500,000 Center for Substance Abuse Prevention grant extending it to June 30, 2013 which marks the end of this grant. The department expects a new competitive RFR to be released for FY14.
- There are data-verified successes as a result of this substance abuse prevention grant through the Healthy Gloucester Collaborative (HGC) efforts led by Joan Whitney. Additionally, the project over the last five years has worked successfully with City police, EMT and other first responders in addressing users and bystanders' reluctance to contact emergency services when an overdose occurs (For more information on the HGC successes (see memo dated 7/26/12 by Ms. Burke on this grant and on file.). This funding continues with the staffing benefits and supplies.
- Match is in-kind.

**Councilor McGeary** noted this was originally funded at \$30,000 and the State added an additional \$70,000. **Ms. Burke** added the Massachusetts Department of Public Health (MDPH) increased it to cover the grant period to the end of June to tide them over giving them more time to work with their evaluator to see where they need to go next on this issue. A full-time employee who is primarily dedicated to this grant is paid out of these funds, and another staff member is paid partially from this grant. Benefits, including unemployment, are built into this funding for these employees. The original source of the funding is the Substance Abuse & Mental Health Services Administration (federal agency) and is passed through MDPH (State). Part of the money is used to pay for a Health

Promotion Advocate position located at the Addison Gilbert Hospital. The State has been very impressed with the program instituted by the City. The department is looking to other ways to sustain and maintain the position at the AGH, which provides behavioral/substance abuse screening for those who utilize ambulance services multiple times per week/day.

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council under MGL c. 44, §53A to accept an extension of a Massachusetts Department of Public Health Bureau of Substance Abuse Services, Mass Collaborative for Action Leadership & Learning 2 Grant in the amount of \$70,000. The time period for expenditure of funds is from July 1, 2012 to June 30, 2013.**

**3. *Memorandum, Grant Application & Checklist from Heath Director re: grant of \$188,742 from Massachusetts Department of Public Health Emergency Preparedness Bureau***

**Ms. Burke** explained the City is in receipt of a grant from the MDPH Emergency Preparedness Bureau for the North Shore/Cape Ann Emergency Preparedness Coalition (NS/CAEPC):

- This grant is for the purpose of emergency preparedness and response activities for the new grant Budget Period 1 of 8/10/12 through 6/30/13 (activities of NS/CAEPC funded are on file). Gloucester is the host community and is a facilitator. Their responsibility is to Gloucester first.
- In post-9/11 era, public health has assumed a stronger role in emergency preparedness. If there was a need for counter-medical measures, in the case of an anthrax attack for example, it would come from the strategic national stockpile. The counter-medial measure needs to be distributed and addressed within 48 hours of exposure. The department would also be opening a sheltering site in partnership with the Emergency Management Director. If there was a flu pandemic, they would provide clinical staffing to a sheltering site.
- This grant is about preparing the 15 communities, including larger North Shore communities like Saugus, Danvers, as well as all of Cape Ann. This grant also pays for their principal clerk who manages the grant funds. They also use the funding to hire consultants to practice table top emergency responses. This grant focuses on the public health piece of emergency preparedness.
- There is no match.

**MOTION: On motion by Councilor Cox, 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 to accept a \$188,742 Public Health Emergency Preparedness Grant from the Mass. Department of Public Health with the City of Gloucester-North Shore/Cape Ann Emergency Preparedness Coalition as host agency.**

**4. *Memorandum, Grant Application & Checklist from Heath Director re: grant of \$5,000 from National Association Of County & City Health Officials***

**Ms. Burke** reviewed for the Committee and answered their questions regarding the receipt of a grant from the National Association of County and City Health Officials 2009 Capacity Building Award for \$5,000. Some will go towards the consultant's salary (no benefits need to be addressed because this is a contractor); and this will also be used to build readiness with the Medical Reserve Corps. This is not a renewable grant. There is no match.

**MOTION: On motion by Councilor Cox, 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 to accept a \$5,000 grant from the National Association Of County & City Health Officials.**

**5. *Memorandum, Grant Application & Checklist from Heath Director re: grant of \$14,285 from Massachusetts Department of Public Health Emergency Preparedness Bureau***

**Ms. Burke** reviewed for the Committee and answered their questions regarding the receipt of a grant from the Public Health Emergency Preparedness Bureau through the Mass. Department of Public Health.

- Westford, Mass., is the fiscal agent for this grant.

- The grant will provide funding to assist the North Shore/Cape Ann region in preparing for public health emergencies and enhance the Medical Reserve Corps (MRC) capacity to respond by better administrative techniques, coordination of outreach, recruitment, deployment and training of MRC volunteers, enhance public health preparedness within all North Shore/Cape Ann communities participating in the coalition.
- Deliverables change every so often from the State, and with it priorities change. They may have to deploy staff in a different way, and can adjust the grant funds in order to do that.
- There is no match.
- Ms. Burke confirmed that the \$14,285 from this grant would be combined with the \$5,000 grant from NACCHO to fund MRC preparedness to the total of \$19,285.

**Mr. Costa** thanked Ms. Burke in being proactive in seeking his advice to make sure all documentation was in order. He noted that this is not a formal submission to the Auditor's office until they have a signed contract by the Mayor and the State agency that made the award, as with all grants that come to the City. The Council vote is a pre-requirement of that acceptance.

**MOTION: On motion by Councilor Cox, 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 to accept a \$14,285 grant from the Public Health Emergency Preparedness Bureau through the Mass. Department of Public Health. Funding is to be used to enhance the Medical Reserve Corps capacity to prepare and respond to public health emergencies.**

**6. Memorandum from Police Chief requesting permission to pay invoice for services performed by Sgt. Stephen Mays from FY12 with FY13 funds**

**Police Chief Michael Lane** introduced Stacy Couture, the Police Department's new financial coordinator currently being trained by Phil Terpos, the former financial coordinator, who has retired. The Chief explained they had an immediate need for breathalyzer operators to be trained. They were able to obtain the services of a State certified trainer at very short notice. The purchase order was not in place, although they do have the funds to pay for it. Six officers were trained. **Mr. Costa** noted for the Committee in this instance and most like this to follow had two issues – there was no purchase order in place, and there is a prior obligation; therefore there was a need for two motions – one under MLG c. 30B (procurement) and MGL c. 44, §64 (payment of bills incurred in excess of appropriations).

**MOTION: On motion by Councilor McGeary, seconded by Councilor Cox, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL c. 30B to pay an invoice dated 6/21/2012 for \$280.00 to Stephen W. May for services performed with no purchase order in place.**

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL c. 44, §64 to pay an invoice dated 6/21/2012 for \$280.00 to Stephen W. May for services performed in the prior fiscal year with funds from the current FY13 Police Department Operating Budget.**

**7. Memorandum from Police Chief requesting permission to pay invoice from Destino's Subs from FY12 with FY13 funds**

**Ms. Couture** requested permission to pay these invoices as there were not enough funds in the purchase order. This is for food for prisoners in custody of the department.

**MOTION: On motion by Councilor McGeary, seconded by Councilor Cox, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL c. 30B to pay \$58.79 of an \$82.79 invoice dated 6/4/2012 to Destino's Subs with no purchase order in place.**

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL c. 44, §64 to pay \$58.79 of an \$82.79 invoice dated 6/4/2012 to Destino's Subs for expenditures incurred in the prior fiscal year with funds from the current FY13 Police Department Operating Budget.**

**8. Memorandum from Police Chief requesting permission to pay invoice from Dell Computers from FY12 with FY13 Funds**

**Ms. Couture** requested payment of the invoice with federal seizure funds without a purchase order in place. **Mr. Costa** noted that because the funds used to pay for the computer are from federal seizure money, there is no need for a second motion under MGL c. 44, §64.

**MOTION: On motion by Councilor McGeary, seconded by Councilor Cox, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL c. 30B to pay an invoice dated 5/30/12 of an invoice for \$82.79 for \$32.21 to Dell Marketing LP for expenditures incurred in the prior fiscal year with funds from the current FY13 Police Department Federal Asset Forfeiture Fund (#2392047) with no purchase order in place.**

**9. Memorandum, Grant Application & Checklist from Police Chief re: State 911 Training & Emergency Medical Grant for \$92,186**

**Police Chief Michael Lane** asked the Committee for permission for his department to apply for a State 911 Training and Emergency Medical Dispatch (EMD) Grant, which is done annually. The city was mandated to go to EMD in July 2012, and did so. All officers are fully trained, and EMD is up and running. New officers coming on line will have to be trained in a basic telecommunications course, and EMD. The grant:

- Offers financial assistance to E911 call takers who utilize in-house certified emergency medical dispatchers by reimbursing for overtime paid to police officers who are required to attend continuing EMD education as well as sergeants who are trained for quality assurance and improvement of EMD calls.
- The grant has no match requirements. The expectation is the State will fund the department to some degree, if not for the full amount.
- The bulk of the funds are used for quality assurance and training for new hires who need 80 hours of combined dispatch training.

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council to permit the Gloucester Police Department to apply for a State 911 Training and Emergency Medical Dispatch Grant in the amount of \$92,186 for FY13.**

**10. Memorandum, Grant Application & Checklist from Police Chief re: State 911 Support & Incentive FY13 Grant for \$61,795**

**Chief Lane** reviewed for the Committee and answered several direct questions from them on the State 911 Support and Incentive FY13 Grant his department annually applies for. He noted that:

- This grant offers financial assistance to E911 call takers by reimbursing for regular salaries paid to police officers whose function is primarily as an E911 call taker. The funding is determined by population and number of calls received. The \$61,795 is a result of that formula.
- They have been granted this award; and paperwork will be submitted for it with the next Mayor's Report.
- The grant has no match and is for FY13.

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council to permit the Gloucester Police Department to apply for a State 911 Support and Incentive FY13 Grant for a total of \$61,795.**

**11. Memorandum from Building Inspector requesting permission to pay invoice from Sprint/Nextel from FY12 With FY13 funds**

**Linda Martin**, Clerk for Inspectional Services, explained she found a shortfall in the telephone budget and made three transfers requests which went through; but she neglected to increase the purchase order and so there are no funds to pay for the invoice.

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council to in accordance with MGL c. 44, §64 to pay an invoice dated 7/14/2012 for \$383.77 to be paid to Sprint/Nextel for services provided in the prior fiscal year with funds from the current FY13 Building Inspection Department Operating Budget.**

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council to in accordance with MGL c. 30B to pay an invoice dated 7/14/2012 for \$383.77 to be paid to Sprint/Nextel for services rendered with no a purchase order in place.**

**12. Memorandum from CFO requesting permission to pay invoice from D'Ambrosio, Brown, LLP from FY12 with FY13 funds**

**Mr. Costa**, on behalf of the CFO, Jeff Towne, explained that this is for the City's tax title collection services for June. There was money available, but the purchase order didn't reflect the June tax title collections.

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL c. 44, §64 to pay an invoice dated 7/3/2012 for \$15,726.81 to D'Ambrosio Brown LLP for collection of tax title accounts for the City of Gloucester in the prior fiscal year with funds from the current FY13 Treasurer's Department Operating Budget.**

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL c. 30B to pay an invoice dated 7/3/2012 for \$15,726.81 to D'Ambrosio Brown LLP for collection of tax title accounts for the City of Gloucester with no purchase order in place.**

**13. Memorandum from CFO requesting permission to pay prior years invoices from Gloucester Contributory Retirement System from FY13 funds**

**Mr. Costa**, speaking on behalf of the CFO explained that under MGL c. 32, §22 paragraph 4 on the retirement law, there is a special section for military service. As far as the pension contribution is concerned, the City personnel have to be treated as if they were actively employed by the City, and the City is to contribute that amount. The retirement board wants to make these benefits whole. The amount to be paid is the difference between the military and the City payments.

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL c. 44, §64 to pay prior fiscal year invoices for 2010 and 2011 for a total of \$2,715.96 to the Gloucester Contributory Retirement System for City employees that have now met the criteria for pension reimbursement with funds from the current FY13 Treasurer's Department Operating Budget.**

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council in accordance with MGL c. 30B to pay prior fiscal year invoices for 2010 and 2011 for a total of \$2,715.96 to the Gloucester Contributory Retirement System for City employees that have now met the criteria for pension reimbursement without a purchase order in place.**

**14. Memorandum, Grant Application & Checklist from Senior Center Coordinator re: FY13 Formula Grant Application from Executive Office of Elder Affairs**

**Lucy Sheehan**, Senior Center Coordinator is submitting the paperwork for a State Executive Office of Elder Affairs Formula Grant Funding for FY13. The breakdown of the grant is as follows:

- Formula grant funding is determined by census-based allocation of available grant funds which support the Council on Aging (COA) activities:

- A) Salary for Senior Center Senior Clerk, 35 hours per week;
- B) A partial salary amount for an Outreach Social Worker; and
- C) Salary for Activity/Volunteer Assistant for 16 hours/week for 40 weeks.

**Ms. Sheehan** noted that in the past the Council on Aging has not been responsible for benefits for persons hired under the formula grant so she has yet to determine whether there will be sufficient funds to pay for the activity/volunteer assistant.

- There is no match. There is additional funding available because of the growth of Gloucester’s senior population to 7,404. The total grant allocation will be \$51,828.00 and will be received shortly.

**Mr. Costa** noted the Personnel Department would budget the benefits for some of these staff members as benefits were not built into the grant budget. **Councilor McGeary** stated they would vote to accept the money, and that the COA would have to reserve funds moving forward towards benefits. **Ms. Sheehan** offered that in the formula grant guide doesn’t say they can apply for benefits for employees. **Mr. Costa** noted benefit costs can be paid under federal guidelines A-133 and A-87 as a general rule. Sometimes state grants forbid the payment of benefits, but on the most part it is allowed. This particular grant is through the State. **Ms. Sheehan** offered that the Friends of the Council on Aging do a great deal to supplement their staffing budget and assist in funding items like a new freezer and underwriting other costs, which is important to the Senior Center functioning. **Councilor McGeary** asked the grantor be contacted by Ms. Sheehan with Mr. Costa’s assistance, to find out if charging off benefits for employees is allowable under the formula grant; and if it is to work with the Administration to allocate the grant accordingly.

**MOTION: On motion by Councilor Cox, seconded by Councilor McGeary, the Budget & Finance Committee voted 2 in favor, 0 opposed to recommend to the City Council to accept in anticipation under MGL c.44, §53A a Mass State FY13 Formula Grant Allocation from the Mass Executive Office of Elder Affairs for a total of \$51,828.00.**

**The Committee recessed at 6:48 p.m. and reconvened at 6:53 p.m.**

**15. Memorandum from Acting Community Development Director and recommendations from the Community Preservation Committee for Round 3, FY12 Funds:**

**Historic Preservation:**

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| 2. Lanes Cove Fish Shack Building Committee | Fish Shack Restoration   | \$20,000 |
| 3. Cape Ann Museum                          | Preservation & Digitization of Phillips & Holloran Architectural Plans | \$10,000 |

**Open Space:**

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| 1. Friends of Good Harbor | Preservation of 70-74 Thatcher Road | \$150,000 |
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**Historic Preservation:**

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| 2. Lanes Cove Fish Shack Building Committee | Fish Shack Restoration | \$20,000 |
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**Jim Hafey**, Facilities Manager and Lanes Cove Fish Shack Committee, speaking on behalf of the Lanes Cove Fish Shack Building Committee, stated the committee is seeking \$20,000 in CPA funds to further the rehabilitation of the Lanes Cove Fish Shack, a historic fishing shack that had fallen into disrepair and was condemned a year ago by the Building Inspector. Through much community discussion, it was determined they would preserve and restore the shack to the condition when it was last used as a fishing shack. The land is a public landing owned by the City, and the shack itself is City-owned property. Its historical use has been as a storage and work space for commercial fishermen. The plan is to continue such use after repair of the structure. Work on the shack will include structural members being removed and reused if possible or replaced with new timber. The Ocean Alliance’s Director, Iain Kerr, provided the Committee with large long pieces of wood from the Paint Factory and was used as structural support the shack. The chimney will be rebuilt from the ground up. Roofing will copy the present red roll roofing as closely as possible. A carpenter member of the building committee has offered to construct traditional windows and doors and donations of siding and roofing has already been made. The Committee has already raised approximately \$6,000. The project has strong grass roots enthusiasm; many skilled volunteers will or have already donated their time to renovate the building. The overall budget for the project is \$80,000 which is part in-kind donations and labor; and it is hoped the project will be finished around Christmastime. Should they get CPA money, and should they have remaining funds from it, that would be returned. Funding for maintenance of the Fish Shack

will be through donations. The CPA money will be used directly to repair the fish shack. They are obliged under Chapter 91 of the Mass. General Laws to keep it as a maritime use. They will create stalls for local fishermen to work and store gear. There has been interest in such stalls; and a nominal fee would be charged. It will be a working fisherman's shack. The committee has a public meeting on Saturday, August 25<sup>th</sup> at the site, and it will also be a work day when they will be taking the roof off. They have a good cross-section of community volunteers. It is a nice community effort. The DPW is providing a dumpster and regular trash pick up and storage of materials. **J.J. Bell**, Co-Chair of the Community Preservation Committee noted that as one of the conditions to be placed on this funding, the project must include educational signage for public benefit acceptable to the CPC; such signage is to indicate the cultural and historical significance of the property, so that the public understands the connection to the community.

**A site visit is planned for Saturday, August 25<sup>th</sup> at 8:00 a.m. prior to a 10:00 a.m. publicized community meeting at the Lanes Cove Fish Shack (and is also a work day).**

3. <i>Cape Ann Museum</i>	<i>Preservation &amp; Digitization of Phillips &amp; Holloran Architectural Plans</i>	<i>\$10,000</i>
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**Mr. Bell** declared he is a member of the Board of the Cape Ann Museum and recused himself from any votes by the CPC on matters that may affect the funding for this organization.

**Stephanie Buck**, Librarian and Archivist of the Cape Ann Museum, explained the museum in 2011 they received a collection of more than 300 rolls of architectural plans of Gloucester businesses and municipal buildings and private homes from the estate of Robert Holloran, who was the last partner in the architectural firm of Phillip & Holloran. These plans had been stored, tightly rolled for over fifty years. Each roll contains many plans, although much is unknown as they cannot unroll most of them at this time because many are in fragile condition. Some plans are blueprints; some plans are on tissue, some on linen. The museum is going to conserve (flatten, clean and repair) and digitize the plans so that they can be made available to researchers and the general public, and to prevent further damage. This preservation will be done in multiple phases. The museum is looking for \$10,000 for Phase 1. It expects to come back in the next year to ask for further funding. They already have folks who are interested in getting copies of some of these plans. They hope when these are digitized they will be placed on the museum's website making them available to the public. They have not discussed whether they will charge the public for them. Total cost for the project is estimated to be \$120,000 based on the digitization of the City Hall plans last year. Public building plans are prioritized to be restored and preserved first. **Mr. Bell** added as a condition of the CPC recommendation, because of the public benefit aspect, the funds are to be utilized for plans for the public buildings; and the public is to be made aware of them. **Deborah Laurie**, CDBG Project Manager, explained they will let the public know when these pieces are available noting that this is the beginning of a long process. There already is a lot of interest by the public in these plans.

**Open Space:**

1. <i>Friends of Good Harbor</i>	<i>Preservation of 70-74 Thatcher Road</i>	<i>\$150,000</i>
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**Councilor McGeary** stated he has been working with the Friends of Good Harbor (FOGH) as an interested citizen and will not recuse himself on any votes on this matter. The project's loan authorization failed at City Council on August 14<sup>th</sup>.

**Denton Crews**, 45 Old Nugent Farm and representing FOGH, made their presentation to the CPC this past Tuesday. FOGH remain committed this project of the purchase of the property at 70-74 Thatcher Road known as Brierneck Crossing. There is a large element of the community that feels the same, and is willing to help fund the project. They anticipate over the next three months steps to move forward as they had laid out to the Council during the public hearing for a City loan authorization, which was rejected by the City Council. They need to support the Conservation Commission's (ConCom) LAND grant application for \$375,000. That is a challenge at this point. If the CPA proposal is approved, Mr. Crews expressed the belief that the rest falls into place towards the purchase of this property. It is not just the size of the grant request, but there was a requirement because the LAND grant is a reimbursement grant to the City, and requires a loan be taken to cover the time between the closing in January 2013, and the time when the State reimburses the funds from the grant. That grant is anticipated to be awarded on or around October 1<sup>st</sup>. Given that the loan authorization was rejected, The Friends would like to find another

alternative to the City loan authorization and will seek to find a loan through the private sector or the Trust for Public Lands or like entities. Their purpose is to support the ConCom application. ConCom plans to continue on as will the FOGH. There is a conservation restrictions required once the land is purchased. Their group hopes to preserve six acres of filled land at 70-74 Thatcher Road, across from the entrance to Good Harbor Beach; restore it as salt marsh, and preserve it for public access, appreciation and education. The FOGH and the owners of the property, Brier Neck Realty, LLC have reached an agreement on a purchase price of \$720,000. The overall budget for the property acquisition is \$750,000 with intended funding from the CPA Act, from the Executive Office of Energy and Environmental Affairs' LAND Grant (Commonwealth of Massachusetts), and from general fundraising from private individuals and foundations (FOGH), including a substantial tax credit contribution by the owners of the property. The primary goal is to support and pursue the project. They will continue their own campaign to raise \$50,000 on their own. The Dusky Foundation has pledged \$50,000. A Purchase and Sale Agreement (P&S) will be signed and \$25,000 needs to be put down upon that signing. They intend to expand the FOGH membership beyond the immediate Good Harbor neighborhood even though Good Harbor benefits the entire City. It is also the intention of FOGH that the City of Gloucester will own this property with the vision that it will be restored to its natural vegetation and wildlife habitat; that it will become a gateway to the Good Harbor marsh and wetlands. At this point they don't know what they will do regarding a maintenance plan; in the first instance it can be left as it is. They do have a plan to clear the property. Maintenance would also be provided by the Essex County Greenbelt Association who would hold the conservation easement/restriction. Restoring the property to salt marsh is a larger project. They will not lay out a concrete plan for it at this time. The FOGH hopes the City would be the gift of the property. The FOGH have commissioned an on-going study of the marsh at their expense of \$3,400 by the Salem Sound Coast Watch. That organization is gathering data and doing an assessment of the marsh. That report should be available this fall. That would be a comparison to benchmarks published in 2005. **Councilor Cox** asked how much they would need a loan for. **Mr. Crews** suggested that Gregg Cademartori, Acting Community Director and Lisa Press, Conservation Agent would be better able to answer that question. However, the actual amount would be about \$595,000 to be borrowed. FOGH would take out a bridge loan. The City would reimburse FOGH, except for the interest. **Councilor Cox** asked if the City has to be involved in the grant. **Councilor McGeary** stated at some point the City has to take ownership [of the property]. FOGH would take the bridge loan, but it would have to know the City would reimburse them for that loan. The \$375,000 LAND grant would go to the City. There has been an allusion to a Memorandum of Understanding (MOU) between the FOGH and the City. FOGH presented a draft MOU that has been reviewed by General Counsel. If the deal were to go through, the CPA money could be part of the funds to make up the \$575,000. The FOGH is essentially the "middle man". If it falls through they'll say so, and the CPA money will revert back to that fund. If the sale goes through, the money will be there for the closing. **Mr. Bell** pointed out the CPC recommendation is \$150,000 to the City, working with the FOGH, for the acquisition of the property. Two conditions are that expiration of the award shall be either June 30, 2013; or the expiration of the P&S agreement, whichever occurs first. He believed FOGH can still make it work. **Councilor McGeary** stated when the Salem Sound Coast Watch report is available, the Friends should get it to the Council and the City at large as soon as possible; it is important information they should have.

**16. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization  
And Auditor's Report***

**Mr. Costa** reviewed his documentation with the Committee.

**A motion was made, seconded and voted unanimously to adjourn the meeting at 7:41 p.m.**

**Respectfully submitted,  
Dana C. Jorgenson  
Clerk of Committees**

**DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.**