

GLOUCESTER CITY COUNCIL MEETING

Tuesday, June 11, 2013 – 7:00 p.m.

Kyrouz Auditorium – City Hall

-MINUTES-

Present: Chair, Councilor Jacqueline Hardy; Vice Chair, Councilor Sefatia Theken; Councilor Joseph Ciolino; Councilor Melissa Cox; Councilor Steve LeBlanc, Jr.; Councilor Paul McGeary; Councilor Bruce Tobey; Councilor Greg Verga; Councilor Robert Whyntott

Absent: None.

Also Present: Linda T. Lowe; Jim Duggan; Kenny Costa; Jeff Towne; Jonathan Pope; Valerie Gilman; Melissa Teixeira; Tony Gross; Dr. Richard Safier Hans Baumhauer

The meeting was called to order at 7:06 p.m. Councilor Tobey departed the meeting at 9:42 p.m.

Flag Salute & Moment of Silence. Council President Hardy dedicated the Moment of Silence in honor of Richard Gaines, Gloucester Daily Times correspondent who recently passed away.

Oral Communications: None.

Presentations/Commendations:

1 of 1: Synopsis of FY14 CDBG and HOME Grant Allocations presented by James Duggan, Chief Administrative Officer

Jim Duggan, CAO explained that the Requests for Proposals, an annual allotment from the Housing & Urban Development Department of the U.S. government for Community Development Block Grant (CDBG) funds was issued to the general public on January 25, 2013. There were two public hearings held; an informational public hearing on February 14th and on March 14th. The City's proposed allocation was advertised for public comment on April 26th. For Program Year (PY) 13 (or FY14) is a total allotment of \$637,000. He noted in a previous memo to the Council (on file) that the estimated allotment had been \$566,926 which were anticipated receipts of the CDBG Grant allotment, but the \$637,000 is the confirmed PY13 grant allotment to the City. Coupled with reprogramming of existing program income of \$253,941, and approximately \$10,000 of next year's program income, the total CDBG grant allotment of \$900,941.

Mr. Duggan then explained the North Shore Consortium's HOME Grant funding by saying it is a separate grant with the consortium encompassing several other communities. The City will now receive \$61,978 from that grant. That will continue to cover the first time homebuyers program for down payment assistance for six families in Gloucester. There is economic development activities of \$115,000; a housing rehabilitation program which has funded \$223,145; public services for \$98,500 which includes family, special needs, elderly, youth and adult employment and employment and educational training. Additionally there is Public Facilities funding of \$280,200 which encompasses a variety of projects. Lastly there is an allotment for planning and administration which covers salaries and wages for staff of the grants department of \$137,040.

Councilor Tobey asked if there the City had a grants manager currently. **Mr. Duggan** said with the consistent reduction of CDBG funding there has been a reduction with the City's workforce. The responsibility of oversight for these grants now falls upon the Community Development Director, Tom Daniel. **Councilor Tobey** expressed concern about the HUD audit process is grueling and standards are very high for its grants. He asked if the Administration was confident that without a grants manager focusing on the administration and documentation of these federal grants in a full time way to assure compliance that the City would be audit proof. **Mr. Duggan** said the Administration will do a good job and continue to work with the City Auditor. He noted the auditor has been over to the grants office recently assisting in the staff's education to meet certain milestones in reporting requirements, funding opportunities and drawdown requests. The Administration, he said, would continue to support that activity in any way the City Auditor requests. **Councilor Tobey** commended the work of Community Development Project Manager Debbie Laurie, and asked what the source of income was for the CDBG program. **Mr. Duggan** said as projects are paid back to the City, if there is a particular public facility project such as windows at a housing authority complex and have a public facilities loan for the project outstanding, if it is a \$50,000 zero percent loan to be paid back over five years, every year the City expects \$10,000 to come back for five years. At **Councilor Tobey's** request, **Mr. Duggan** said he would give the Council an accounting of the CDBG Grant allocations and outstanding projects. **Councilor Tobey** asked to what extent is any of the harbor related planning

staff funded by any of these monies. **Mr. Duggan** confirmed none were and said that was the plan going forward. He added that the \$137,400 allotted for planning and administration covers the positions of two Community Development project managers and one senior bookkeeper covering salaries, wages, benefits, employment and is directly charged to that account and for those three employees only. **Councilor Tobey** asked if any economic development monies were going towards salaries. **Mr. Duggan** confirmed no economic development money goes towards salaries. **Council President Hardy** confirmed with **Mr. Duggan** that no economic development money is being supplanted in place of other grant money for any salaries.

Councilor Ciolino said there was about \$100,000 for ADA compliant sidewalks. **Mr. Duggan** noted that was under the public facilities categories. On inquiry by **Councilor Ciolino**, he said he did not have a listing of the streets the funds would be spent on. **Councilor Ciolino** asked the list be shared with the Council. He also noted in the next few weeks the City Auditor is looking to hire someone to audit all grants that come into the City. The outside audit showed federal grants in the City to have issues in compliance. He warned that if the City doesn't keep track of the grants and how the money is disbursed; the government will hold the City liable.

Councilor Cox noted the \$280,200 and asked if the \$100,000 is part of that total. **Mr. Duggan** confirmed that was the case. **Councilor Cox** asked for a list of the remaining public facilities projects are funded out of the \$280,220.

Councilor Theken pointed out that since 2001 she has been on the Council and each year has heard the Administration speak to the need of a grants manager. She said she appreciated the grants for the City, but there are other communities that have more than Gloucester. There are many people in the City who are grant writers who are willing to help the City, she said, and suggested this was something the City should take advantage of. She expressed her agreement with Councilor Tobey and Councilor Ciolino's comments and said she did not think it fair that Mr. Daniel had to shoulder the responsibility for grants administration as well as carrying on all his other duties. She urged the hiring of a grants manager. **Councilor Theken** concluded her remarks that the City needs tourists and grant money.

Council President Hardy said that two weeks ago this matter was before the Council and it was voted on the day after two Councilors filed for a Reconsideration of Vote and is why it is back before the Council this evening. At that time, she said, the City did not have an award letter for the CDBG grant. **Mr. Duggan** confirmed that was the case, but one is in hand now, and the total for the CDBG Grant is \$637,000. On further inquiry by **Council President Hardy**, **Mr. Duggan** said program income is a separate declaration and is over and above the \$637,000. The total eligible expenditure for the year is \$900,041. It is factored into the grant of what is eligible for disbursements. **Council President Hardy** expressed her concern that the City doesn't spend down in the program income before the money is in hand. The money should not be pre-spent, she said. **Mr. Duggan** said the program income is cash on hand. Part of the formula of an eligible activity is allowing a municipality to project for program income to come in. He noted when he was the grants administrator the department would anticipate hundreds of thousands of dollars coming in and always met that mark. Now, he said, anticipated program income is only \$10,000 and is taking a conservative approach because a lot of money is going out.

Council President Hardy stated she would be withdrawing her Reconsideration of Vote on this matter to be taken up under For Council Vote on the agenda.

Appointments:

Councilor Theken conveyed to the Council that all appointees are questioned by the O&A Committee and review their qualifications to fill the open volunteer positions on the City's boards, committees and commissions, and listen to the appointees concerns as well. All issues are addressed. The Committee also ensures that all appointees take the State Ethics Exam and place it on file with the City Clerk and know the Open Meeting Laws of the State.

Conservation Commission

Helen Shaw-Kwasie

TTE 02/14/16

MOTION: On motion by Councilor LeBlanc, seconded by Councilor Whynott, the Ordinances & Administration Committee voted 3 in favor, 0 opposed to recommend to the City Council the appointment of Helene Shaw-Kwasie to the Conservation Commission, TTE 02/14/16.

DISCUSSION: None.

- **APPLICATIONS/PETITIONS**
- 1. PP2013-003: Petition of National Grid for installation of underground secondary conduit re: 129 Dennison Street (Refer P&D)
- 2. Special Events Application request to hold Celebration of Newell Stadium on September 6, 2013 (Refer P&D)
- **COUNCILORS ORDERS**
- 1. CC2013-020 (Hardy) Amend GZO under Sec., 1.11.2(e) by repealing Sec. 5.5.4 Lowlands (P&D, Conservation Commission & PB)
- 2. CC2013-021 (Verga) Develop and implement a use and fee structure for the Magnolia Woods facility under GCO Sec. 2-588 & Amend GCO by adding new subsection 2-555(1) (a) entitled "Use and Fee Structure" (Refer B&F, P&D & Administration)
- **APPROVAL OF MINUTES FROM PREVIOUS COUNCIL AND STANDING COMMITTEE MEETINGS**
- 1. City Council Meeting: 05/28/13 (Approve/File)
- 2. Standing Committee Meetings: B&F (under separate cover), O&A 06/03/13 (under separate cover), P&D 06/05/13 (under Separate cover) (Approve/File)

Items to be added/deleted from the Consent Agenda:

Councilor Cox asked to remove Items #2-DEP Written Determination (MGL Chapter 91) for Temporary Parking Facility at 65 Rogers Street (DPA) under Communications. **Councilor Cox** stated she has already for a Council Order to be created to amend the Gloucester Code of Ordinances in order to add 65 Rogers Street a parking lot and asked other Councilors to add their name to that order if they so wished. **Councilor Tobey** mentioned that the notification from the State's Department of Environment Protection of the approval of the temporary parking facility at 65 Rogers Street. **Councilor Cox** asked this matter in addition to being referred to P&D also be referred to the B&F Committee to discuss revenues. **By unanimous consent the matter was referred to P&D and B&F.**

By unanimous consent the Consent Agenda was accepted as amended.

Committee Reports:

Budget & Finance: June 6, 2013

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by 9 in favor, 0 opposed to accept the unanimous recommendations of the Budget & Finance Committee dated 06/11/13 as follows:

Special Budgetary Transfer Requests (2013-SBT-40)

- **MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by 9 in favor, 0 opposed the appropriation 2013-SBT-40 in the amount of \$13,500 (Thirteen Thousand Five Hundred Dollars) from Personnel Department-Health Insurance, Account #101000.10.152.51750.0000.00.000.00.051 to Fire Department-Work/Safety Clothes, Account #101000.10.220.55810.0000.00.000.00.054 for the purpose of purchasing gear and dress uniforms for three new Fire Department hires.**

Withdrawal from Council Consideration

Memorandum from Fire Chief re: Council approval to pay an invoice to Easton Electronics in the amount of \$5,000 with a purchase order carried over from the previous fiscal year.

- **MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by 9 in favor, 0 opposed that the Council withdraw from its consideration as no longer required a memorandum from Fire Chief re: Council approval to pay an invoice to Easton Electronics in the amount of \$5,000 with a purchase order carried over from the previous fiscal year.**

Memorandum from DPW Director re: Council approval to pay an invoice to All Seasons Septic System Services which exceeded the limit of the purchase order as well as exceeding the limit allowed under procurement guidelines.

- **MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted 0 in favor, 0 opposed that the Council withdraw from its consideration as no longer required, a memorandum from DPW Director seeking Council approval to pay an invoice to All Seasons Septic**

System Services which exceeded the limit of the purchase order as well as exceeding the limit allowed under procurement guidelines.

END CONSENT AGENDA

Supplemental Appropriation-Budgetary Transfer Request (2013-SA-126) was removed from the B&F Consent Agenda voted by Roll Cal separately.

- **MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed to appropriate \$30,000 (Thirty Thousand Dollars) (2013-SA-126) from Trust & Agency Funds, Account #850000.10.995.59600.0000.00.000.00.059 to Trust & Agency Funds, Account #850004.10.995.49700.0000.00.000.00.040 for the purpose of upgrades to Kyrouz Auditorium and City Council first floor conference room.**

Councilor McGeary said there is now a series of motions having to do with repairs to the O’Maley School heating ventilation and air conditioning system (HVAC). The money to do these repairs comes from a transfer of capital funds that were left after projects were completed. In his absence at the last meeting City Council meeting, the Council had expressed the desire not to vote on any capital issues until the Capital Improvements Advisory Board (CIAB) had been heard from; however, but there is no bonding involved and was persuaded at the Committee meeting which voted unanimously, that the need was urgent; that summer school is starting very soon at the O’Maley School. There hasn’t been a back up HVAC system for 13 years and now the primary HVAC system have failed, which makes the classrooms unusable in hot weather. He said the Committee decided to advance this to the Council. The first motion is to appropriate unexpended fund balances and then each of those individual amounts are appropriated for the purpose of repairing the O’Maley HVAC system.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council, that in accordance with MGL Chapter 44, §20, the unexpended balances of funds borrowed to pay costs of the projects set forth below, which amounts are no longer needed to complete the projects for which they were initially borrowed, are hereby appropriated by the Gloucester City Council to pay costs associated with the HVAC system at the Ralph B. O’Maley Middle School, including the payment of any and all costs incidental and related thereto:

<u>Project Description</u>	<u>Unexpended Balance</u>
CIP05 School Computer Hardware	\$ 1,076.33
CIP05 Upgrade Fire Alarms	\$ 27,420.00
CIP05 High School Elevator Repairs	\$ 2,147.82
CIP05 School Replace Fire Doors	\$ 1,551.56
CIP07-05(c) Purchase/Install Fire Alarms	\$ 2,687.21
CIP08 GHS Energy Management	\$ 26,700.00
CIP04 Bennett Street	<u>\$ 38,973.54</u>
TOTAL	\$100,556.46

DISCUSSION:

Councilor McGeary reiterated that there is a two step process. The money is repurposed from the unexpended project funds, and the rest of the motions are to utilize those funds.

Councilor Tobey stated as discussed frequently the Charter has a provision to establish the CIAB whose duty is to put a periodic report together. It is the duty of the Council and the Administration to follow the recommendations of that plan and when they don’t to provide reasons why not. He said an argument could be made that any bonding vote taken by the Council without an updated report is null and void for failing to comply with the Charter.

Councilor Tobey said he did not wish to see that happen and asked the status of the Charter mandated report and when the Council will have it. He pointed out that the Planning Director (Gregg Cademartori) is supposed to be the driver of that process by Charter.

Jeff Towne, CFO said he and Mr. Cademartori have worked with the CIAB and the report is drafted and finalized and the Administration should have it any day now. **Councilor Tobey** said it would be turned promptly

over to the Council which **Mr. Towne** confirmed. **Mr. Towne** also confirmed the HVAC project is part of a larger project at the O’Maley School.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed, that in accordance with MGL Chapter 44, §20, the unexpended balances of funds borrowed to pay costs of the projects set forth below, which amounts are no longer needed to complete the projects for which they were initially borrowed, are hereby appropriated by the Gloucester City Council to pay costs associated with the HVAC system at the Ralph B. O’Maley Middle School, including the payment of any and all costs incidental and related thereto:

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CIP07-05(c) Purchase/Install Fire Alarms	\$ 2,687.21
CIP08 GHS Energy Management	\$ 26,700.00
CIP04 Bennett Street	<u>\$ 38,973.54</u>
TOTAL	\$100,556.46

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the appropriation 2013-SA-127 in the amount of \$1,076.33 (One Thousand Seventy Six Dollars Thirty Three Cents) the from School Computer Hardware-Undesignated Fund Balance, Account #300013.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O’Maley Middle School HVAC system.

DISCUSSION: None.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed the appropriation 2013-SA-127 in the amount of \$1,076.33 (One Thousand Seventy Six Dollars Thirty Three Cents) the from School Computer Hardware-Undesignated Fund Balance, Account #300013.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O’Maley Middle School HVAC system.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate 2013-SA-128 in the amount of \$27,420.00 (Twenty-Seven Thousand Four Hundred Twenty Dollars) the from Upgrade Fire Alarms – Undesignated Fund Balance, Account #300014.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O’Maley Middle School HVAC system.

DISCUSSION: None.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed the appropriation 2013-SA-128 in the amount of \$27,420.00 (Twenty-Seven Thousand Four Hundred Twenty Dollars) the from Upgrade Fire Alarms – Undesignated Fund Balance, Account #300014.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O’Maley Middle School HVAC system.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to appropriate 2013-SA-129 in the amount of \$2,147.82 (Two Thousand One Hundred Forty Seven Dollars Eighty Two Cents) the from High School Elevator Repairs –

Undesignated Fund Balance, Account #300015.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O'Maley Middle School HVAC system.

DISCUSSION: None.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed the appropriation 2013-SA-129 in the amount of \$2,147.32 (Two Thousand One Hundred Forty Seven Dollars Eighty Two Cents) the from High School Elevator Repairs – Undesignated Fund Balance, Account #300015.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O'Maley Middle School HVAC system.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the appropriation 2013-SA-130 in the amount of \$1,551.56 (One Thousand Five Hundred Fifty One Dollars Fifty Six Cents) the from School Replace Fire Doors – Undesignated Fund Balance, Account #300016.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O'Maley Middle School HVAC system.

DISCUSSION: None.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed the appropriation 2013-SA-130 in the amount of \$1,551.56 (One Thousand Five Hundred Fifty One Dollars Fifty Six Cents) the from School Replace Fire Doors – Undesignated Fund Balance, Account #300016.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O'Maley Middle School HVAC system.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the appropriation 2013-SA-131 in the amount of \$2,687.21 (Two Thousand Six Hundred Eighty Seven Dollars Twenty One Cents) the from Purchase/Install Fire Alarms – Undesignated Fund Balance, Account #300060.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O'Maley Middle School HVAC system.

DISCUSSION: None.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed the appropriation 2013-SA-131 in the amount of \$2,687.21 (Two Thousand Six Hundred Eighty Seven Dollars Twenty One Cents) the from Purchase/Install Fire Alarms – Undesignated Fund Balance, Account #300060.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O'Maley Middle School HVAC system

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the appropriation 2013-SA-132 in the amount of \$26,700.00 (Twenty Six Thousand Seven Hundred Dollars) the from GHS Energy Management – Undesignated Fund Balance, Account #300064.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O'Maley Middle School HVAC system.

DISCUSSION: None.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed the appropriation 2013-SA-132 in the amount of \$26,700.00 (Twenty Six

Thousand Seven Hundred Dollars) the from GHS Energy Management – Undesignated Fund Balance, Account #300064.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O’Maley Middle School HVAC system.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the appropriation 2013-SA-133 in the amount of \$38,973.54 (Thirty Eight Thousand Nine Hundred Seventy Three Dollars Fifty Four Cents) the from Bennett Street – Undesignated Fund Balance, Account #300020.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O’Maley Middle School HVAC system.

DISCUSSION: None.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed the appropriation 2013-SA-133 in the amount of \$38,973.54 (Thirty Eight Thousand Nine Hundred Seventy Three Dollars Fifty Four Cents) the from Bennett Street – Undesignated Fund Balance, Account #300020.10.000.35900.0000.00.000.00.000 to Transfers In – From Capital Project Fund, Account #300088.10.993.49700.0000.00.000.00.040 for the purpose of funding improvements for the O’Maley Middle School HVAC system.

Councilor Ciolino commented that the Council said the O’Maley School has two air conditioning systems. The secondary and primary HVAC systems have failed. One system will be repaired. There may have to be another go around to fund the secondary system. Air quality at the school is not the best, he pointed out, and the air conditioning is important to that school. School facilities need money need spent on them so that down the road, the buildings do not have a point of no return like the Fuller School and added the City must keep up the schools.

MOTION: On motion by Councilor Ciolino seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council that \$50,000 (Fifty Thousand Dollars) be appropriated (2013-SA-134) from the General Fund-Fund Balance (Free Cash), Account #101000.10.000.35900.0000.00.000.00.000 to DPW Public Property Maintenance-Contractual Services, Account #101000.10.470.52000.0000.00.000.00.052 for the purpose of providing funds to contract for crosswalk, stop bar, handicap parking space and miscellaneous road marking painting.

DISCUSSION:

Councilor McGeary said that this transfer would fund the annual spring painting for the roadways to be made safer with high temperature plastic paint which is more expensive but lasts much longer, a year or more rather than several month’s just using plain paint.

MOTION: On motion by Councilor McGeary seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed that \$50,000 (Fifty Thousand Dollars) be appropriated (2013-SA-134) from the General Fund-Fund Balance (Free Cash), Account #101000.10.000.35900.0000.00.000.00.000 to DPW Public Property Maintenance-Contractual Services, Account #101000.10.470.52000.0000.00.000.00.052 for the purpose of providing funds to contract for crosswalk, stop bar, handicap parking space and miscellaneous road marking painting.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council under MGL c. 44, §53A to accept a grant of \$4,000 from the National Association of County and City Health Officials (NACCHO) to provide funding to expand the capacity of the North Shore Medical Reserve Corps (MRC) volunteers.

DISCUSSION:

Councilor McGeary explained that this is an annual grant to fund part of a position of one of the employees in the Public Health Department who coordinates the regional effort of volunteers for the Medical Reserve Corps. The

roster is maintained as a database and any member community in the area can call upon the volunteers for assistance in an emergency.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted 9 in favor, 0 opposed under MGL c. 44, §53A to accept a grant of \$4,000 from the National Association of County and City Health Officials (NACCHO) to provide funding to expand the capacity of the North Shore Medical Reserve Corps (MRC) volunteers.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the appropriation 2013-SBT-39 in the amount of \$2,800 (Two Thousand Eight Hundred Dollars) from the Tourism, General Fund Purchased Services, Account #101000.10.563.53500.0000.00.000.00.052 to Tourism, Salary/Wage-Temporary Position, Account #101000.10.563.51200.0000.00.000.00.051 for funds needed to cover payroll for Visitors Center Volunteer Coordinator through June 30, 2013.

DISCUSSION:

Councilor McGeary said that this money will cover additional hours for the payroll of the Visitors Center Volunteer Coordinator which was done at the behest of the Administration over the winter in preparation for the summer season and covers that employee through June 30, 2013.

MOTION: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 9 in favor, 0 opposed the appropriation 2013-SBT-39 in the amount of \$2,800 (Two Thousand Eight Hundred Dollars) from the Tourism, General Fund Purchased Services, Account #101000.10.563.53500.0000.00.000.00.052 to Tourism, Salary/Wage-Temporary Position, Account #101000.10.563.51200.0000.00.000.00.051 for funds needed to cover payroll for Visitors Center Volunteer Coordinator through June 30, 2013.

NOTE: At this time, with the assent of the Council, the Council took up the matter of the public hearing on the Proposed FY14 City budget. The Council then returned to its announced agenda. The meeting recessed at the close of the FY14 Budget Public Meeting at 9:42 p.m. and reconvened at 9:48 p.m. Councilor Tobey left the meeting during that recess.

2. PH2013-034: Public Hearing on FY14 Proposed Budget

Council President Hardy reviewed the Council Rules of Procedure for the benefit of the audience as follows: Anyone taking photos, using audio or video equipment to tape this meeting should check in with the City Clerk, Linda Lowe now and asked if anyone was present to do so. She asked that all cell phones be turned off; and if anyone need to make or take a call to please step outside the auditorium to do so. Further, anyone holding signs should stand at back of hall so as not to obstruct those in back of you and kindly remove any sticks or poles attached to your sign and place them outside. She reminded that the Kyrouz Auditorium balcony has been closed and will only be opened if there is a need for additional seating.. She concluded the Rules review by reminding the public that their comments this evening should be directed to the Council and not the Administration as it is the Council's budget now.

At this time **Council President Hardy** then welcomed Jim Duggan, CAO; Jeff Towne, CFO; Kenny Costa, City Auditor from the City side. She also welcomed members of the School Department and School Committee: Dr. Richard Safier, Superintendent of Schools; Chairman of the School Committee, Jonathan Pope; Kathy Clancy; Melissa Teixeira; Valerie Gilman; Tony Gross.

Before **Council President Hardy** opened the public hearing on the FY14 Budget she reminded the audience that on May 7, 2013, Mayor Kirk submitted the Administrations Proposed FY14 balanced budget, together with a seven page Budget Transmittal memo to the City Council. The FY14 Budget runs from July 1, 2013 through June 30, 2014. The memo described the budget and the Administration's rationale for decisions made while formulating the budget. On May 7, 2013, the budget became that of the City Council and the Council continues to work cooperatively with the Administration because our work on this budget is not yet done.

She said that since the budget was submitted to the Council, the Budget and Finance Committee, chaired by Councilor Paul McGeary, Vice-Chaired by Councilor Joseph Ciolino together with B&F Committee member

Councilor Melissa Cox held more than a dozen Standing Committee meetings with all City department heads to review their departmental budgets.

Council President Hardy joined the entire Council in thanking the B&F Committee and the Council's Clerk of Committees, Dana Jorgenson for their tireless work during this budget review process. She noted the Committee's work is done yet; there is still have a way to go before the Council actually votes on the budget at the Special Council meeting next Tuesday at 7:00 p.m. in Kyrouz Auditorium. If that meeting is anything like those meetings of the past, she said, it will prove to be a very long evening.

She reminded the audience that the Council is present to listen to the public, their comments, to review their written communications that have been received. She urged anyone who has a written comment that they would like to submit for consideration that they do no later than noon on Monday, June 17th to the City Clerk's email which can be found on the City website. She added that there will be no votes taken on the budget this evening; the FY14 budget votes will be taken on the 18th.

Council President Hardy then invited James Duggan, CAO Officer to address the Council to open up the Public Hearing and then would recognize Dr. Richard Safier to speak and then open the floor up to those that would like to speak for up to 3 minutes, asking Councilor Verga to track the speakers' time at the podium. **This public hearing is opened.**

Public Testimony:

Jim Duggan, CAO said that he was speaking on behalf of Mayor Kirk. He also noted the Mayor's statement to the Council which pointed out the FY14 proposed budget was forwarded to the Council on May 7th when the Mayor made a detailed presentation to the Council. Since that time the City Council's B&F Committee has met with all department heads and collectively reviewed their requests. He said the Administration wished to reinforce the point that there was a \$3.6 million gap between what was requested by City departments and the School Department that could not be fulfilled. He said the Administration was aggressive as they could be by increasing the School budget by \$1 million over the FY13 budget and advancing an additional \$800,000 the City carries through building maintenance, North Shore Vocational School, School Choice, etc. **Mr. Duggan** concluded his remarks by saying the Administration would listen carefully to the testimony this evening along with the Chief Financial Officer, and will bring appropriate recommendations to the Mayor and said the Administration looked forward to the continued collegial working relationship with the Council.

Dr. Richard Safier stated that as an educational advocate he has concerns for the FY14 budget as follows: The budget base used by the City is \$35,398,751 the figure approved in June 2012. The City has increased the FY14 budget by \$1 million to \$36.3 million. Neither the base of the \$35.3 million and the \$1 million increase takes into account, he said, the increased needs for staffing as a result of unanticipated expenses through the current school year. Out of the Free Cash the School Department received mid-year, \$378,000 was provided for staffing, special education, tutoring, unanticipated special needs and some monies for cost of living adjustment (COLA) which enabled the district to have ratification with the unions for this current fiscal year. Both monies for staffing and COLA carry over into the FY14 budget. The students, for whom the district needed to hire, have not gone away and he said these costs need to be carried over to meet student needs. There are approximately 100 children who came in from the closed Charter School (January 2013), 31 of which are special education students on Individual Educational Plans (IEP's). As many as 40 students have expressed interest in coming into the school system next school year as a result of St. Ann's School closing at the end of this school year. He reiterated the district is looking at a \$378,000 cost for staffing, for COLA which has not made its way into the base budget proposed by the Administration.

As to the \$1 million increase, that does offset the \$1 million the district has labeled as increases to the FY13 budget. Those include increased costs for health insurance, out-of-district tuitions, collective bargaining and increases in contractual services. It also includes grant reduction both federal and state grants; and in addition to the \$378,000, there were other staffing increases not requested in Free Cash which came to \$140,000. These investments save money, for example he noted by establishing a learning center in a particular school for special needs students saves money; failure to do so means these students would then have to be sent out of district placement. The \$348,000 is independent of the \$1 million increase to the budget.

In terms of what a level service budget would cost, **Dr. Safier** pointed out that the district estimation for an actual level service budget would cost \$546,332 above the \$1 million set by the City. This includes Free Cash for staffing; COLA; \$89,000 for grant reduction and another \$60,000 grant reduction which the district learned of late last week for the Title I program, now reduced by 15 percent which had already budgeted for only 5 percent as that had been the rule of thumb over the last several fiscal years. There was \$75,000 for athletics and transportation that it is built into the budget, he noted.

There is also, **Dr. Safier** pointed out, the educational needs above the level budget, and the district has requested \$821,270. This information was presented on June 3, 2013 to the B&F Committee. However, he noted that the importance of mathematics role in education was mentioned. The district is looking to hire a K-8 Math Coordinator to organize the math curriculum, a math coach for six schools, for an MCAS intervention teacher and for tutoring as well. Charter School students were found to have poor math skills upon reentry into the public schools which require remediation. The district has a need to cut \$1.3 million from the proposed budget and the budget the Administration put forward. Those cuts are outlined to the B&F Committee in three tiers. The educational requests above level service, the \$821,270 is out. The unanticipated staffing expenses, \$248,000 plus the \$140,000 are not covered at this time. Based upon current cuts and what the district faces, there is still \$351,828 to go. June 14th is the last day the district can send non-renewal slips to teaching staff legally.

In terms of facilities, retirement insurance vocational schools and the rest, the district understands that is the City responsibility, and while appreciative, this does not target the direct delivery of educational instruction to children, **Dr. Safier** concluded.

Martin Del Vecchio, 11 Tragabigzanda Road with two children in East Gloucester Elementary School commented about the accumulation of Free Cash over the past several years and surplus funds in Enterprise Funds plus a \$1 million refund from the State on the Charter School tuition and said if Gloucester was a business it would be quite profitable. In 2012 he said there was an approximate profit of \$10 million on a budget of \$87.5 million, for a margin of over 11 percent and with a cash reserve of \$10 million. The guiding principal is not for profit. The City is a public endeavor of fulfilling its civic duties in a financially sound manner. In difficult financial times, the Gloucester Public Schools (GPS) suffered, he said, crippling budget cuts. Positions were eliminated and an elementary school was closed. Despite the hardships, the GPS had done an outstanding job in educating its students, he said. He noted the success of the O'Maley Innovation School. He mentioned in times of a poor economy the GPS suffered and yet the school system has endured. The school system continues to experience cuts he pointed out. The closing of the Charter School and St. Ann's School are bringing in more students to the GPS. He spoke of stemming the tide of students opting to choose other school systems over Gloucester's and asked for more funding for the schools.

Jason Grow, 12 Marble Road and former City Councilor pointed out in 2011 the Kirk Administration under budgeted receipt revenue 2011 by \$850,000 from that which the City actually received in 2010. It rose again in 2012 to 1.2 million. For this fiscal year, he said the City's local receipts were downplayed by \$1.7 million and that this year's revenues are pegged below 2012 receipt levels. He said the Administration speaks of the amassing of millions of dollars in Free Cash. And while it is true, he said, some of that revenue was gained by the payment of delinquent tax bills initiated under the Bell administration and ably pursued by CFO, Jeff Towne, a significant amount of Free Cash has been generated by underestimating revenues, starving City services and schools. For FY13, the projected net cost of the Community Arts Charter School to the City was \$1.3 million. The burden of the Charter School is no longer a financial threat and said that funding should be reinvested into the City Schools but is not being committed to the City's students. He also pointed out the City remains in line to receive State reimbursements for the next several years. That amount for FY14 is projected to be about \$350,000 for a net increase in available education funding of nearly 1.7 million, he said. If the Mayor has appropriated only \$1 million over last year's already underfunded district budget, this insufficient increase comes in the face of the arrival of 100 Charter School students into the public school system and the arrival of students of St. Ann School due to its closure. He said the Mayor underfunds and undervalues the public school education; parents are being driven into the arms of neighboring communities. In 2010 the cost of school choice to send Gloucester students to other communities was \$1.16 million. In FY14 that will be \$1.445 million, an increase of 30 percent. He asked that the Council lead and budget the City schools appropriately when the Mayor will not. He suggested the funding should be for reinvesting in the schools. He urged the Council to invest in the children and the schools to make them stronger.

Amanda Kesterson, Washington Street spoke of her son who takes the bus from in front of the Addison Gilbert Hospital. She noted two DPW trucks were on either side of the road one morning, engines running while the workers talked to each other. She commented that this is burning tax dollars. The schools are under budgeted, she said, and yet other departments of the City waste funds. She also pointed out the poor condition of many school buildings. She said priorities have to be set for investment in the City schools and its students. She pointed out the influx of new students to the school system and urged more funding for the School Department.

Lisa Fornero, a Gloucester resident urged increased funding for the City's schools, while acknowledging funding issues. She said the funding if increased she asked the funds be spent on the schools intelligently and asked the money allocated needs to go to necessary materials only and used in the most conservative way possible.

Erin McKay, Orchard Road a mother of four children in the local school system said as a taxpayer she supports the FY14 budget put forward by the School Committee and asked the Council to increase the school funding. She also noted appropriate class size is important to maintain an appropriate educational atmosphere and that she would like to see the hiring of teachers as suggested by the School Committee for the middle school. She also encouraged the hiring of a math coordinator and necessary staff. She also mentioned the City teachers who support students who teach the future of the City and reminded the Council that teachers make up 70 percent of the City employees. She also urged that teachers be given a 2 percent COLA increase.

Leora Ulrich, 7 Grandview Road, mother of two children in the school system said that her students had good experiences in the district, and urged the budget that the School Committee submitted be passed.

Lisa Groleau, 598 Western Avenue said this is the opportunity to improve the school system. There is a need for \$1.3 million more for the school system and for all the reasons previously touched upon by speakers and Dr. Safier. The children deserve the best school system possible, she said.

Kathy Clancy, School Committee Member, 78 High Popples Road commented that no other City department heads were in attendance for the public hearing and are not getting up to speak that their departments weren't funded are funded at acceptable levels. She said she thought other departments have been funded at the level which is acceptable for them yet the School Department remains far behind. She recalled level funding several years ago was a painful experience for the GPS when there was \$2 million in cuts. Last year, she said, there was not even level service budgeting for the district. She, too, urged level service, but also for the additional funding for the school system. Teachers, she noted, have put so much forward and care about their impact on the City students and said the City can't ask them to do more without additional resources. This funding request is necessary, she said.

Maggie Rosa, 40 Fort Hill Avenue, Gloucester Education Foundation member spoke in support of the school administration for the above level funded budget. She said it is not fair to expect the School Committee and the school administration without the funding for their efforts. She urged the Council to consider the School Department's appeal for more funding.

Valerie Gilman, School Committee member and Program Sub-Committee Chair, 75 Revere Street said that this is the first time the district has an incredible improvement plan with measurable goals. She noted it is unfortunate that the positions like the K-8 Math coordinator and an intervention specialist are at risk due to under funding for the district. The way to get to where the system needs to get, she said, is to have adequate resources for funding for the future of the children.

Sherry Lewis, 117 Magnolia Avenue noted the poor condition of the school buildings, and asked the Council to fully fund the School Department budget.

Jonathan Pope, School Committee Chair, 16 Marble Street said the School Department is completely dependent on the City for funding as it has no sources of income. Unlike many other City departments, they are mandated to do a better job in many areas; mandated for every child's education from 2.7 years until they turn 22. The district is mandated to incorporate a new evaluation system, by the best estimate it will require 15 hours per teacher for an administrator and not asking for additional funding for those things, he said. The district is also mandated to do a better job for the students to improve academically every year. The district, he said, knows how to do that. The children can't be taught if they aren't in the classroom, he pointed out. In addition to level service funding, he said, is that the district needs an attendance officer. One district school had 47 percent of its students miss 10 or more days last year. The district, he reiterated, knows what to do but can't do it unless the district is given the money to do it. It is the whole concept of doing more with less is played out in the last decade, he said. He asked what the Council's responsibility for the MCAS scores is.

Questions by the City Council:

Councilor Tobey said he understood more money is needed for the schools than has been recommended and spoke of the Council's ability to add more funding than the Mayor has asked for so long as the Council makes the cuts, and subject to a discussion of the needs, he said he would support that. On the matter of the scope of the needs is, he said in his experience the school department does have on July 1st a safety valve to take some of the pressure off, the extent of retirements which can make room in the budget to avoid cuts; and asked where that stands now and how might it change in the coming weeks. **Dr. Safier** said on average for every retirement there is about \$25,000 that can be used to offset costs. Retirements going into next year will be about six, has already been built into the operating budget and is a potential offset. He re-qualified the number for the offsets for the FY13 budget to \$1,018,000. The six retirements have been built into that figure, he said. **Councilor Tobey** asked if that captures the totality of the retirements to which **Dr. Safier** said they expect there would be anymore between now and the end of the school year.

Councilor Tobey said he did not wish to fund a lease for another building for the pre-school. **Dr. Safier** said if there is an opportunity to move to another building, so be it; if they are to remain where it is, he said it would require serious updating and maintenance to make the space appropriate for the preschool program. **Councilor Tobey** asked when they would know about leasing a building in the industrial park. **Mr. Duggan** said that the Administration and the School administration are exploring all opportunities whether popular or not. He said the Administration feels it necessary to support any decision that is collectively done, likely this summer in order for the school administration to move into a location for September, over the next 60 days. **Councilor Tobey** said that if there were a last minute decision, there would be issues from him, he said. He then asked if the existing Fuller School space is to be enhanced as it needs to be, when that work will need to begin. **Dr. Safier** said it would have to start this summer to ensure the rooms are clean, hygienic, painted and made over and would be adequate, but he did not have a price tag. The Council has the right to reopen the budget, **Councilor Tobey** said, if the Council were misled on this issue, particularly if this were a last minute decision and suddenly this was a decision about money not going to students in the classrooms because of building maintenance issues it would be a problem.

On the matter of building maintenance, **Councilor Tobey** said with the hope there is a joint meeting of the Council and the School Committee about maintenance of school buildings, he noted he, and Councilor McGeary and Mr. Pope the previous Friday visited West Parish School to see the school's condition and witnessed a rainy day inside and outside of the school. He said did not see any money being spent on the maintenance of West Parish nor spent on Fuller – two buildings going to pot. He asked if the School Department now operating under the MOU where the DPW is responsible for the school buildings, he asked if the School Department satisfied with the level of service being received by the DPW. **Dr. Safier** said given the resources, workforce and leadership available to the DPW, it is doing a credible job. The buildings have great needs, he noted. The DPW, he said, has come on board to work on the school side only for two years and there is a history they are seeking to address. The magnitude to be done is huge, the effort is great, but it is an extreme challenge. **Councilor Tobey** commented his dormant asthma erupted in the modular unit at West Parish where the mustiness was very high and again urged there be a joint workshop with the Council and School Committee which includes the DPW Director and Facilities Director to discuss the current conditions of the City's schools and plans for their maintenance and improvement.

Councilor Tobey spoke of the City's history of school choice pointing out that in the 1990's and in the early 2000's the City began as a net exporter of students with a substantial outflow of cash on account of it, robbing students in the schools of resources. The approach was to increase the investments in the schools with the belief by increasing the expenditure it would decrease student exportation. In 2000 the City became a net importer of students. The number quoted for FY14 of outflow of money for school choice was nearly \$1.5 million for export of students he said and asked if the City needs to spend more money to stop the outflow. **Dr. Safier** said to stem the tide is to ensure there is quality curriculum, quality instruction, quality assessment, good culture in each school,, collaboration, caring, positive behavior management and ultimately buildings that when people walk they smile because the environment is warm and inviting. He said those in the School administration will take care of the educational aspect of that equation and expressed his hope the Council and the City Administration would help the district with the infrastructure as well. **Councilor Tobey** said he knew the staff will do all it can, but asked will this budget put the schools on that chart. **Dr. Safier** said the educational above level needs budget that is being recommended is not excessive, he said, but necessary and can seek to attain the goal the Councilor described.

Councilor Theken asked about the \$75,000 for athletics and transportation was put into the budget. **Dr. Safier** said this is true, the Administration provided \$75,000 this year to offset athletic fees. He said he was assured by the Administration it is in the FY14 budget. **Councilor Theken** asked about the reduction by 15 percent versus the anticipated 5 percent of the Title I federal grant. **Dr. Safier** said this is a result of the federal sequestration and the City received notice that the district will receive 15 percent cuts and had originally budgeted 5 percent for that cut. He said there is another \$60,000 that needs to be found for that program. **Councilor Theken** said until there is a conclusion of what to do with the schools, there will be band aiding of the schools. She said she visited the schools and was concerned for the school facilities condition. The budget needs to be what will educate the City's students. She asked for a list of major repairs of the City schools for the Council to review. She asked the Council and the School Committee work together as a team for the priorities of safety and education of the City's students.

Councilor McGeary noted Mr. Pope's letter in the Gloucester Daily Times on Saturday in which he referred to a level service figure of \$482,000 and asked with the cuts for Title I, he said he understood that level service is now up to \$546,000 which **Mr. Pope** confirmed. The Councilor asked what has to be put aside that are important if the district has to function under a level service budget. **Mr. Pope** said there are a number of things the district must do that are considered an addition because they are not in the budget now: A 4th grade teacher is needed for Beeman School; three sections of kindergarten, 1st, 2nd and 3rd grade are coming in and only have two sections for 4th grade and 5th grade. The teacher has to be put in place no matter what happens, he said, and the money has to be found.

He reiterated that the attendance officer position is a key position. Since the Free Cash appropriation there have been other budget items to come forward. The preschool is a pressing need and there is nothing in the budget for that program to lease space or make improvements to its current space at the Fuller School. The preschool receives referrals from early intervention programs and children come to the program at 2.7 years old. There are usually 7 or 8 referrals a year. This year there were 17. The preschool nurse has to be increased because of the student increase from part- to full time. There are trade offs, he said. Retirements have been blended in. Some things will be reduced. There is a language program that will be reduced from a .6 to .2 teacher. The Math Coordinator, the math tutor, the math coach, all are necessary, he said. If the budget has to be lived with as recommended by the Mayor, the district will have to lay people off. **Councilor McGeary** confirmed with Mr. Pope that there is no money for refurbishing the Fuller School or moving the preschool to another location in the City in the City budget.

Councilor McGeary noted the 15 percent cuts for the Title I program which is based upon low income percentages. **Dr. Safier** said the primary service is provided in reading. The programs will continue to move forward and try to be absorbed into the budget; if not, service is reduced, he said.

Councilor Ciolino noted former Councilor Grow's comments in the paper about the Charter School funds of \$1.2 million and those funds not being applied to the school budget. He asked for clarification about the funds from the State. **Mr. Towne** said the Charter School; the State paid 100 percent of the Charter School the first year and each year after the State took on less, the City took on more of the cost until in year 5 or 6 the district would be paying for 100 percent of the Charter School. That school closed in January 2013, and in FY13's budget the City had \$2.2 million as a Cherry Sheet assessment for what the State charged the City to fund the Charter School; but the State was paying \$1.3 million to the City on the Cherry sheet side revenue side which was a net cost to the City of about \$900,000. With the Charter School closing, next year the budget in front of the Council, there is no Charter School assessment of \$2.2 million -that assessment at zero, but the City is still getting residual income coming back from what the State owed the City for when the City's costs rose each year. For the next two years, the City will get about \$297,000, if it is fully funded by the State; no Charter School assessment this year and about \$250,000 on the Cherry Sheet revenue piece. All of that is folded into the bottom line budget, he said as estimated revenue for the City and the school. It wasn't allocated by directing all of it to the schools, **Mr. Towne** said. Rather, that money was allocated across the board, as is done with all City revenues, whatever is available is bottom line budget and the Administration raised the School Department budget by the \$1 million and put money into the City side as well.

Councilor Ciolino asked why that money wasn't going back to the schools and didn't see the logic of it going to a bottom line and said logically it should be allocated to the schools. **Mr. Towne** said that in the Mayor's budget memo on page 5 of 7 it says in addition to the \$1 million to the district it also receives \$893,000 services on the City side (retired teacher's health insurance, school choice tuition, regional vocational school monies, and school facilities funds to maintain the buildings and school related debt). If \$900,000 came off from the Charter School as a net amount, and then next year it would have gone up even higher for the City's share of the cost. He reiterated the Administration is providing \$1 million to the bottom line school budget plus almost \$900,000 on the City side that is directly related to school costs which comes to \$1.9 million. **Councilor Ciolino** asked why the charter school money went to the General Fund. If 100 extra children are being taken in from the Charter School, why isn't this money going to the schools. **Mr. Towne** said when the charter school closed he asked how much was the school department budget cut. That budget was not cut, he said. When he started in 2008, the budget was about \$33 million. \$3.2 million was taken out in FY10 for the custodial budget that was in the district's budget and this year they are up to \$36.4 million. When it is said the Administration cut the district's budget, he said it probably didn't fund anything in the City to the extent that needs to be funded. \$36.4 million this year is the district's budget and in five years that budget has been raised by 21 percent increase in bottom line funding. He said didn't blame the School Committee for fighting for more funding like every City department. The other departments had just as much cut, he pointed out. But he added that the reason the City department heads are not here at the public meeting is that the Mayor said this is what they have to work with. Every year the Free Cash is spent on one time items for the schools and the City. The revenues are pretty tight he said. Some revenues go to Free Cash; tax title revenue between that and foreclosures the City did \$1.5 million and this year will only be \$600,000. The low hanging fruit has been collected he pointed out. **Mr. Towne** said this is a bottom line budget with only so much revenue to go around. The Administration has done the best they can do. **Councilor Ciolino** said the City maintains the school buildings because the City wanted to have a clear assessment that the school district is responsible for teaching children only, but said he felt the line is being blurred, he said, and the focus should be on financing the educational component.

Councilor McGeary asked about the total cost of education that Mayor Kirk has alluded to in her FY14 Budget Memo to the Council. He noted the \$2 million the state assessed the City for the charter school children to educate them. That figure did not include retired teacher's income, health insurance, the regional vocational schools, but

was the cost of education of 130 children. **Mr. Towne** confirmed that fact on the expense side. **Councilor McGeary** said with that \$2 million now available which all goes to the bottom line; however, he pointed out Councilor Ciolino's logic was irrefutable - that money should go to education. That education, he said, doesn't include retired teachers, health insurance, and assessment for the North Shore vocational school - that for school budget to school budget - that money should go to the schools.

Councilor McGeary noted when the district was a net importer of students, when people were choosing into the district, he said he recalled that one of the reasons they did it was because of the programs offered at Gloucester High School. There was an honors program at the High School, the German language program, a very high level band program, and asked if this was Dr. Safier's understanding of what made the City's school programs part of the draw. **Dr. Safier** said a system has quality academic core programs and can enrich them, students and families will be attracted to them. **Councilor McGeary** also noted that the High School's ROTC program and its athletics programs also had a significant part in drawing students into the district at that time.

Councilor Whynott noted the vocational school and the possible loss of the house building program at the High School. **Dr. Safier** said enrollment in that program was exceptionally low. By contract, he noted, professional teaching status, teachers had to be notified by May 7th. However, student numbers rebounded and that the position is continued, and so the program continues. **Councilor Whynott** said education is more than just academics but trades as well. He commended Dr. Safier's commitment to that program.

Councilor Tobey said he was trying to measure success, that Administration feels this is a solid budget to put the City schools on a path to success. He pointed out that the current year's money out to school choice of \$1.16 million is projected to grow to \$1.445 million next year, which is an increase of money out of 20 percent. He asked why that would be considered successful if the district is holding fewer students and driving more students out of district. He asked how this recommended school appropriation an indicator of a successful strategy. **Mr. Duggan** said clearly there was a strong message heard this evening, and that he and the CFO would go back to the Mayor to take these recommendations for the FY14 budget directly to her for reevaluation of a funding level. **Councilor Tobey** said he thought that was a great takeaway for the Administration and pointed out that if the Administration doesn't, the Council will. Commenting to Mr. Towne, **Councilor Tobey** said it appeared the process seemed a bit backward. He noted the Council passes the budget in the third quarter of June and then there is a special City Council meeting the last week of June where all the money is transferred to close out the current fiscal year's budget. Miraculously the holes get filled from within, he said. **Councilor Tobey** then said that what that exercise is, is in a way more important than enacting the budget. He asked how much more money did Mr. Towne anticipate bringing before the Council after the Council votes to approve the FY14 budget on June 18th to enact the FY14 budget to move around on June 24th at another special City Council meeting to close out this year. **Mr. Towne** said the total for all year end transfers will be about \$374,000.

Councilor McGeary said there was some confusion earlier about the \$75,000 in athletic and transportation fees but that it is in the FY14 budget under Department 992 and is a transfer.

Council President Hardy spoke of the local vocational school program and asked what is being done to improve it and if any expansion is anticipated. **Dr. Safier** noted programs may shift to health services or other types of programs going forward. The vocational school is a strong, necessary component at the High School, he noted, and the School Department, he said, will do their best to support it. As the new regional vocational school comes on line there may be new equipment that could become available for the local program. **Council President Hardy** asked if anything is in this current budget that would increase the line items on what was appropriated from last year budget to which **Dr. Safier** said it would not be of significance. **Council President Hardy** asked if the vocational students are and treated the same as those students in the academic programs, to which **Dr. Safier** said yes.

Council President Hardy asked for a brief report on the new regional vocational school. **Melissa Teixeira**, School Committee member and member of that school's board said the new regional vocational school will open in 2014. There is an assessment of all the equipment that may not be transferred to the new school. There is a policy in place as to how the equipment will be disbursed. She will meet with Kerry O'Donnell who is the vocational director at the high school and will submit a list to the Technical School and said she believed the City programs will benefit from this equipment. There are three other districts who will vie for that same equipment. She noted she led a vocational steering committee who had a recommendation to expand the local program but have identified areas such as health; fire technology and IT to expand to if the funding were available. **Council President Hardy** said the Council votes the bottom line budget and cannot direct how that money is spent but if she could she would direct funding to the local vocational program as many children cannot afford to attend college. She said she fully supported the program.

Council President Hardy gave credit to the Chair of the B&F Committee has already laid great groundwork with the Administration in working to find the further funding to the School Department and believed he has made

progress on finding that funding. She noted the School Department is not the only department that needs funding. Ms. Clancy alluded earlier that there were no other City department heads in attendance or speaking at the public hearing and that everyone must be satisfied with their budget. **Council President Hardy** said it was unfortunate they were not present, but if they were here this evening to speak, they would be speaking to their appointing authority, their hiring and firing authority, and said she didn't think that they would wish to go that far. The rest of the City's departments do need money. She also pointed out that the School Committee and School Superintendent were here because they were all looking for more money for the district's budget. **Council President Hardy** said the Council has to look at the big picture which includes all City departments, and it will do what it can to continue to work with the Administration. Having attended some of the B&F budget review meetings, she said that Committee has done great work to date.

Councilor Theken asked what classes are being cut at the vocational school. **Dr. Safier** said no programs are cut and there are enough students enrolled to move all programs forward. He said there are two contractual **9:21.**

Communications:

Robert Gillis, Jr., 31 Sayward Street spoke of supporting the School Department proposal for the FY14 budget. **This public hearing is closed.**

Council Comments:

Councilor Whynott said the budget is generally pitting public safety versus education. The Fire and Police Departments are well funded, he said and that he was impressed with the School Department and their responsiveness, as well as that of Dr. Safier.

Councilor Theken thanked the B&F Committee for their diligence through the FY14 budget process and commended their work. She also thanked Melissa Teixeira as her School Department liaison. This year, she said, Chair of the B&F Committee, Councilor McGeary has been helpful to all the Councilors. She also noted that Mr. Towne has produced much for the City who has worked to stabilize the City financially along with Mr. Costa. She extended her thanks to Mr. Towne. **Councilor Theken** also extended her thanks to the schools' PTO's. She said she hoped for a better funded school system to be able to move forward to better educate the City's students.

Councilor Verga said overall this budget from the Mayor is something the Councilor can work with. The exception is the School Department budget. He pointed out the mandates the schools are faced with. It was good to hear that this Council, he said, and the Mayor is hearing the message so that there is more than level funding. The School Department needs a shot in the arm financially.

Councilor Cox also expressed her confidence in Mr. Towne who she said finds the balance in funding to find the monies to balance the budget and pay down the snow and ice deficit. If revenue is overestimated, there is an extra cushion at the end of the year, she said. She also pointed out that the message on the schools was heard and that B&F is not done with the budget yet.

Councilor McGeary thanked the Council President and Council Vice President for their kind words and thanked his fellow B&F Committee members for their hard work through the budget process to date. He noted all the Council brings a balance to the process and thanked them for their assistance. He thanked the City Auditor, Kenny Costa for his efforts as well as Mr. Duggan and Mr. Towne and all the department heads who have to defend their budget sometimes late into the evening to help the Council make its way through this almost \$100 million budget.

Councilor Ciolino shared an experience at the Rotary Club with the Interact Club, a high school group the Rotary sponsors. He said he and his fellow Rotary members were impressed with the students who came to the meeting who he said were articulate, and committed to service above self. This will be a good quality school district, he said, but it takes money to do it. He thanked the School Committee for doing a great job. The children representing the high school are remarkable, he said.

Councilor LeBlanc also thanked the School Committee for their efforts. He spoke about building maintenance and the importance of having structurally sound buildings to educate students in. A plan must be made to maintain these buildings better, he said, and also that he supports neighborhood schools.

Councilor Tobey pointed out he was in the classroom where the tiles came down from the ceiling. He reiterated the need for a meeting on school facility maintenance and asked the Council President to arrange for such a meeting in July.

Council President Hardy thanked the parents and teachers for coming out this evening.

1. **PH2013- 031: Amend GZO by adding a new section 5.27 "Temporary Moratorium on Medical Marijuana Treatment Centers" and amend GZO by adding a new definition of "Medical Marijuana Treatment Centers" in Sec. VI "Definitions"**

This public hearing is opened.

Council President Hardy said the Council only just received a brief Communication from the Planning Board on this matter, and with assent of the Council the public hearing was continued to July 23, 2013.

This matter is continued to July 23, 2013.**Ordinances & Administration: June 3, 2013.**

There were no matters to come forward from the June 3, 2013 O&A Committee meeting for Council action.

Planning & Development: June 5, 2013

Councilor Verga said the Committee is waiting for reports from the Committee for the Arts and the Historic Commission on the Legion Building before the Committee votes on an RFP (Request For Proposal) for the lease on that property. The matter of self-storage facilities was forwarded to the Planning Board for a recommendation. He also noted the repair of private ways ordinance restructuring is being worked on and comes back to the Committee at the next meeting on June 19th. The Committee will also take up the matter of the DEP permitting for a temporary parking lot at 65 Rogers Street at their next meeting and encouraged anyone interested to attend. There was a status report made to the Committee by the Community Development Director on the status of the development RFP for 65 Rogers Street, and the Community Development Director will return to P&D in September to update the Committee on the matter.

MOTION: On motion by Councilor Verga, seconded by Councilor Whynott, the City Council voted 8 in favor, 0 opposed, 1 (Tobey) absent to ADVERTISE FOR PUBLIC HEARING the matter of restricting or regulating self-storage service facilities as a zoning amendment under Zoning Ordinance Section 1.11.1 for July 23, 2013.

For Council Vote:**1. Reconsideration of Vote taken on May 28, 2013 re: Acceptance by City Council of CDBG & North Shore HOME Grant**

Council President Hardy said she spoke to Councilor Tobey before he left the meeting, and he agreed that she would request to withdraw their Motion to Reconsider the vote taken on May 28, 2013 on the acceptance by the City Council of CDBG and North Shore Home Grants. **By unanimous consent of the Council, the Reconsideration of Vote was withdrawn.**

2. Motion to Amend City Council vote taken on February 12, 2013 re: 2013-SA-63 City Clerk-Out of State Travel

Councilor McGeary said the specification for the funds distribution stated in the original motion is in need of amending and offered the following:

Motion: On motion by Councilor McGeary, seconded by Councilor Ciolino, the City Council voted by ROLL CALL 8 in favor, 0 opposed, 1 (Tobey) absent to amend the appropriation 2013-SA-63 in the amount of \$1,821.00 (One Thousand, Eight Hundred, Twenty-One Dollars) from the General Fund, Unreserved Fund Balance ("Free Cash"), Account #1010000.10.000.35900.0000.00.000.00.000 to City Clerk-Out of State Travel, Account #101000.10.161.57200.0000.00.000.00.057 to provide funds for attendance to the New England Municipal Clerks Institute & Academy.

Unfinished Business: None.

Individual Councilor's Discussion including Reports by Appointed Councilors to Committees: None.

Councilors' Requests to the Mayor:

Councilor Whynott noted a gentlemen who spoke under Oral Communications several weeks ago received a phone call from City staff on his request rather than a written communication and that under the Council the Rules of

Procedure a response is supposed to come in writing and said this standard should be held to that standard and asked the Administration to take note.

Councilor Verga made a Request to the Mayor request the DPW to erect signs indicating the direction of the industrial park so that tractor trailers are not traveling on Laurel Street on the Magnolia Avenue end instead of going under the bridge toward the industrial park. He pointed out Laurel Street is a small roadway and is inappropriate for tractor trailer truck travel.

Councilor Cox stated there is a Flag Day celebration at the Elks the following day.

Councilor McGeary noted the Friends of Good Harbor on Thursday will have their public meeting and give an update on the state of the marsh and other relevant ecological issues of the area.

Councilor LeBlanc encouraged the Bruins to win the Stanley Cup.

Councilor Theken reminded there is open enrollment for Commonwealth Care. She encouraged seniors to come to the SHINE counselors if they need assistance and to look at the packets that come in their mail. She also said if the public sees one Councilor, they see them all, especially during the budget review season.

Council President Hardy said there will be another Flag Day ceremony on Friday, June 14th at noon at the Bridge House Flag Pole on Stacy Boulevard to dedicate new flags in commemoration of Veterans and military families. The ceremony will be short, she said, and reminded all that we are free because they served.

A motion was made, seconded and voted unanimously to adjourn the meeting at 9:59 p.m.

Respectfully submitted,

Dana C. Jorgensson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- **Printed notes on the School Department FY14 proposed budget submitted by Dr. Richard Safier**