

Budget & Finance Committee
Thursday, September 5, 2013 – 6:00 p.m.
1st Fl. Council Committee Room – City Hall
Minutes

Present: Chair, Councilor McGeary; Vice Chair, Councilor Joseph Ciolino; Councilor Jackie Hardy (Alternate)

Absent: Councilor Cox

Also Present: Jeff Towne; Kenny Costa; J. J. Bell; Sandra Dahl-Ronan; Debbie Laurie; Lucy Sheehan; Mike Hale; Linda T. Lowe

The meeting was called to order at 6:00 p.m. Agenda items were taken out of order.

Regularly Scheduled Business:

1. *Grant Application and Checklist from the Council on Aging re: FY14 Formula Grant*

Lucy Sheehan, Senior Center Coordinator asked that the grant for a State Executive Office of Elder Affairs Formula Grant Funding for FY14 be accepted. The State approved formula is \$8 per senior, up \$1 from last year and the highest amount per senior yet to be received by the City. There is additional funding available because of the growth of Gloucester's senior population to 7,404. The total for the grant allocation will be \$59,232.00 which is expected to be received shortly.

Formula grant funding is determined by census-based allocation of available grant funds. The money supports Council on Aging (COA) activities. The proposed use of the grant funds is as follows:

- A) Salary for Senior Center Senior Clerk, 35 hours per week for 34 weeks totaling \$35,831 (City pays benefits);
- B) Partial salary for an Outreach Social Worker at \$10,816 to supplement the City funding. The outreach social worker works 35 hours per week.
- C) Salary supplement for Art Coordinator at \$1,065.
- D) Salary for an Activities Assistant who would work 19 hours per week for 40 weeks at \$11,520.

There is no match required. The funds will be able to be allocated as of July 1, 2013 although the actual funding will not be received until October 2013, according to the state.

Ms. Sheehan noted that the money earmarked for the Art Coordinator is for a salary increase; and the funds to be used for hiring an Activities Assistant is for one year. This grant comes from the state each year, and there are no administrative costs or benefits paid by the grant.

On inquiry by **Councilor Hardy**, **Ms. Sheehan** confirmed there is now allowance within the scope of the grant to charge benefits to the grant. **Kenny Costa**, City Auditor, noted that when this grant acceptance was before the Committee last year, it was decided not to charge benefits to the grant, since benefits charged to the grant would reduce services.

MOTION: On a motion by Councilor Hardy, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council accept under MGL c. 44, §53A, a Mass. State FY2014 Formula Grant Allocation from the Mass Executive Office of Elder Affairs for a total of \$59,232.00.

2. *Grant Application and Checklist from the Council on Aging re: Title III Older Americans Grant*

Ms. Sheehan said that the Title III Older Americans Grant is passed through SeniorCare, Inc. The grant is awarded under the Title III-B of the Older Americans Act. Last year there was a cut in funding from this grant, from \$10,856 to \$9,228, and it is likely to be cut 20 percent to \$7,382 meaning that the Council on Aging would receive \$768 per month. This grant is used to supplement the salary of the Council on Aging's Outreach Social Worker; **Ms. Sheehan** said. She added that the Outreach Coordinator links seniors with existing services in the community. The total grant funding being requested is \$16,169.

MOTION: On a motion by Councilor Hardy, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council permit the Council on Aging to apply for a federal Title III Older Americans Grant through SeniorCare, Inc. in the amount of of \$16,169.

3. *Supplemental Appropriation-Budgetary Request (#2014-SA-1) from the Department of Public Works*

Jeffrey Towne, CFO, informed the Committee of the following information on #2014-SA-1:

This transfer is to complete funding for the City's Department of Public Works street paving program, which ends in November. When the street paving monies were transferred in June there was a total of \$40,000 put on the transfer form, but there was a clerical error on the end total amount in the motion and the minutes which read \$25,000. The supplemental appropriation closes the gap caused by the clerical error and makes the intended total of \$40,000 available for City paving projects. The paving contract has been completed because the DPW Director spent funds under the assumption that the available funding was \$40,000 as was originally put forward to the Council. The clerical error was discovered after the fact.

Councilor Ciolino asked if State Chapter 90 monies (road paving funding) had been approved for this year. **Mr. Towne** said the Governor did approve the release of Ch. 90 funds but at a reduced level. He noted that the Massachusetts Municipal Association is lobbying the Governor's office to restore the funding back to the original amount. **Councilor Ciolino** commented the public heard the original funding level and doesn't appear to understand funds were distributed at a greatly reduced level and pointed out it is not the fault of the City that more roadways have not been paved, but that the State hasn't released full funds to date which has inhibited the City's ability to complete anticipated paving projects this year.

The Committee asked the Clerk of Committees to place a Request to the Mayor that the DPW Director forward to the City Council the City's fall street paving schedule.

MOTION: On a motion by Councilor Hardy, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve Supplemental Appropriation 2014-SA-1 in the amount of \$15,000 (Fifteen Thousand Dollars) from the Highway Force Account, Account #294015 to the Public Services Paving Account, Account #101000.10.470.58415.0000.00.000.00.058 for the purpose of funding various paving projects throughout the City.

4. *Special Budgetary Transfer Request (#2014-SBT-1) from the Police Department*

Mr. Towne asked that Special Budgetary Transfer #2014-SBT-1 be withdrawn because the anticipated impact of promotions and a shift in personnel within the department had been offset by other transfers and shifts, so there is now no anticipated deficit in this account.

MOTION: On a motion by Councilor Ciolino, seconded by Councilor Hardy, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to permit the withdrawal of Special Budgetary Transfer Request (#2014-SBT-1) from the Police Department and render that number designation moot.

This matter is closed and #2014-SBT-1 is retired and rendered moot.

5. *Special Budgetary Transfer Request (#2014-SBT-2) from the City Clerk's Office*

6. *Special Budgetary Transfer Request (#2014-SBT-3) from the City Clerk's Office*

Linda T. Lowe, City Clerk asked that transfers be made from monies from the Registrar's accounts because when the FY14 budget as formulated the assumption was made that there would be a preliminary municipal election this fall. In the event, however, the number of candidates was such that a preliminary election was not required. She explained that when the FY14 budget was enacted, the Council agreed to set up an out-of-state travel account in order to allow her staff to attend professional conferences. She noted the conference the Assistant City Clerk will attend in mid-November is time and money well spent, and was a conference she herself had attended. These funds would pay for the Assistant City Clerk's travel, two nights of lodging and the fees to attend the conference. **Ms. Lowe** said approximately 50 percent of the funds would be spent in both accounts to send the Assistant City Clerk to

this fall conference which would leave funds available for other members of her staff to attend other professional trainings through the fiscal year.

Councilor McGeary noted there would be about \$50,000 left in the Registrar's account for contingencies even after these two transfers.

Councilor Ciolino said he was pleased to see that the City Clerk's staff was finally being able to access such good professional training programs and added that the City Clerk's is an important resource and the staff needs to stay on top of changes in the rules and regulations governing their work.

MOTION: On a motion by Councilor Ciolino, seconded by Councilor Hardy, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-2 for \$3,000 (Three Thousand Dollars) from Registration, Contractual Services, Account #101000.10.163.52000.0000.00.000.00.052 to City Clerk, Employee Training Seminars, Account #101000.161.53004.0000.00.000.00.052 for the purpose of allowing the Assistant City Clerk to attend a NEACTC conference in November and for the City Clerk, Assistant City Clerk and staff to attend future conferences in FY14.

MOTION: On a motion by Councilor Ciolino, seconded by Councilor Hardy, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-3 for \$1,500 (One Thousand Five Hundred Dollars) from Registration, Contractual Services, Account #101000.10.163.52000.0000.00.000.00.052 to City Clerk, Out of State Travel, Account #101000.161.57200.0000.00.000.00.057 for the purpose of allowing the Assistant City Clerk to attend a NEACTC conference in November and for the City Clerk, Assistant City Clerk and staff to attend future conferences in FY14.

7. *CC2013-035 (Cox/McGeary) Regulations concerning off-season parking fees at city beaches for review And recommendation*

Councilor McGeary said that at the request of Councilor Cox who was unable to attend this evening, the matter would be continued to the committee's next meeting. The Committee discussed some of their thoughts on the subject with Mr. Costa and Mr. Towne in brief.

This matter is continued to September 19, 2013.

8. *Memorandum from City Auditor re: FY2013 City's General Fund Estimated Financial Performance*

Kenny Costa, City Auditor discussed his memo dated Aug. 26 2013, on the FY2013 City's General Fund Estimated Financial Performance (on file) with the Committee. He said he felt it was a bit too early to be discussing free cash because it is not official, that is not certified by the state Department of Revenue (DOR), nor is there any free cash to be appropriated at this point. He noted there is still \$738,000 of free cash unappropriated from last year and so that amount will roll into the next year's free cash total amount. Highlights of that discussion were:

- The City is estimating approximately \$1,100,000 in actual revenues exceeding budgeted revenues, including:
 - Tax Lien revenues, which exceeded budget by \$520,000. This item is normally not budgeted. Mr. Costa said this is considered good practice because the anticipated receipts were already part of the budget in prior years and were already budgeted once.
 - Local Meals Tax revenue exceeded budget by approximately \$113,000. The budget was \$400,000 and was increased by \$100,000 for Fiscal 2014.
 - Hotel/Motel Excise Tax exceeded budget by approximately \$68,000. The budget was increased by \$75,000 for Fiscal Year 2014.
 - Ambulance revenues exceeded budget by approximately \$92,000. Mr. Costa and Mr. Towne said the extra revenue was a result of working out the kinks in the billing process as well as the financial team working with the EMS Director to continually improve the software system for inputting complete billing information and staff training on the system.
 - Building Permit revenue exceeded budget by approximately \$139,000. In FY13 \$412,000 was budgeted, and in the FY14 budget the revenue estimate was increased to \$500,000.

- Premiums from Sale of Bonds exceeded budget by approximately \$314,000. This revenue is not normally budgeted; the money is generated from premiums on City bonds and is regarded as one-time revenues to the City.
- Daily Beach Parking Fees exceeded budget by approximately \$330,000. In Fiscal Year 2013 the budget figure was \$1.4 million; it was raised to \$1.450 million for Fiscal Year 2014.

Note: Information not reviewed but included in Mr. Costa's memo included:

- Wind Turbine metering credit revenue exceeded budget by approximately \$101,000.
 - Hotel/Motel Excise Tax exceeded budget by approximately \$68,000. The estimated income was increased by \$75,000 in the budget for Fiscal Year 2014.
- Revenues that came in under estimates included:
 - Charter School reimbursements (\$617,803). With the Charter School closing in January 2013, the City didn't receive reimbursements, but conversely, the state didn't assess \$1.7 million in charges that were in the Fiscal Year 2013 Cherry Sheet. When the two items were netted the estimated cost of the Charter School to the city was reduced by \$1.1 million. It was noted that the money could not be repurposed for other school uses until it is certified as Free Cash by the Department of Revenue. However, excess state assessments could be used to pay off other state assessments, which the City Auditor did do. Some of the charter school excess funds were used to offset \$126,000 of a \$146,000 deficit in state assessments for school choice.
 - Other potential "hits" to Free Cash include:
 - Federal Emergency Management Agency (FEMA) reimbursement for snow removal during the February winter storm, Nemo, of about \$220,000. The money has not yet been received. If the City receives those funds by the end of September, that amount will be added to the City's Free Cash for FY13. Mr. Costa noted that this is why he typically waits until the end September to have a clearer picture of free cash estimates.
 - Appropriation deficits: Department of Public Works had a payroll appropriation deficit which will be a hit against Free Cash of \$16,000 which occurred in-between FY13 and FY14 because of the part-time beach personnel which was not found until after July 15. There was also a \$145 deficit in Recycling for FY13.
 - Police Department State E911 Training Grant has a projected deficit of \$105,000. The Police Department E911 Support Incentive Grant has a projected deficit of \$3,800, both from FY13; and the City is still waiting on a \$12,000 reimbursement for FY12. These deficits will be deducted from free cash unless the money is received.

In summary, the City Auditor's office estimates the City's General Fund Free Cash for Fiscal Year 2013 will be about \$3,000,000.

- Other Free Cash-related notes:
 - The Water Treatment Plant capital project had a late reimbursement, which came in after the close of FY13. However Mr. Towne said funds did come in in late August and he didn't think this would affect free cash.
 - Snow and Ice cost overruns won't be assessed against Free Cash for FY13 because the deficit was funded through budgetary transfers and special appropriations at the end of Fiscal Year 2013. It was pointed out that the ability to cover the deficit was due to the excellent working relationship and level of cooperation between the City Auditor and CFO; that they are able to work through issues like this as pointed out by both Mr. Costa and Mr. Towne. Due to the long time it was taking for the FEMA reimbursement the Administration, according to Mr. Towne, the city wanted to take care of the Snow and Ice deficits. That way, should the FEMA reimbursement come in too late, the reimbursement would drop to the city's bottom line.

Councilor Hardy, in reference to the increased building permit revenue, noted that the Building Inspector has been asking for some time for an additional inspector for his department. She said she felt this department has been shortchanged as it is pulling its own weight as far as revenue. **Councilor Hardy** added that unless the City begins to use some of that added revenue to add another inspector to the staff to support that department, the public will

view building permit costs as taxing by fee. She asked that the Administration in the FY15 budget take a hard look at hiring another inspector. **Mr. Towne** said the Administration did strongly consider adding an inspector to the Building Department, and looking at the fees an added inspector would generate it would be most likely the next staff person to be added. That person would probably be a compliance inspector on the so-called "Stretch" Building Code, which the city has adopted. He added that increasing timely inspections by adding another position in the Building Inspector's department would create an increased revenue flow.

Councilor Ciolino pointed out that at the time of its budget hearings for Fiscal Year 2014, the B&F Committee created a "January" list of 13 items that the Council and Administration agreed to revisit should sufficient Free Cash were certified. He suggested this list could be taken up as soon as the Department of Revenue certifies Free Cash.

Councilor Hardy inquired the use of Community Development grants to pay for the Harbor Planning Director's salary. She noted that originally 50 percent of the salary was to be funded by the Seaport Advisory Council. She asked if that position was being completely funded from the General Fund in Fiscal Year 2014. **Mr. Towne** and **Mr. Costa** said it was covered out of another grant, and that in FY14 there is not enough money out of the grant to absorb the entire salary for that position. Currently the position is budgeted 100 percent from the General Fund. **Councilor Hardy** said she believed when that position was put on the City's payroll it was to have been at least partially funded by grants, and at one point was 100 percent grant funded. She said that when she was Acting Mayor she was under the impression that this position was supposed to be paid 100 percent out of grant funds and not the General Fund.

Councilor McGeary said for Fiscal Year 2014 the intent was to pay 50 percent of the director's salary from Seaport Advisory Council money and 50 percent out of the General Fund, but that body has yet to meet to vote any funding and have repeatedly postponed its meetings. **Mr. Costa** said there is a projected deficit in this account because only 50 percent was budgeted for the fiscal year. **Mr. Towne** said that he would obtain the information for the Councilor by the next B&F meeting. **Councilor McGeary** said B&F was warned the grant might not come through in time. He agreed it would be a good idea to receive an update from Mr. Towne. He asked also that the administration verify that if the Seaport Bond Council were to meet and approve the grant that would cover 50 percent of the Harbor Planning Director's salary. The funds could be used retroactively if the Bond Council allows the City to do that. Right now, there is no meeting scheduled. There was no cost to the General Fund for this position in Fiscal Year 2013, **Mr. Towne** said.

Councilor Hardy offered her thanks to Mr. Costa for his report and expressed her appreciation that at every opportunity in the City Auditor's memo he pointed out that this all his numbers on free cash were estimated numbers.

Mr. Towne noted that the city of Methuen's bond rating was reduced because of slim liquidity and reserves that had averaged less than 2 percent of revenues for the past five years. That downgrade by rating agencies happened in July 30, 2013, he said. The DOR is looking at the reserve levels of cities and towns, and that the City, **Mr. Towne** urged, must maintain their reserve levels at least at their current levels. Responding to an inquiry by **Councilor McGeary**, **Mr. Towne** said the percentage of reserve is based on whatever the General Fund is budgeted as; Methuen went down below 2 percent of that for a number of years. Gloucester, on the other hand, has kept well above the two percent and that the DOR is saying below 2 percent is too low.

The Committee briefly discussed uses for Free Cash, agreeing that Free Cash should primarily be used for one time expenditures. **Mr. Towne** pointed to two recent projects funded by Free Cash, the acquisition of new financial software for the city, and the Wingersheek Beach septic system. He said the policy of this Administration was to use Free Cash for one-time expenditures.

Mr. Costa gave the Committee the recommendations from DOR on the proper amount of reserves a city should maintain including Free Cash (placed on file), which he briefly reviewed with the Committee. He reiterated that the report he presented was a preliminary estimate. **Mr. Costa** also noted his office has been down by one staff member but will add on a new General Ledger Accountant in the third week of September, which will be a great help to his department.

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

Mr. Costa submitted his documentation with the Committee.

Community Preservation Committee Recommendations re: Review of Applicant Projects for Community Preservation Funding, Round 4, FY13:

1. Historic Preservation:

- Magnolia Historical Society (Blynman School Rehabilitation) \$30,000

Speaking for the Magnolia Historical Society was Lisa Ramos, President. She conveyed the following information:

The Magnolia Historical Society (MHS) is recommended to receive \$30,000 in Community Preservation Act (CPA) funds for the purpose of rehabilitation and restoration of an historic asset by upgrading the electrical and HVAC system at the former Blynman School located at 46 Magnolia Avenue. The society acquired the school in January 2013. This project will enable the society to operate in benefit to all as the Magnolia Historical Museum and Cultural Center. Complete renovations are to include:

- Cupola removal and restoration (completed)
- Roof removal and replacement (completed).
- A new electrical system.
- New plumbing, insulation, interior wall removal and renewal.
- A new heating/ and air conditioning system to replace two old boilers.
- Hardwood floor restoration.

An estimate for the heating/HVAC system is going to be done in two parts using CPA funds. **Ms. Ramos** read a synopsis of an estimate by Scott Oil (submitted and placed on file), which the MHS has chosen to replace the boiler and HVAC system. She noted the installation on the second floor will be in the ceiling to reduce the level of dust in the archives. The heat in the lower levels will be a baseboard system.

Bob Cannon, Vice President of the society, further described the new systems as follows: the main room will have a humidistat to ensure archives preservation. Four main rooms will be separately zoned to have a more efficient heating/cooling system. The air conditioning unit will be outside on a concrete pad. The MHS still is discussing whether it will opt for propane or oil, depending on what will be more cost efficient. The estimate is \$42,000 to do the archive room with the humidity control unit. When more funds are available, the MHS will add the complete air conditioning units, and all will be in service before the frost comes. The building is dry as the roof is replaced, but the building needs to be heated.

Ms. Ramos said when the roof was done the storm drains were rerouted away from the building. Paul Stanley of Stanley Roofing donated the entire roof including copper flashing. The total project cost is estimated at \$185,000.

A site visit at the Blyman School will take place on Wednesday, September 11, 2013 at 8:30 a.m.

- Sargent Murray Gilman Hough House (building repairs) \$20,000

Speaking for the Sargent Murray Gilman Hough House Association was Judy Nast, member of the Board of Directors. She conveyed the following information:

The Sargent Murray Gilman Hough House Association is recommended to receive \$20,000 in CPA funds for the purpose of rehabilitation and restoration of an historical asset by repairing the foundation, repointing chimney bases and outer walls, replacing and repairing beams, support columns and repairing a basement window. The project is intended to ensure the stabilization and long-term preservation of the Sargent House Museum, a 1782 structure. There is significant structural damage to infested wooden beams (2) and brick piers (4) in the basement. The brick piers will get new concrete footings. Chimney bases that serve five of the house's fireplaces have shifted and earlier repairs are failing. A masonry window well needs rebuilding; and there are masonry cracks in the building's outer walls caused by the use of modern mortar, which is failing. The work is predicated on Conservation Assessment Reports completed in 2008 by a preservation architect, and work prioritized by a specialized firm. Additionally, the project will eliminate heat loss, humidity infiltration and potential vermin infestation, all of which are major threats to the significant collections in the museum. In 2011 the Sargent House museum received CPA funding to replace the fence on the Main Street side of the property. It was decided to leave the fence undone and that the money was unspent and returned to the CPA fund. The CPA funding is 38 percent of the overall project cost. The total project cost for this phase is estimated at \$53,075. Two preservation workshops will be offered to the public to show them what work is being done to preserve the house.

Councilor Ciolino noted this restoration work has been ongoing for some time to preserve the house. He suggested the electrical system will need to be addressed in the near future. **Councilor McGeary** expressed concern for the brick piers and asked whether putting footings on the piers it would further protect the piers from water. **Ms. Nast** confirmed that to be the case and is planned; and that the basement has no standing water.

Councilor Hardy asked when would the CPA money become available to the applicants, which **J. J. Bell**, Co-Chair of the Community Preservation Committee said that it would be in November or December upon a positive vote of the City Council, and upon the DOR certification. Once approved by the City Council the money is distributed in a very quick fashion once the agreements are finalized, he said.

A site visit to the Sargent House Museum will take place on Thursday, September 12, 2013 at 8:30 a.m.

- Cape Ann Museum and Thacher Island Association (Fresnel lens restoration) \$10,000

Speaking for the Cape Ann Museum & Thacher Island Association was Martha Oakes, Curator of the Cape Ann Museum. She conveyed the following information:

The Cape Ann Museum is before the Council for the third time, having received funding for two other projects, one for the White Ellery House, and last year for funds for document preservation which is now about to be completed. The Cape Ann Museum is now recommended to receive \$10,000 in CPA funds for the purpose of preserving an historic asset by repairing and restoring the Fresnel lens from the Thacher Island Lighthouse to be permanently exhibited at the museum. The Fresnel lens is from the south tower of the two lighthouses on Thacher Island that served as a beacon for Cape Ann mariners for over 120 years (from 1861 to 1980). It will be restored at the museum in two sections and permanently exhibited in the Maritime Gallery in an area expressly constructed to facilitate viewing by the public. The lens has been brought up from the Maryland, where it had been in Coast Guard storage. Restoration will also involve removing part of the original pedestal from the top part from the lighthouse and reconstructing the bottom part that supports the lens to fit it into the Cape Ann Museum's exhibit space. Standing 10 feet high and weighing over a ton, it will be restored on site at the museum by a trained lampist whose ongoing work will be able to be viewed by the public. The lens has to be protected from being touched, so the installation will include railings and lighting to illuminate the lamp. It was noted that this is a unique collaborative community project with the Thacher Island Association located in Rockport. The Thacher Island Association is also seeking CPA funding in Rockport for this project for \$20,000. The total project cost is estimated at \$46,790.

Councilor Hardy confirmed with Ms. Oakes that this installation would be a permanent location at the Cape Ann Museum even though in collaboration with the Thacher Island Association; and that the Thacher Island Association would be prominently acknowledged. Ms. Oakes said that the Fresnel lens is being loaned to the Cape Ann Museum by the U.S. Coast Guard for 30 years, however, she said; the Coast Guard has indicated they will not take it back. She noted that here is a Coast Guard program for sending these lenses back to the communities where they had been originally installed.

Sandra Dahl-Ronan, Co-Chair of the Community Preservation Committee said this is a great example of two towns collaborating in one project with CPA funds, which is actually encouraged by the state. **Mr. Bell** added that he recused himself from any debate on this funding and any vote taken by the CPC as he is on the board of the Cape Ann Museum.

A site visit to the Cape Ann Museum will take place on Thursday, September 12, 2013 at 9:15 a.m.

Historic Preservation:

- Ocean Alliance (Tarr & Wonson Paint Factory Repairs) \$30,000

Speaking for the Ocean Alliance was Iain Kerr. He conveyed the following information:

The building is occupied and the site is open. The Ocean Alliance is recommended to receive \$30,000 in CPA funds for the purpose of the rehabilitation and restoration of the chimney and accompanying brick building with repointing and stabilization of the Tarr and Wonson Paint Factory chimney which is cracking and pointing is gone so that water egress is taking place. The Tarr and Wonson Paint Manufactory, one of the City's most iconic structures has a 60-foot chimney stack that fishermen have in the past used to navigate home. Funds are needed to inspect, stabilize and re-point the Paint Factory chimney and the accompanying brick building. Currently cracks are appearing in the structure and bricks are coming loose from the chimney, which is both a safety hazard and is leading to further

deterioration by allowing water into the structure. The chimney structure needs to be capped as well. One part of the chimney was noted to not need repointing. It was pointed out that Ocean Alliance has the capacity to raise the remaining funds. The slate roofs will be replaced with faux slate made from recycled tires that can withstand 120 mph winds and look like real slate. The total project cost is estimated at \$80,650, of which \$53,000 worth of work will be completed by this winter.

A site visit to the Tarr & Wonson Paint Factory will take place on Tuesday, September 17, 2013 at 8:30 a.m.

- Magnolia Library (Renovation) \$7,500

Speaking for the Magnolia Library was James O'Hara, President. He conveyed the following information:

The Magnolia Library (a 501 (C) 3 organization) is recommended to receive \$7,500 in CPA funds for the purpose of doing design and cost studies for the rehabilitation and restoration of an historic asset by hiring a sprinkler engineer to develop a plan for a sprinkler system to protect and preserve the building in the event of fire, and/or hiring an architect to draft plans for a handicapped-accessible bathroom. The Magnolia Library and Community Center offers residents various educational and cultural experiences through programming and events at the Center. The Center operates in a 127-year-old structure which has no sprinkler and fire alarm system to protect the building in the event of a fire. This project would allow the Center to do planning studies in order to preserve and protect this historic structure. The Center also needs to rehabilitate restrooms to comply with the Americans with Disabilities Act so that all residents to be able to partake in the various programs offered by the Library and its continued use as a Community Center. On the second floor the Magnolia Historical Society still maintains a room. When the space at the Blynman School is completed the room will be emptied. The MHS is a tenant and the Library has no affiliation with that organization. It was indicated prior to the MHS using this space the room was used for a children's activity room, and it is hoped that this room would revert back to its original use. The total project cost is estimated to be \$195,150.

Councilor Hardy confirmed this building is also used for weddings, celebrations, fundraising auctions as well and is a wonderful community asset. **Mr. O'Hara** said this building is also used as a shelter and was made available during heat waves as a cooling center and is also used as a City polling location.

Mr. Bell said in terms of CPA funding, this was an allocation of limited resources and that the \$100,000 requested was a ballpark figure for the renovations, and that an architectural and engineering study would pin down the actual cost of what the project would entail. On inquiry by **Councilor Hardy**, **Mr. Bell** indicated that the Library might come back the following year for added funding once the studies are completed.

A site visit will be conducted on Wednesday, September 11, 2013 at 9:15 a.m.

- Phyllis A. Marine Association (Stern Rebuild) \$25,000

Speaking for the Phyllis A. Marine Association was Douglas Parsons, President of the Association. They conveyed the following information:

The Phyllis A. Marine Association is recommended to receive \$25,000 in CPA funds for the purpose of preserving an historic asset by repairing and restoring the stern of the historic gill-netter Phyllis A., which has deteriorated. This project will consist of rebuilding the stern by replacing 90 percent of the frames, deck beams, ceiling, decking and planking where necessary (essentially from the waterline downward). This restoration is another step in the overall restoration of the Phyllis A. to make it available for tourism and educational purposes. Total cost for this project is estimated at about \$51,000.

Councilor Hardy spoke to **Mr. Parsons** about seeking out possible new contributors to help find funding for the Phyllis A.'s restoration from other sources as well as CPA funding. She was also assured by Mr. Parsons that the Phyllis A. will continue to call Gloucester her home port. **Mr. Parsons**, on inquiry by the Councilor, estimated that the Phyllis A. could be fully restored in about two years, if further funding is forthcoming.

A site visit will be conducted on Tuesday, September 17, 2013 at 9:15 a.m.

A motion was made, seconded and voted unanimously to adjourn the meeting at 8:25 p.m.

Respectfully submitted,

Dana C. Jorgenson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- Department of Revenue Recommendations related to Free Cash
- Submissions from CPA Fund applicants:
 1. Magnolia Historical Society – estimates and information on heating and humidity control system
 2. Overview and written details of the Sargent House Museum Request for Funding
 3. Photograph of the Phyllis A. submitted by Douglas Parsons showing the underside of the boat showing a complete view of the stern out of the water