

Budget & Finance Committee
Thursday, January 23, 2014 – 5:00 p.m.
1st Fl. Council Committee Room – City Hall
Minutes

Present: Chair, Councilor Melissa Cox; Vice Chair, Councilor William Fonvielle; Councilor Paul McGeary
Absent: None.

Also Present: Councilor Verga; Kenny Costa; Jim Duggan; Fire Chief Eric Smith; Police Chief Leonard Campanello; Deputy Fire Chief Steve Aiello; Mike Hale; John Dunn; Captain Tom LoGrande; Sandra Dahl-Ronan; J.J. Bell; Deborah Laurie

The meeting was called to order at 5:04 p.m. Items were taken out of order. The Committee recessed at 7:17 and reconvened at 7:22 p.m.

1. Letter from President of Gloucester Rotary Club re: City Council acceptance of donation in the amount of \$14,000 for metal work on Stage Fort Park Gazebo

Rick Doucette, President of the Gloucester Rotary Club, described the club's extensive history of taking responsibility for the landscaping and maintenance of the Stage Fort Park Gazebo (Antonio Gentile bandstand) involving thousands of dollars and many hours of volunteer labor. He said the club and the Department of Public Works (DPW) had noted a significant deterioration of the ironwork on the gazebo. In order to address the problem, he said the Rotary Club is prepared to take on a major winter-spring project to repair the damage. **Mr. Doucette** said the club proposes to hire a local vendor, J&L Welding, to carry out this task at a cost of \$14,000 (quote on file). The Rotary Club is seeking Council's acceptance of this monetary donation to continue the club's commitment for the maintenance of the gazebo.

Mike Hale, DPW Director, said that Mr. Doucette contacted him this summer to discuss this needed work and donation. He acknowledged all the work the Rotary Club does at Stage Fort Park and said he was in full support of this latest Rotary Club's effort.

Councilor Cox asked whether, if further damage was discovered when the ironwork is removed, the DPW be able fix it. **Mr. Hale** said it would depend on the extent of any damage noting the DPW has one carpenter for all City work; but he would be in close contact with the Rotarians during this project. **Mike Costello**, Rotary Club member, said that the welding firm felt they could remove the ironwork with relatively little damage and would have the work done by May 1. He noted the welding firm had informed the club that they didn't see any rot in the wood timbers. He added that the metal work includes the handrails as well.

Councilor McGeary noted that the welding company's estimate under Item #1 says, "prevailing wage does not apply," observing that the gazebo is City property. **Mr. Costa**, City Auditor, said a donation doesn't require prevailing wages. **Mr. Costello** and **Councilor McGeary** confirmed the estimate is between the Rotary Club and J&L Welding; that the Rotary Club is the client for J&L Welding, and in turn the Rotary Club is the donor. **Mr. Costello** confirmed that \$14,000 is the price all for the work.

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council under MGL c. 44, §53A-1/2 accept a donation of \$14,000 from the Gloucester Rotary Club for the purpose of repairing and improving the ironwork on the Stage Fort Park Gazebo.

2. Memorandum from Community Development Director re: Request for debt reduction for the Newell Stadium Project

J.J. Bell, Co-Chair of the Community Preservation Committee (CPC), said the Community Preservation Act (CPA) said there were leftover funds from Round 4. He said the CPC decided to recommend that a portion of the leftover funds would be used to pay down a portion of the debt associated with the New Balance Track and Field at Newell Stadium. **Mr. Bell** further explained the former CFO borrowed short-term in July in the form of a Bond Anticipation Note (BAN). The debt portion, he said, expires on February 7, and there is an opportunity to pay off a portion or that entire BAN. The CPC voted to recommend that \$135,000 be put towards the BAN and that the remaining \$78,000 will roll over into another BAN until February 2015. He said the intent is to pay off the balance at that time, adding that this matter is time sensitive.

John Dunn, CFO, said that if voted on by the Council positively he would ask for the Council move for reconsideration of the vote so that he can convey to the issuing authority that the debt is going to be reduced.

Councilor McGeary asked at what point this would have to go to long-term debt. **Mr. Dunn** said generally BANs can be done without a reduction for three years; but it also depends on the timing. Because of reduction could probably be extended if for some reason the \$78,000 wasn't available next year but was felt it would be available the following year; there is some flexibility, he said.

Councilor McGeary asked if more State CPA funding was received than had been anticipated. **Mr. Costa** said there is \$183,000 remaining in the City's CPA funds after the last round, but the request for \$36,000 for City Hall windows by the City Hall Restoration Committee was deferred to the 1/28/14 City Council meeting and there may be \$15,000 remaining from a building project. **Councilor McGeary** commented that is money in the current cycle is before the FY15 cycle.

Councilor Cox confirmed the State gave the City's CPA fund \$127,000 more and that there was some returned funds locally. **Mr. Costa** said that was the case but the \$127,000 would go into the FY15 funding round. **Mr. Bell** said the State match will essentially double the city's available CPA funds. Funding is year to year, he said, that the legislature has to vote the CPA funds. The CPC will advocate for increased funding with the City's state legislators, he added.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council appropriate up to \$135,000.00 (One Hundred Thirty Five Thousand Dollars) from the Community Preservation Act Funds, Unrestricted Reserves in Fund #270000, as recommended by the Community Preservation Committee, to Account# 270000.10.172.59100.0000.00.000.00.059, CPA – Open Space - Debt Service, Principal Debt for the purpose of redeeming Community Preservation Act - Open Space debt service principal related to the Newell Stadium Capital Project. The appropriation will be allocated to the Open Space category.

3. Memorandum from CAO re: Funding for a Site Feasibility & Response Time Analysis for a proposed Public Safety Building

Jim Duggan, CAO explained that the City received eight Requests for Qualifications (RFQ) proposals for Owner Project Manager (OPM) services to collaborate with the City in hiring a designer to conduct a site feasibility and response time analysis for a proposed new public safety building. A Selection Team of the Police and Fire chiefs, Purchasing Agent, Facilities Manager and he reviewed the RFQ's and selected KBA Architects as the City's preferred OPM. The site feasibility and response time analysis will consist of a site survey, borings, traffic studies and a schematic plan. A Designer Selection Committee, consisting of the Mayor, the Selection Team, representatives of the three public safety unions and the OPM will oversee the deliverable. The budget for the analysis is \$225,000. Funding is planned to come from two sources - \$125,000 from the Federal Seizure Account managed by the Police Department, and \$100,000 from Free Cash. He said this will be the first step to determine the Fuller site can house the Public Safety Building and the response times associated with that location.

Councilor McGeary asked if there had been consideration of a downtown access route through the old Linsky's junk yard. **Mr. Duggan** said there was. **Councilor McGeary** suggested that there be representation from the downtown community specifically because the central station would be removed from that part of the City, and that the outskirts should be represented as well. **Mr. Duggan** said that the committee is required to have certain members, including the CFO, the Facilities Manger, the Purchasing Agent, Public Safety Chiefs, and independent individuals along the lines of the building committee for West Parish School.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve Supplemental Appropriation 2014-SA-14 in the amount of \$100,000 (One Hundred Thousand Dollars) from the General Fund, Fund Balance Undesignated ("Free Cash") Account #101000.10.000.35900.0000.00.000.00.000 to DPW -Facilities-Contracted Services, Account #101000.10.472.52000.0000.00.000.00.052 for the purpose of a site feasibility and response time analysis for a proposed Public Safety Building.

4. Memorandum from Fire Chief re: City Council acceptance of a Student Awareness of Fire Education (SAFE) grant in the amount of \$2,086

Fire Chief Eric Smith said this grant is provided by the State's Department of Fire Services which will support the Fire Department's planning and preparing to provide the Student Awareness of Fire Education (S.A.F.E.) program in the City's public and private schools. There is no requirement for matching funds. Firefighter Dominic Barbagallo will be the main designer and deliverer of the program, the Chief noted.

Councilor Fonvielle and **Chief Smith** discussed the fact that this program could be expanded to the senior population and what was involved with the Department of Fire Services. **Councilor McGeary** said he had attended several of the S.A.F.E. programs put on by the department and had been impressed.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council under MGL c. 44, §53A to accept a grant in the amount of \$2,086 from the Massachusetts Department of Fire Services Student Awareness of Fire Education (S.A.F.E.) Grant Program for the purpose of the Fire Department's student education outreach programming.

5. Memorandum from Police Chief re: City Council approval of rectifying an employee salary step increase issue

Police Chief Leonard Campanello said his department's Senior Records Clerk was granted through AFSCME an upgrade in pay grade in February 2012, but that the increase was inadvertently left out of her pay check. As a result, the Senior Records Clerk is owed back pay from July 1, 2012 to June 30, 2013 in the amount of \$4,559.10. As this error occurred in a previous fiscal year, he requested that the Committee approve to pay this amount to pay the Senior Records Clerk the money owed due to this oversight. He said this was a prudent thing to do now that the issue is known.

Councilor Fonvielle asked how this issue came to light. **Chief Campanello** said the department was unaware of the issue because the Senior Records Clerk never said anything when the pay was not increased. She only came to him a short time ago, he said. The issue was researched, and it was found that the pay increase had been overlooked.

Councilor Cox asked if this payment would create a deficit in the FY14 Police Department budget as this was not budgeted. **Chief Campanello** said he believed he can find the funds to cover the increase. He noted this increase was not included in the FY14 budget Police Department budget. Changes in the police contracts appear to be paying off in terms of savings on sick time incentive and other budgeted costs, he said, and indicated that should allow him to cover things like this. **Councilor Cox** touched upon the possible impact to the employee regarding taxes on a lump sum payment, and discussed actions **Chief Campanello** would take to work with the employee, Personnel and Payroll to ease the impact.

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council under MGL Chapter 44, §64 permit the payment of an approved step increase for a Senior Records Clerk in the Police Department in the amount of \$4,559.10 that the step increase is retroactive to FY2013 and to be expended with current FY2014 Police Department budget funds.

6. Memorandum from Director of Public Works re: Request for a Loan Authorization in the amount of \$4,000,000 for the CSO Modified Consent Decree and Long-Term Control Plan, CSO Areas 005, 006 and 009

Mike Hale, DPW Director, distributed to the Committee six pages of line drawn maps of the areas of proposed work for the next and final phase of the Combined Sewer Overflow (CSO) project (placed on file).

He explained the following: that the City entered into a Modified Consent Decree in 2002 with the U.S. Department of Environmental Protection (EPA) and the Massachusetts Department of Environmental Protection (DEP) to address combined sewer overflows to the harbor, resulting in an Administrative Consent Order (ACO) to implement an approved Supplemental Long-Term Control Plan (SLTCP) to replace sewer and drainage infrastructure and reduce CSO activity. The amendment to the consent decree modified the order of taking up the CSO work which allowed the DPW to stay off of busy downtown streets in the middle of the summer.

The CSO was a multi-phased project with the final phase of the project involving sewer separation and removal of extraneous flows into the system, known as Inflow Infiltration reduction. The last phase will be in the CSO-009 area (East Gloucester) as well as isolated areas including Granite Street, Rocky Neck, East Main Street and the Chapel Street area. This project involves hydraulic model updates following the CSO-005 and 006 areas, installation

and long-term data collection and modeling of the Hartz Street pump station and CSO-009 overflow, design, and construction of the identified sewer separation and I/I removal in isolated areas.

Mr. Hale reviewed the work to be done under the loan authorization for \$4 million:

Project #4: includes update of the Phase 6 hydraulic model to reflect “2014” existing conditions after sewer separation and CSO weir modifications completed in the CSO-005-1 area as well as data collected in the Hartz Street pump station and CSO-009 weir completed as part of this project.

Project #5: includes the following construction work is mostly in East Gloucester and a small section of Ward 3:

- Sewer separation on Granite, Blynman and Hampden Streets (which still has a discharge to the Annisquam River and is a very old sewer network)
- I/I (Inundation and Inflow) correction by replacement or lining of clay pipes that can be penetrated by ground water and/or surface run off during rain events) and Removal, Sewer Rehabilitation on Rocky Neck Avenue and Wonson Street*
- I/I Remediation and Sewer Rehabilitation on East Main Street, Mount Pleasant Avenue and Lantern Lane
- Sewer separation on Chapel and Davis Streets and I/I Removal on adjacent East Main Street
- I/I removal on Harts Street, Abbot Road, Marion Way, Williams Court
- Pump station evaluation, monitoring, data collection-Hartz Street Pump Station
- Long-term CSO-009 Monitoring – 1 year of level sensor/data logger across weir
- I/I Removal, Sewer Rehabilitation on the Rocky Neck area interceptor sewer
- Water main cleaning and lining, valve replacement, and water main replacement on Rocky Neck Avenue and portions of adjacent streets (Freemont, Wonson, Clarendon and Horton)

***Mr. Hale** also discussed what happens now with the Hartz Street pump station and what happens during a large rain events previously which backed up to the Sayward Street pump station and that then pushed outflows to Cripple Cove which is not a regulated CSO but is referred to as a Sanitary Sewer Overflow. He said such backups are not permitted and are not allowed. He also reviewed other issues of the work to be done in the surrounding areas of East Gloucester with **Councilor McGeary**.

Mr. Hale reported: That following the completion of these improvements and another update of the hydraulic model and CSO activity predictions, it is anticipated that the City will have met the requirements of the ACO and SLTCP to address CSO activity. The City agreed to this work in principle in the 1990's and since then there have been two iterations of the Consent Decree. This has been very carefully phased work to be done judiciously to be the least disruptive and to save the City money. A lot of the work is just lining sewer mains and is not open trench work on East Main Street. The difficult piece is the portion of work that will run from Rocky Neck (see diagram “PW Map 1 Rocky Neck Area”) and the DPW will work with all the property owners there and the Ward Councilor to minimize inconvenience and gain access as the sewer runs under water and behind properties in the area. The design is not done yet, it was noted.

Councilor McGeary said that this will take care of the inner harbor and downtown area, and asked if there was a sense that the EPA would come back to tell the City to do other areas such as Lanesville and Annisquam, for instance. **Mr. Hale** said the CSO areas are defined by the areas that discharge to sewers that have combined sewer overflows. The harbor, he said, has a series of overflows starting at the discharge pipe in the outer harbor (CSO-1) and he reviewed for the Committee the series of overflow discharges, those abandoned and those permitted. He pointed out that the Back Shore, West Gloucester, Lanesville do not have these issues. **Councilor McGeary** noted that that some sections that were originally scheduled to be improved but were taken off the list because Mr. Hale was able to show the work done had taken care of the problem. **Mr. Hale** confirmed it was the case and gave the example that in 2008 there were about 1 million gallons of metered waste water that flowed from the Pavillion Beach outfall into the harbor, in the last few years has been limited to an estimated 300 gallons. This, he said, is a measurable impact of the work that has been done and shows that the City has taken this responsibility seriously and accepted this burden.

Councilor McGeary noted that CSO debt falls under a debt exclusion; this is \$4 million over 30 years typically. With the West Parish School project coming on line, he asked how close to the top borrowing line theoretically, with a goal of about \$10 million a year in debt service. **Mr. Dunn** said if, in fact, the bonding is for \$4 million, it will cost about \$260,000 a year for 30 years for debt service which will add about 4 cents to the tax rate and is dependent on bond rates. **Mr. Costa** and **Councilor McGeary** discussed the debt exclusion (excluded from Proposition 2 1/2) voted by the Council and that there is no need for the Council to vote the debt exclusion again as the first Council vote was a general vote. **Mr. Hale** said the total CSO debt will end up being about \$40 million. He noted for **Councilor Cox** said that the bid will go out soon and that bidding prices are very favorable at this time.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve the following loan order:

ORDERED: That \$4,000,000 is appropriated for the purpose of financing additional CSO Long-Term Control Plan expenses, including without limitation all costs thereof as defined in Section 1 of Chapter 29C of the General Laws; that to meet this appropriation the Treasurer with the approval of the Mayor is authorized to borrow up to \$4,000,000 and issue bonds or notes therefor under Chapter 44 of the Massachusetts General Laws, or any other enabling legislation and/or Chapter 29C of the General Laws; that such bonds or notes shall be general obligations of the City unless the Treasurer with the approval of the Mayor determines that they should be issued as limited obligations and may be secured by local system revenues as defined in Section 1 of Chapter 29C; and that the Treasurer with the approval of the Mayor is authorized to borrow all or a portion of such amount from the Massachusetts Water Pollution Abatement Trust established pursuant to Chapter 29C and in connection therewith to enter into a financing agreement and/or a security agreement with the Trust and otherwise to contract with the Trust and the Department of Environmental Protection with respect to such loan and for any federal or state aid available for the project or for the financing thereof; and that the Mayor is authorized to enter into a project regulatory agreement with the Department of Environmental Protection, to expend all funds available for the project; that the Mayor is authorized to contract for and expend any federal, state or private aid available for the project; and that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes.

7. *Special Budgetary Transfer Request (2014-SBT-14) from CFO in the amount of \$1,249.50*

A new employee had previous municipal experience and is eligible for longevity. This hire was made after the FY14 budget was completed. **Councilors Cox** and **Fonvielle** both commented something like this should have been addressed at the time the employee was hired and not after the fact. **Mr. Costa** suggested that this was a timing issue and at the time, there was a projected deficit and was able to approve the payroll as he knew it was in process and is also a contractual issue.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-14 in the amount of \$1,249.50 from Assessments, Vocational School Assessment, Account #101000.10.942.56200.0000.00.000.00.056 to Inspectional Services, Salary/Wages-Longevity, Account #101000.10.241.51400.0000.00.000.00.051 for the purpose of eliminating a projected deficit in the account.

8. *Special Budgetary Transfer Request (2014-SBT-15) from CFO in the amount of \$3,000*

Mr. Costa said this transfer relates to the AFSCME A and AFSCME B contracts. When they were settled it was agreed additional funds would be available for tuition and training for employees. The previous contracts' (lower) amount had been budgeted in the FY14 budget. This transfer is to honor that contractual obligation, he noted. **Councilor Cox** pointed out the union contracts were not ratified until the end of June; and **Mr. Costa** added that there would be more transfers of this nature coming through from other departments. This new amount should be in the city budget for the next two years for both unions as the contracts were for a total of three years.

According to **Mr. Costa**, the funds for this transfer came from the vocational assessment which had some savings this year. The North Shore Vocational Technical School decided to borrow short-term, reducing its costs and therefore its assessment to the city. He noted this is a one-time rare occurrence.

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve Special Budgetary Transfer 2014-SBT-15 in the amount of \$3,000 from Assessments, Vocational School Assessment, Account #101000.10.942.56200.0000.00.000.00.056 to Personnel, AFSCME Tuition/Training-Employees, Account #101000.10.152.51910.0000.00.000.00.051 for the purpose of further funding the account due to contractual obligations.

9. CC2014-001 (Verga/McGeary) Request that B&F Committee in consultation with Police Dept. and local merchants consider adopting certain days as “parking meter holidays” to begin in FY14

Councilor Verga said the purpose of this order was a result of some complaints about ticketing during the holidays. This order is asking for several parking meter holidays, he said. The order would include any sales tax holidays allowed by the state. **Councilor Verga** commented that the pushback is that there is no way to enforce the two-hour parking limit. He said this seems like the fair thing to do and added that if the City can't enforce the current two-hour limit then the City shouldn't have an anti-shuffling on the books either. **Councilor Cox** said she is working with the parking attendants and the Police Chief to get stickers on meters about the anti-shuffling ordinance adding that it either needs to be posted or it needs to be removed from the books. **Councilor Verga** and **Councilor Cox** spoke about divergent opinions of the complaints about parking tickets on Main Street not just from shoppers but from merchants as well. **Councilor Cox** said she'd like a meeting with downtown merchants to take place because she has been told the merchants do not want parking meters taken away.

Councilor Fonvielle said that he would like to hear from the Police Chief and have a sense what would be lost in revenue by having meter holidays, adding he wasn't sure it would make much of a difference in attracting shoppers to the downtown. **Councilor Verga** commented until the meter holidays are held, there is no way of knowing whether they were a boon to local business or not. **Councilor Cox** noted that a day-to-day analysis on meters is not available or possible, only on kiosks.

Councilor McGeary said if this is done on a trial basis he would want comparable data to find out if the meter holidays work. If it costs a little bit of money to increase revenue for the downtown it is a good thing, but there needs to be a way to assess the impact. **Councilor Fonvielle** said there is also the question of how much the lure of not charging for parking would increase business and would also be difficult to prove. **Councilor Verga** urged his fellow Councilors to be looked at ways to make this initiative rather than finding reasons why it wouldn't work.

This matter is continued to February 6, 2014.

10. Memorandum from Fire Chief re: reorganization of the Gloucester Fire Department

Fire Chief Eric Smith explained to the Committee that the reorganization plan before the Committee and to go to the Ordinances & Administration Committee for the Fire Department arises in part out of the negotiated contract with the Local 762 firefighters union and is incorporated into the current contract. He noted this reorganization restructures the department's working groups from four groups to three, creates a new position of Assistant Chief, adds three lieutenant positions, and restores the Master Mechanic position, changing it from a union position to a civilian job. **Chief Smith** pointed out that the proposed reorganization is based on recommendations from the 2009 audit by Municipal Resources Inc., proven best practices, and ideas and suggestions from members of the department, City Administration, City Council and the general public.

Collapsing Four Groups into Three:

A three-group system in which firefighters work a 56-hour work week is the most effective and efficient schedule for delivery of municipal fire and emergency medical services. This schedule maximizes the amount of productivity a municipality can get from firefighting employees while keeping the total number of employees at a reasonable and affordable level. It will control legacy costs such as retirement and healthcare, and repetitive costs such as equipment, uniforms, radios and training while allowing the City to open the outskirt stations much more often.

Assistant Fire Chief:

The Assistant Fire Chief position will provide a second-in-command who may assume administrative tasks, Emergency Management Director responsibilities and take control of the department in the absence of the Chief. Creation of this position was recommended in the MRI audit report. It will serve to allow the Chief to focus on efficiently operating the department, and the Deputy Chiefs to focus on their operational role of service delivery, department policies, report writing, maintenance of the stations, vehicles and equipment, daily payroll reporting and scheduling of personnel (job description on file).

Lieutenants:

By creating the position of Lieutenant it will allow for proper supervision and command of the companies assigned to the Ladder Truck and outskirt engine companies. This will give consistent identified leader of the companies and spread out other additional duties. There is a lot of interest in this position, and department firefighters have taken this exam. This alleviates many problems that have been difficult for the department particularly in training and administration. This is consistent with the National Fire Protection Association national standards and sound management practices.

Master Mechanic:

The Master Mechanic position currently exists within the personnel ordinance. In the past it was a firefighter who did the work. The management of apparatus has fallen back to the Fire Chief, which took time away from his other duties. The position will be filled by a civilian Master Mechanic and report directly to the Chief but will not have a supervisory role over mechanics. Requests for work to be performed by the firefighter mechanics work will go through the Chief. This position will help to alleviate a lot of mechanical problems that have hampered the department and bring the preventative maintenance current.

Chief Smith said the collapsing of four groups into three is a first for the State. He gave a great deal of credit to the union board and the firefighters' rank and file for support of this plan. The total financial impact of the agreement will be just about a \$2 million increase in total department budget. During the budget process, he said, the cost of the reorganization will be more closely defined.

Councilor Fonvielle discussed the job description of Assistant Chief noting that there is a statement that an Associate Degree was "preferred," and expressed his concern that it could be misconstrued although **Chief Smith** said that an Associate's Degree is the minimum educational expectation. **Councilor Fonvielle** suggested the job description should be amended to read the Associates Degree should be the minimum, not preferred. **Councilor Cox** added the suggestion that the Chief review the job descriptions in advance of the O&A Committee's review on February 3 so if there are changes to be made, they can be done in advance of that meeting.

Councilor McGeary and **Chief Smith** discussed the roles of the officers under the reorganization and it was noted that all on-duty officers count to the minimum staffing required under the union contract. They also discussed the flexibility of this manning plan and that it was not only advantageous to the department, but to public safety. **Councilor McGeary** asked how Gloucester's new three-platoon structure compared to what the Chief had in Michigan. Chief Smith said all eight current captains initially are not needed but the eight captains will be maintained in rank and not be demoted. As the positions are vacated by promotion or retirement, it will roll back to a Lieutenant position. In the beginning there may be Captains doing the role of Lieutenant, he confirmed.

Councilor McGeary noted the estimated increase of \$2 million is for the first year of the contract starting July 1, and asked about incremental costs moving forward. **Chief Smith** said that the cost is the increase in pay by a third in work hours. The only increase will be whatever comes with cost-of-living allowances each year, but the long-term legacy cost is where the city will recognize savings.

Councilor Fonvielle said that the \$2 million takes into account the lessening of overtime pay, which **Chief Smith** confirmed and discussed some of the particulars regarding leave time. He said that in talks with the Administration, it was agreed to budget overtime for FY15 at the current year's level because the new department configuration has no track record. He said he foresees that by the end of July or early August, the department should have a better sense of overtime cost savings.

Councilor Cox discussed with the Chief the staffing of 24 per group which should allow the department to send firefighters to trainings on regular time since minimum staffing to keep all the stations open is 18. **Councilor Fonvielle** and **Chief Smith** discussed the outskirts station manning and Chief Smith informed the Committee his goal of having all the outskirts station personnel trained to the Advanced Life Support (ALS) level so that the lieutenants are paramedics. He said this is achievable and will put a change into the City's ISO rating for fire protection, which helps lower the costs to the taxpayer's homeowner's insurance.

Councilor McGeary asked how 56 hours is divided out. The Chief said each firefighter works a 21-day rotation to do a full cycle; working two days (two 24 hour shifts) in the first two weeks of the cycle and 72 hours on the last week. It averages out to 56 hours.

Councilor McGeary asked about the impact of the reorganization on pension costs. **Chief Smith** said firefighters do not qualify for their pensions any sooner as the state requires minimum years of service to qualify. It does how much the employee will earn over their career and what their contribution on their own behalf to the pension will be. A firefighter typically has a 32-year career, he noted, and now they will do it at higher wages, he pointed out.

Deputy Chief Stephen Aiello said that from the beginning of negotiations there had been a very cooperative effort between the Administration and the union with the common goal of getting the outskirts stations open in an affordable way for the City. The department stands at 75 firefighters currently, whereas in the 1980s it had been a 100-person department, he said. Getting back to that level of staffing would be prohibitively expensive. **Deputy Chief Aiello** confirmed that this reorganization actually lowers the city's pension obligation by having fewer personnel. Also, he pointed out, when the department was at 100 firefighters, the department's annual budget was well over 9 percent of the overall City budget. The new agreement has found a way to keep all the fire stations opened, keep all the firefighters safe and to provide a service to the community consistent with the 1979, the 1992 and the 2009 reports on the Gloucester Fire Department at 7 percent of the overall City budget. **Deputy Chief Aiello**

said it is an affordable pact was done cooperatively saying he couldn't speak highly enough of Chief Smith, the Mayor and Mr. Duggan. This, he pointed out, accomplishes almost everything that was recommended in various reports and studies over the last 30 years. He said that in the mid-1990's when the department moved to Advanced Life Support services, Gloucester was the model for the State. He said as the reorganization takes hold and paramedics are located in the outskirts stations, the City will again be a model for the State. The firefighters are proud of what they have accomplished with this pact **Deputy Chief Aiello** concluded.

Captain Tom LoGrande said that from both points of view the officers are working foremen. While he is a Captain, he is in charge of a crew and goes into a working fire with that crew. This reorganization allows for expanded control and more manageable companies. He also spoke to the new command structure. The span of control will increase the safety factor, he said. The new officers are likely to be promoted from within, he observed, and said this is a positive step for the department. **Captain LoGrande** said he has already had a lot of informational requests from other Fire Departments regarding this new structure.

Councilor McGeary asked how much of the Emergency Management Director (EMD) duties will consume the Assistant Chief. **Chief Smith** it will be a lot and will depend on events that come up and the training that will be involved; but it will also be manageable. **Councilor Cox** noted the Federal Emergency Management Agency foots the bill for all the EMD training. **Councilor McGeary** asked if there is a working fire who comes in. **Chief Smith** said he is at all working fires if he is in town. He said he has not had to take command at any of the fires that have occurred under his watch. The Assistant Chief and he would manage the Emergency Management duties allowing the Deputy Chiefs to manage their personnel. This new structure, **Chief Smith** concluded will enable the department to maintain compliance and maintain national standards.

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council in connection with the Fire Department's Reorganization Plan Amend the Personnel Appendix A and B of Section 4 of the Personnel Ordinance designated as Appendix C of the Gloucester Code of Ordinances with an effective date of July 1, 2014 as follows:

1. **That Appendix A, Classification Plan, be amended by adding the title of the position of "Assistant Fire Chief;"**
2. **That Appendix B, Compensation Plan, be amended by setting the compensation for the position of "Assistant Fire Chief" at the pay grade level of M-11.**

Councilor McGeary said that the Master Mechanic can assign work to firefighter mechanics through the Captains or the Chief, as he is not in the chain of command as a civilian, which Chief Smith confirmed.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council in connection with the Fire Department Reorganization Plan Amend the Personnel Appendix A and B of Section 4 of the Personnel Ordinance designated as Appendix C of the Gloucester Code of Ordinances with an effective date of July 1, 2014 as follows:

1. **That Appendix A, Classification Plan, be amended under the "Schedule Column" for the position of "Master Mechanic, Fire Department by deleting the word "Fire";**
2. **That Appendix B, Compensation Plan, be amended by setting the compensation for the position of "Master Mechanic" at Pay Grade M-6.**

MOTION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept the Fire Department's Reorganization Plan based on the chart and new job descriptions as submitted to the City Council on January 14, 2014 in accordance with the City Charter Sec. 7-2 with an effective date of July 1, 2014.

11. *Mid-Year Free Cash Funding Review List compiled from FY14 Budget Review 6/12/13 (Cont'd from 01/08/13)*

The Committee reviewed with Mr. Duggan the anticipated list of funding through Free Cash by the Administration versus the Mid-Year Free Cash Funding List from the FY14 Budget Review by the Committee. It

was noted that the Administration's funding proposals would come through the Mayor's Report and be a part of the matters to be referred out by the City Council on Tuesday, January 28, 2014.

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

Mr. Costa reviewed his reports with the Committee.

A motion was made, seconded and voted unanimously to adjourn the meeting at 8:12 p.m.

Respectfully submitted

Dana C. Jorgenson

Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- Six pages of maps of the proposed I/I removal Pipeline work for the CSO Modified Consent Decree and Long Term Control Plan, CSO Areas 005, 006 and 009
-