

Special Budget & Finance Committee
Tuesday, March 11, 2014 – 6:00 p.m.
Kyrouz Auditorium – City Hall
-Minutes-

Present: Chair, Councilor Melissa Cox; Vice Chair William Fonvielle; Councilor Paul McGeary

Absent: None.

Also present: Jim Duggan; John Dunn; James Pope; Kenny Costa

The meeting was called to order at 6:02 p.m.

1. *Memorandum from Chief Administrative Officer re: Supplemental Appropriation Request (2014-SA-53) from free cash in the amount of \$60,000 to support the Information Technology Department and Supplemental Appropriation Request (2014-SA-60) from free cash in the amount of \$50,000 to provide the Gloucester Economic Development & Industrial Corporation (EDIC) with Public Relations and Content Marketing*

Jim Duggan, Chief Administrative Officer expressed his appreciation to the Committee for calling this special meeting. He said that the request for free cash in the amount of \$60,000 (2014-SA-53) was for the Information Technology Department. He explained that Windows XP will be retired by Microsoft in April 2014, and that the city has approximately 45 machines running on that program; anything running on Windows XP will become unsecure shortly after Microsoft stops releasing security updates for it. He noted that the city has a single server for its email and calendaring system (known as Microsoft Exchange). By bringing online a second server it will ensure up-time and reliability of a system expected to be up 100 percent, whereas at this time the IT Director, James Pope, can't guarantee that level of service, he said. **Mr. Duggan** added that smaller items also included are things such as upgrades to hardware and software used by the Clerk of Committees and Clerk of Boards for the purpose of creating meeting minutes, the replacement of the Veteran's Office copier and a color printer for the Mayor's Office. He noted that some licensing agreements are near expiration and must be renewed and paid for in advance to continue necessary IT services.

James Pope, IT Director, said Windows 7 will be the chosen platform option for the city. An associated issue is the replacement of the aforementioned 45 computers which will come with Windows 7, he said. **Councilor McGeary** and **Mr. Pope** discussed the wireless network in City Hall and improvements being planned. They also discussed bringing a second server online and programs for municipal use with some possible options. He noted for **Councilor Cox**, that 45 computers will be purchased at about \$600 a piece, saying that the copier will be a low budget item; but the licensing agreements will use a large portion of the funds.

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 Supplemental Appropriation 2014-SA-53 in the amount of \$60,000 (Sixty Thousand Dollars) from the General Fund- Undesignated Fund Balance ("Free Cash"), Account #101000.10.000.35900.0000.00.000.00.000 to Management Information Systems, Replace Equipment, Account # 101000.10.155.58700.0000.00.000.00.058 for the purpose of purchasing capital equipment as part of the City's capital plan.

Mr. Duggan explained that the request for free cash in the amount of \$50,000 (2014-SA-60) is for the Community Development Department to partner with the EDIC (Gloucester Economic Development and Industrial Corporation (EDIC) to support of the City's economic development, job creation and attracting investment to the city through the Gloucester Economic Development and Industrial Corporation (EDIC). He pointed out the success with the Innovation House and the new fish processor coming to Blackburn Industrial Park. He noted that the EDIC has a proposed draft scope of services from Mills Public Relations (on file) for regional and national advertising through a wide variety of media. The proposal, he said, also includes content marketing to develop and maintain a digital content program for the EDIC, including website content, social media content and engaging thought leadership content. Also included will be some consulting services as well. The \$50,000 will be handled by the city on a reimbursement basis with the EDIC as invoices are received from the chosen public relations firm, he noted.

Councilor Fonvielle asked if the EDIC will put forward funding as well. **Mr. Duggan** said the EDIC has no funding. The partnership has been more of a team effort doing outreach, brainstorming, working on I4-C2 with its board and Director, Tom Gillette. **Councilor Fonvielle** and **Mr. Duggan** briefly discussed the formal bidding

process for the contract for services, and some possible criteria which **Mr. Duggan** said he would confirm with the purchasing agent for the city. **Councilor Fonvielle** offered that with his professional public relations experience he would be glad to assist the review of proposals. He noted the most important factor in attracting economic success is marketing which was proven out by a recent Northeastern University study, and that appropriating funds for this purpose by the city is appropriate. He also said that historically there have been many independent efforts to market the city, and that a coordination of such efforts would be time well spent to present a unified picture. **Mr. Duggan** offered to explain efforts the Administration has taken to bring all the different factions together for the benefit of the city to the Councilor at his convenience.

Councilor McGeary asked who would hire the public relations consultant. **Mr. Duggan** said that the project manager would be Mr. Gillette but with the city economic team as well. He assured that the procurement process goes through the city, and that the EDIC as a quasi-governmental agency and must also comply with appropriate procurement processes. The deal, he said, is not done. **Councilor McGeary** said that he was informed that at a January 2014 meeting of the EDIC, there is \$100,000 in an EDIC bank fund. **Mr. Duggan** said he has not had that conversation with the Director of the EDIC to date. The company is frugal with their funds, he said, which is in a Certificate of Deposit. **Councilor McGeary** asked what the thought behind partnering with the EDIC via funding for contract services was. **Mr. Duggan** said the EDIC is already looking for more ways to stimulate economic development in Gloucester, and with this partnership the city would be included in the public relations campaign. **Councilor McGeary** said if the EDIC has money, why take it from Free Cash. **Mr. Duggan** said that the EDIC doesn't have a dedicated revenue source. He said the city has to support the industrial park and that this funding is a good investment.

Councilor Cox said she also heard about the money the EDIC has banked. She added that she would rather this public relations funding be split between the city and the EDIC. She and **Councilor McGeary** agreed that they would like a presentation by the EDIC Director. **Mr. Duggan** said he would be pleased to arrange for the EDIC Director and members of the EDIC board to attend a B&F Committee meeting to review their activities.

Councilor McGeary said if this contract has any change orders he would appreciate the EDIC picking up the cost of them which **Mr. Duggan** acknowledged.

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-60 in the amount of \$50,000 (Fifty Thousand Dollars) from the General Fund- Undesignated Fund Balance ("Free Cash"), Account #101000.10.000.35900.0000.00.000.00.000 to EDIC – Community Development, Contractual Services, Account # 295045.10.181.52000.0000.00.000.00.052 for the purpose of public relations and marketing support for economic development, job creation and attracting investment to the City of Gloucester.

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:29 p.m.

Respectfully submitted,

**Dana C. Jorgensson
Clerk of Committees**

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.