

**Budget & Finance Committee**  
 August 7, 2014 – 6:30 p.m.  
**1<sup>st</sup> Fl. Council Committee Room – City Hall**  
 -Minutes-

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

**Also Present:** Kenny Costa; Stacie Couture; Matt Coogan; Sandra Ronan; John Feener; Martha Van Koevering; Benjamin Haavick; Wendy Fitting; Karen Ristuben.

The meeting was called to order at 6:30 p.m. Agenda items were taken out of order.

**1. *Special Budgetary Transfer Request (2015-SBT-1) from the Purchasing Department***

**Kenny Costa**, City Auditor, informed the committee that James Pope, IT Director will be able to receive a lower rate than Donna Compton, Purchasing Agent, by bundling the Chief Administrative Officer's telephone service with other services. Transferring the funds to the Management Information Systems, Telephone Service account was agreed to by both Ms. Compton and Mr. Pope as the best way to take advantage of these lower rates. **Councilor Cox** stated that next budget season other phone plans should be reviewed to determine if there are less costly options.

**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 2015-SBT-1 for \$750.00 from Account #101000.10.138.53410.0000.00.000.00.052, Purchasing, Telephone Service to Account #101000.10.155.53410.0000.00.000.00.052, Management Information Systems, Telephone Service for the purpose of paying telephone expenses for the use by the Chief Administrative Officer.

**2. *Special Budgetary Transfer Request (2015-SBT-2) from the Police Department***

**Stacie Couture**, Financial Coordinator, informed the Committee that this transfer is needed due to the promotion of Officer Trefry to Detective. **Councilor McGeary** stated that the new balance after the transfer in the Police-Uniform, Sal/Wage Perm Pos. account will be \$199,585.32, according to the Special Budget Transfer Request which seems too low. **Ms. Couture** clarified that this balance includes funds encumbered for salaries.

**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 2015-SBT-2 for \$57,953.00 from Account #101000.10.211.51100.0000.00.000.00.051, Police-Uniform, Salary/Wage Permanent Position, to Account #101000.10.212.5110.0000.00.000.00.051, Police-Investigation, Salary/Wage Permanent Position for funding the salary of a police officer who moved to the Police Department's Detective Division.

**3. *Memo from Planning Director re: City Council acceptance of Green Community Grant for \$250,000***

**Matt Coogan**, Senior Planner, conveyed the following information to the Committee:

- The Department of Energy Resources-Green Communities Division Competitive Grant Program has awarded the city \$250,000.
- This funding will be utilized to support a critical energy system upgrade at the O'Maley Innovation Middle School. The current oil heating and hot water system will be converted to a new, high-efficiency gas system.
- There is no match, but the funds were awarded on a cost reimbursement basis. The City has already approved a loan order for the full cost of the project.
- Community Development has been working with the Department of Public Works to develop and scope this project with a goal to complete the heating and hot water conversion before the beginning of the next heating season in October 2014.

**Mr. Coogan**, responding to questions posed by the Committee, added that the total project is estimated to cost \$750,000, but the exact cost will not be known until the bid process has been completed. **Council McGeary** stated that the City will be

reimbursed through this grant for up to \$250,000 of the total project cost, but the balance of the project will be funded by the City.

**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, Sec. 53A accept a Mass. Department of Energy Resources-Green Communities Competitive Grant for \$250,000 for the purpose of converting the O'Maley Innovation Middle School's oil heating and hot water system to a high-efficiency gas heating and hot water system.**

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

**Mr. Costa** reviewed his reports with the Committee. **Mr. Costa** also presented an email from Valerie Marshall, Audit Follow-up Coordinator for the EPA regarding findings from a single audit performed in 2012. He added that the auditors want to see policies and procedures implemented in order to address these findings, which he has provided to Ms. Marshall. **Councilor Cox** asked if there is a plan to implement these policies and procedures. There was discussion regarding the role of a Grants Administrator in implementing procedures to avoid grant related findings on future audits. **Councilor Cox** stated that the Budget and Finance Committee realizes the need for a Grants Administrator.

**5. Community Preservation Committee Round 5, FY2014 Recommendations:**

- A) Historic New England/Beauport Museum Electric Rehabilitation at the Beauport Sleeper-McCann House** **\$20,000**  
**Sponsored by: Historic New England/Beauport**

**Benjamin Haavick**, Team Leader for Property Care, Historic New England and **Martha Van Koevering**, Site Manager, Historic New England explained the following: Historic New England will be updating the antiquated electrical system and installing new fire protection sensors to better preserve and protect Beauport, the Sleeper-McCann House, one of the two National Historic landmarks in Gloucester. In 2008, the Museum made great efforts to secure the exterior envelope of the House by addressing moisture issues. With the assistance of a Community Preservation Act (CPA) grant and other grants, the museum replaced the roof and made other improvements. Remaining is an electrical rehabilitation project critical to protecting the historic property from fire and visitors from injury while allowing for increased public use and enjoyment of the facility. These repairs will include: electrical upgrades including replacement of fire sensors, removal and re-installation of fixtures, exterior electrical work, upgrade main panel on the first and second floor, and rewiring of 17 lamps.

Responding to direct questions from the Committee, **Mr. Haavick** further advised the Councilors that there would be a more competitive bid process for this project once the funding is more solidified. **John Feener**, Community Preservation Committee member, stated that the CPA portion of funding was not high enough to require multiple price quotes, but the applicants were advised to seek out more bids prior to beginning work. **Sandra Ronan**, Co-chair of the Community Preservation Committee (CPC) added that the CPC strongly supports this project, as the organization has a long history and it is free to residents of Gloucester. **Mr. Feener** seconded Ms. Ronan's support of this project and added that seeing the work that was done for the exterior and landscaping on this property increased his confidence in Historic New England's ability to do these improvements while maintaining the beauty and integrity of the house.

Responding to additional direct questions from the Committee, **Mr. Haavick** stated that any additional funding to complete this project has been secured through other sources. He also clarified that the Project Manager listed in the application is a paid staff member and the stated portion of their salary is being used as match, but none of the funds from the CPA grant will be used towards staff salaries. In response to a question from **Councilor McGeary**, **Mr. Haavick** confirmed that the improvements to the fire system are detection only and do not include any suppression systems.

**Note:** Total estimated project cost is \$45,630.

The Committee determined it would make a site visit to the Sleeper-McCann House on September 5<sup>th</sup> at 2 p.m.

- B) Gloucester Writers' Center-Exterior Renovation and Rehabilitation** **\$10,000**

**Wendy Fitting**, Board Member of the Gloucester Writer's Center (GWC), stated that the GWC submitted a proposal for \$10,000 primarily to fix the roof at 126 E Main Street, the former home of Vincent Ferrini and current location of the GWC.

**Ms. Fitting** discussed various programs that occur regularly at this location, all of which are free. She added that volunteers have made tremendous capital improvements to the GWC.

Responding to direct questions from the Committee, **Ms. Fitting** added that the contribution from the Writer's Center to the project is \$2,000.00 that was raised from a private donor. **Mr. Feener** added that the GWC is truly a nonprofit; therefore, the CPC did not see fit to require more of a contribution. **Ms. Ronan** stated that the diversity of people reached by the Writer's Center really spoke to the CPC.

**Note:** Total estimated cost of the project is \$12,000.

The Committee determined it would make a site visit to the GWC September 5<sup>th</sup> at 3 p.m.

**C) Cultural Center at Rocky Neck, Second Phase Restoration** **\$50,000**  
**Sponsored by: Rocky Neck Art Colony, Inc.**

**Karen Ristuben**, Director of the Cultural Center at Rocky Neck, provided some background on the Cultural Center at Rocky Neck. She explained that in order to complete Phase I of the renovations some of the work planned for Phase II had to be done, which reduced the Phase II budget by approximately \$26,000.00. **Ms. Ristuben** stated this project has already secured \$30,000.00 from the Massachusetts Cultural Council and the remaining balance has been included in the fundraising plan for the Art Colony. She discussed specific aspects of the renovations to be performed.

Responding to direct questions from the Committee, **Ms. Ristuben** added that none of the funds being requested would be used to reimburse for work performed during Phase I renovations. **Mr. Feener** stated that the funds would not be used for the kitchen renovations, as it does not fit the mission of the CPC.

**Note:** Total project estimated at \$159,000.

The Committee determined it would make a site visit to the Cultural Center at Rocky Neck September 5<sup>th</sup> at 1 p.m.

**A motion was made, seconded and voted unanimously to adjourn the meeting at 7:30 p.m.**

**Respectfully submitted:**

**Jaimie Corliss**  
**Substitute Recorder**

**DOCUMENTS/ITEMS SUBMITTED AT MEETING:**

- **Memo from City Auditor regarding accounts having expenditures which exceed their authorization and Auditor's Report submitted by Kenny Costa**
- **Email from Valerie Marshall, Audit Follow-up Coordinator, regarding EPA Audit findings**
- **2011, 2012, and 2013 Grant Administration Audit findings and Management's Response**