

Budget & Finance Committee
 August 21, 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: Kenny Costa; Noreen Burke; John Dunn; Jim Caulkett; Debbie Laurie; J.J. Bell

The meeting was called to order at 5:00 p.m. Agenda items were taken out of order.

1. *Supplemental Appropriation-Budgetary Request (2015-SA-3) from CFO/Auditor's Office*

Kenny Costa, City Auditor, explained the following: This transfer for \$200,000 is related to the purchase and conversion of the city's new Integrated Financial Records Software System. This money was an appropriation from free cash that the Council had approved. At that time, not ready to move forward with the project the funds were transferred into the Capital Projects Stabilization Fund and are now being transferred in order to fund the payment of the new system. The cost of the total project is \$700,000, with \$500,000 coming from a loan authorization previously passed by the Council about a year ago which has yet to be spent. The overall funding will cover the conversion to the new integrated financial system – the software, bringing in a consultant to build and complete the city's Chart of Accounts and also some IT support as part of the conversion. It was pointed out that \$200,000 of the overall cost is being paid in cash whereas many other communities involved in the same conversion take a loan for the complete cost of the conversion.

In response to Councilor questions, **Mr. Costa** said that expectations are that at the start FY16 (Year 1) funds will be expended on any procurement of software, the Chart of Accounts which is the financial foundation will be completed first, and the city will be able to pay its bills through the new system (accounts payable). To be phased during Year 2 of the conversion will be payroll and perhaps receivables. The purchase of the new system includes staff training and the conversion, he said, and is part of the \$500,000 which has yet to be spent.

Responding to Councilor questions, **John Dunn**, CFO and **Mr. Costa** made the following statements:

Mr. Dunn confirmed that no money has been borrowed to date from the \$500,000 loan authorization, and in February when some short-term debt is maturing, he and Mr. Costa will plan out the rest of the cash flow. The real work, he pointed out, is the Chart of Accounts which is first and foremost. Staff training will be planned accordingly, he said, as each financial module comes on line. The total cost of the integrated financial system will be \$700,000 he reiterated, but there are other modules the city may wish to add in the future, but that can come later, he pointed out.

Mr. Costa noted that the city received about a \$400,000 discount due to moving from one municipal financial product to another from the same provider. This will be in the city's own data center, he confirmed, and there is an annual maintenance contract associated with the system. The city owns it at that point, **Mr. Dunn** added, and the city will receive all the software updates which also include reflecting any changes in the state tax code and laws that affect municipal finance.

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 2015-SA-3 in the amount of \$200,000 (Two Hundred Thousand Dollars) from Account #850000.10.995.59600.0000.00.000.00.059, Capital Projects Stabilization Fund, Transfer Out – To Trust & Agency Fund to Account #850005.10.995.49700.0000.00.000.00.040, Integrated Financial System - Capital Project Stabilization Fund, Transfer In-From Trust & Agency Fund for the purpose of the purchase and conversion of a new Integrated Financial Software System.

2. *Memorandum from Fire Chief requesting permission for reimbursement from FY15 funds to Firefighter Theodore Bazdanes for personal item damaged while performing his duties during FY14*

Councilor Cox explained on behalf of the Fire Chief that in FY2014 a firefighter had a watch that was damaged while on duty and per contract obligation, the city is required to replace anything even if it is of a personal nature if it is something that is required on the job. A good watch with particular features that can handle the

physical abuse is necessary for all the conditions a firefighter comes under on duty, she noted. This transpired at the end of the fiscal year and was submitted by the Fire Chief after the last warrant was processed.

MOTION: On 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 accordance with MGL c. 44, §64 approve payment of a prior year invoice for a personal item damaged belonging to a Gloucester Firefighter while performing his duties as a firefighter for a total of \$250.94 in FY2014. The reimbursement will be paid from the current FY2015 Fire Department Operating Budget.

3. *Memorandum, Grant Application & Checklist from Public Health Director re: acceptance of a Public Health Emergency Preparedness (PHEP) Grant in the amount of \$170,645 from MA Department of Public Health, Emergency Preparedness Bureau*

Noreen Burke, Public Health Director, explained: This grant is the last year of the funding from the Mass. Department of Public Health (MDPH), Emergency Preparedness Bureau that supports the public health emergency preparedness (PHEP) and response activities throughout the North Shore and Cape Ann region. Gloucester is the host community for the 15 communities in the coalition. This annual grant contract amends the standard contract for 2014-2015, **Ms. Burke** noted. The grant supports the program coordinator, a portion of the grant fiscal manager, and some of the salary of the Medical Reserve Corps (MRC) coordinator. This grant allows for the continuing of building the capacity, training, enhancing of skills, pays for SmartPhones and iPads, mileage to go to public health emergency training, preparing emergency dispensing site plans for the O'Maley School, the city's designated dispensing site. The city has been the host of the grant for the past four years, adding value to all 15 regional public health departments on the North Shore.

Ms. Burke, in response to Councilor questions clarified that this is the last year of this grant because the MDPH is changing up the regions. The U.S. Centers for Disease Control & Prevention (CDC) is conveying to the state that they no longer want hospitals doing one set of preparedness activities and health departments doing another set of preparedness activities, rather, all health care needs to work together in bigger regions, she said. She added that it is unclear whether or not health departments will be the eligible entity to be the host of the funds, although public health departments are advocating continuing in that role to obtain resources at the local level.

The Committee and **Ms. Burke** briefly discussed the staffing who works with this program and those whose salary is partially paid for from this grant as well as a part-time consultant. It was noted there was a financial advantage to being the host community of about \$18,000 annually. **Ms. Burke** also touched upon the credentialing process for MRC volunteers which are handled by the program coordinator. She said this grant ending will be a loss to the city as it added value to the community.

Councilor Cox declared she is a Medical Reserve Corps volunteer and a Community Emergency Response Team volunteer but those affiliations would not affect her vote.

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 accept under MGL c. 44, §53A a federal grant from the U.S. Department of Health and Human Services passed through the Massachusetts Department of Public Health Emergency Preparedness Bureau in the amount of \$170,645 for the purpose of supporting the public health emergency preparedness and response activities throughout the North Shore and Cape Ann.

4. *Memorandum, Grant Application & Checklist from Public Health Director re: acceptance of a PHEP Grant in the amount of \$13,340 from MA Department of Public Health, Emergency Preparedness Bureau*

Ms. Burke said that this grant award of \$13,340 from the same funding source as the previous grant is for a different purpose from the Massachusetts Department of Public Health (MDPH) to fund assistance to the North Shore/Cape Ann region in preparing for public health emergencies by enhancing the Medical Reserve Corps (MRC). The funds pay for a consultant for recruiting, training and retaining volunteers of the MRC, she said, is comprised of credentialed medical and non-medical volunteers who respond during public health emergencies within the region as well as in conjunction with the Community Emergency Response Team (CERT). She noted the MRC came into being after 9/11 to develop the capacity of medical and non-medical volunteers in communities throughout the country in the event of a bio-terrorism attack or outbreak of infectious disease for instance, where local capacity to cope with such an event would be quickly overwhelmed. She pointed out that the MRC has several hundred

volunteers throughout the North Shore, and anyone can join, medical and non-medical personnel. These same volunteers help out with anything related to the health of the community such as assisting with running the City's flu clinics, help with setting up shelters or help with opening emergency medical dispensaries in medical pandemic situations.

Councilor Cox noted for the record she is a member of the MRC and CERT, but her membership in these volunteer groups does not affect her ability to vote.

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 under MGL c. 44, §53A a Massachusetts Department of Public Health Medical Reserve Corps Grant in the amount of \$13,340 for the purpose of assisting the North Shore/Cape Ann Region in preparing for public health emergencies and enhance its Medical Reserve Corps capacity to respond in same.

5. Memorandum, Grant Application & Checklist from Harbormaster re: acceptance of a Dept. of Conservation & Recreation Grant in the amount of \$24,750 for security lighting at Dun Fudgin Boat Ramp

Jim Caulkett, Harbormaster, advised the Committee the city is in receipt of a Mass. Department of Conservation & Recreation (DCR) grant for \$24,750 to fund the purchase and installation of security lighting at the Dun Fudgin Boat Ramp. In the last Seaport Bond Counsel when John Bell was Mayor, that body authorized \$75,000 for the installation of security lighting at the Dun Fudgin boat ramp. In the interim, the money available was greatly reduced because the state Public Access Board upon further investigation determined that it would be more cost effective to install solar low level lighting for security purposes. Installation will be done by the Public Access Board, not the city. There are two state agency involved, he noted.

In response to Councilor questions **Mr. Caulkett** said that he would inquire as to whether the lighting system is vandalism proof which he noted was likely taken into consideration by DCR but offered the opinion that he didn't think anything was completely vandalism proof.

Mr. Costa and **Mr. Caulkett** informed the Committee that a revised contract will be obtained from the grantor since the contract ended on June 30, 2014, and the money can't be spent until the contract revision is received. It is a reimbursable grant, **Mr. Costa** noted.

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 under MGL c. 44, §53A a grant from the Massachusetts Department of Conservation and Recreation Bureau through their Rivers and Harbors Program in the amount of \$24,750 for the purpose of the installation of security lighting at the Annisquam River Boat Ramp also known as the Dun Fudgin Boat Ramp to support the needs of fishing vessel traffic.

6. Memorandum, Grant Application & Checklist from Harbormaster re: acceptance of a Clean Vessel Act Grant in the amount of \$9,500 from the MA Division of Marine Fisheries

Mr. Caulkett explained the grant acceptance before the Committee is an annual federal grant passed through the Mass. Division of Marine Fisheries for the Clean Vessel Act to support the maintenance of the City's pump out boat. This also partially covers salaries of his assistants and himself, he noted, in response to a question to **Councilor McGeary**.

MOTION: On motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council accept under MGL c. 44, §53A a Federal Clean Vessel Act Pumpout Boat Grant for \$9,500 from the U.S. Department of the Interior passed through Massachusetts Division of Marine Fisheries for the purpose of servicing resident and transient boaters of the City for the disposal of sewage from vessel holding tanks and portable toilets.

7. Special Budgetary Transfer Request (2015-SBT-3) from Community Development Department

Councilor Cox explained that there was a shortfall in the part-time Shellfish Warden salary, and this transfer would correct that shortfall. She said she believed the Committee knew about this potential shortfall at budget time.

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 2015-SBT-3 for \$176.60 from Account #101000.10.181.51100.0000.00.000.00.051, Community Development-Salary/Wage Permanent Position to Account #10100.10.296.51250.0000.00.000.00.051, Shellfish Control, Salary/Wage Part-Time Position for the purpose of covering a projected shortfall in the Shellfish Control Department, Part-time position account.

8. *Request acceptance of a \$2,000 donation from Gloucester resident re: Department of Public Works Employees*

Councilor Cox said that the matter of the \$2,000 donation from a Gloucester resident regarding the Department of Public Works would be continued to the next B&F Committee meeting.

This matter is continued to September 4, 2014.

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

Mr. Costa briefly reviewed his reports with the Committee (placed on file).

Mr. Dunn informed the Committee about the recent city sale of \$16.8 million in Bond Anticipation Notes noting that the interest rates were extremely low, 0.119 percent, which would incur only \$20,000 in interest costs in one year. He pointed out this borrowing rate was very close to an area AAA rated community's borrowing rate for about the same amount of money.

He gave the Committee an update on the progress of the West Parish School demolition which is about 85 percent complete, and addressing the issue with bricks being taken from the site, he noted that given concerns for public safety, the bricks have been removed from the site to the DPW yard. Both **Councilors Cox** and **Fonvielle** suggested the auctioning off of the bricks could perhaps be a credible fundraiser for the West Parish PTO in support of their activities. He also updated the Committee on the completion of the preparation of the St. Ann's school building noting that the building is just about ready to receive the West Parish students.

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

J. J. Bell, Co-Chair of the Community Preservation Committee (CPC) conveyed that there were 17 applications for requests for funding totaling almost \$1.7 million, of which 11 were recommended for funding. Six applications for consideration are for historic preservation and five applications are for open space and recreation categories. He noted that there were no applications for the affordable housing category. The total CPA Fund award recommended by the CPC is \$371,679 for Round 5, FY2014.

Mattos Field

Design Stage 1

\$12,679

Mr. Bell conveyed that: The CPC recommends the appropriation of \$12,679 to the Cape Ann Women's Softball League working with the Department of Public Works for the purpose of rehabilitating and restoring a recreational resource by conducting preliminary design work for installing new playing field lights at Mattos Field on Webster Street. The ground conditions must be evaluated to determine which types of foundations are needed based on soil conditions. The scope of the work will include performing geotechnical borings by a drilling contractor and a Geotechnical Evaluation Engineer, all done as preliminary work in preparation for new playing field lights to be installed at Mattos Field. It was noted this is in follow up to work done previously with CPA funds, and some CBDG funding for the bleachers and are doing a wonderful job in a public/private partnership.

Kelly Brancaleone, owner and Principal Engineer for Brancaleone Engineering, a volunteer for the Light Up Mattos Field Committee, a player in the Cape Ann Women's Softball League, explained that the lights were last updated in the late 1970s installed in the 1960s which are low quality and incorrect directional lighting which can't be corrected, and some of the poles are not plumb. She showed the Committee photos of the field (on file). She gave a brief history of the field, and noted that the DPW recently updated the electrical service to the field which will help enable the new lights installation. They are looking to do preliminary work for the geotechnical investigation as noted previously. She also touched upon some of the remaining aspects of the project because of

the poor condition of the current lights and poles. There will be a geotechnical investigation, she said, as previously described. She noted the benefits will be better target lighting that will be energy efficient allowing for increased use of the field by various sports and community groups.

Ms. Brancaleone said that their committee's total fundraising goal is \$100,000 for the project based on a similar project. Work on the field with funding from two previous grants has already been done to move the field's rehabilitation forward - he CPA grant last year resurfaced the field and is 90 percent complete. When more funding is obtained their Committee will reach out to the Dusky Foundation, she pointed out. She also described other fundraising activities in place for the Committee.

Councilor Cox noted only one set of estimates for the project, and pointed out that the CPA requirement is to have two estimates. **Mr. Bell** said for the CPC requirement that if one estimate is credible that is all the CPC requires and uses as a working assumption, but the applicant will have to follow state procurement laws and the award contract will state that.

Councilor Fonvielle asked who pays the electric bill, to which **Patti Amaral**, long-time advocate for Mattos Field, said the city pays for the electricity. With this grant, she pointed out, this project will be shovel ready.

Councilor Fonvielle asked for an estimate for the anticipated savings with energy efficient lighting. **Councilor McGeary** noted he and his grandson had spent a great deal of time at Mattos Field recently and said it is a nice facility and that this new project will enhance it further. **Councilor Cox** expressed her thanks to Ms. Amaral and Ms. Brancaleone.

Estimated project cost: \$12,679

The Committee determined it will not make a site visit for this project.

Magnolia Library Center, Inc.	Renovations	\$85,000
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Mr. Bell conveyed that: The CPC recommends the appropriation of \$85,000 to the Magnolia Library & Community Center for the purpose of the rehabilitation and restoration of an historic asset by installing a sprinkler and fire alarm system to protect and preserve the building in the event of fire along with a group of related renovations. The request was for almost \$250,000 but the CPC was unable to do that. He said it is a lively and good organization. There would be a façade easement to provide protection to assure that the city would have protection of the façade's historical aspect and would be done with a Memorandum of Understanding drawn up by General Counsel.

James O'Hara, Jr., 55 Lexington Avenue, representing the Magnolia Library & Community Center, explained that the Library is continuing its renovation efforts. That effort was started with CPA funds from the last round which funded an engineering study. The next step is to do the sprinkler system installation along with the fire alarm state code mandates; a fire alarm system will be included. He pointed out the engineering plans call for an 8 inch main be brought into the building from Norman Avenue which will be a costly installation, and that being an old building, it will not be easy to do the sprinkler installation. They are comfortable, he said, that in the event of a fire, the building could be emptied very quickly, but the chances of salvaging the building with a sprinkler system is far greater.

Councilor Fonvielle confirmed that this location will be the Ward 5 consolidated polling place for the next two years while the new West Parish School is constructed.

Mr. O'Hara added this building is a community building used by nearly everyone on Cape Ann for meetings, and a variety of functions. He said there are quotes for the sprinkler system which are expensive, with the sprinkler system being composed of steel piping. Noting that steel prices are tied to oil prices, he said he is comfortable with the prices at this time but that the sooner the money available, a system that will be more economical can be purchased before there are any further dramatic increases in oil prices thereby raising steel prices.

Mr. O'Hara confirmed with **Councilor Fonvielle** that the Library would obtain appropriate professionals to install the sprinkler and fire alarm system and necessary water lines. This is a private project, **Mr. Bell** noted, but as a condition of the award contract, he said the project would have to get three competitive bids. **Mr. O'Hara** added the work would be scheduled around the September state primary and November election voting that would take place at the Library.

Councilor Cox briefly discussed with **Debbie Laurie**, Senior Project Manager, the funding contract time frame.

Total estimated project cost: \$245,630

The Committee will make a site visit but would determine a mutually agreed upon date and time later.

Cape Ann Museum	Design & install vertical lift	\$15,000
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Mr. Bell declared that he is a member of the Board of Directors of the Cape Ann Museum and did not participate in any discussion or vote by the CPC on this application.

Debbie Laurie, Senior Project Manager with the Community Development Department conveyed that: The CPC recommends the appropriation of \$15,000 to the Cape Ann Historical Association (Cape Ann Museum) for the purpose of the preservation of an historic asset by the installation of a vertical platform lift to the Museum's auditorium to provide American with Disabilities Act (ADA) access. This is the last piece of the museum's renovation, she noted..

Martha Oakes, Director of the Cape Ann Museum, explained that: This project consists of the designing and installation of a vertical platform lift to provide ADA approved access to the stage located in the Museum's auditorium in their lower level. The space is part of the Museum's headquarters at 27 Pleasant Street. Currently the stage is the only public space in the Museum which doesn't meet ADA requirements. The auditorium seats 180 and is used heavily by the Museum throughout the year for its own programming and for collaborative programs done with groups throughout Gloucester, Cape Ann and the North Shore usually at no expense to those organizations. They already have one vertical lift in the building and one regular elevator.

In response to a question from **Councilor Fonvielle**, **Ms. Oakes** said that it is just three steps on each side to the stage which results in the lift being required. The steps on the one side of the stage will remain. She noted the estimate is \$40,000 which is to purchase the equipment, design the enclosure for the lift, wiring and installation. She pointed out this is the fourth time the museum has been before the Council for grants from the CPA Fund.

Total estimated project cost: \$40,000

The Committee determined it will not make a site visit.

The Committee recessed at 6:15 p.m. and reconvened at 6:17 p.m.

Oak Grove Cemetery	Rehabilitation	\$24,000
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Mary Black, representing the Oak Grove Cemetery volunteer Board of Directors, conveyed the following information: The Oak Grove Cemetery is on the National Register of Historic Places located on Washington Street immediately after Centennial Avenue. The Cemetery Board is seeking funding to do mapping for the Cemetery which is an 11 acre site. The keystone of the site is the granite Bradford Chapel. The long-term goal is to restore the chapel, and to that end they are in the process of working with an architect to provide an evaluation for its restoration. CPA funds will be used to map out the cemetery so that all its ways and byways can be restored. Since 1854 markers have been knocked down and lost. There is a degree of difficulty when someone comes to identify a family gravesite or for those coming to the cemetery to do historical research projects. The last time the property was mapped was with other government funds, through the Work Project Administration. That map is still being used today. The goal is to use a Topographix, a mapping company that has recently done similar work on the Washington Congressional Cemetery in the District of Columbia to remap the Oak Grove Cemetery. In order to make the lots easily identifiable there will be electronic reproductions of the maps bringing the cemetery into the 21st century. This is a historic cemetery has great significance to the city with many of the great philanthropists of the 1900's are buried there along with notable individuals such as, Addison Gilbert; Fitz Henry Lane; baseball's Cy Perkins; Emma Abbot, a famous opera singer, to name a few along with some Revolutionary and Civil War soldiers. This funding would make the cemetery more accessible and to encourage the public to take pleasure in the cemetery as well. They have worked with the Cape Ann Museum on historic tours. Many of the cemetery's archives are reproduced and kept at City Hall. The Board has committed to the evaluation of the chapel and hire the mapping service which it was noted there the letter on file with the application from the topographical company. It is conveyed that eventually it is hoped to have a database available to individuals like at the historic Mt. Auburn Cemetery in Cambridge, MA, to show plotting.

Councilor Cox expressed her enthusiasm for this project. **Ms. Black**, in response to a question whether the Bradford Chapel was open to the public from **Councilor Cox**, said it was not, but because it is in need of

restoration. The windows, she said, are boarded up and it is a goal to replace the stained glass windows as part of that restoration project.

Total estimated project costs: \$40,000

The Committee determined will make a site visit on Friday, September 12 at 1:30 p.m.

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:30 p.m.

Respectfully submitted,

**Dana C. Jorgenson
Clerk of Committees**

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.