

Budget & Finance Committee
Thursday, September 3, 2015 – 3:30 p.m.
1st Fl. Council Committee Room – City Hall
-Minutes-

Present: Chair, Councilor Melissa Cox; Councilor Paul McGeary

Absent: Councilor Fonvielle

Also Present: Kenny Costa; Jim Destino; John Dunn; Jim Caulkett; Lucy Sheehan; Jim Hafey; Mike Hale

The meeting convened at 3:30 p.m. Matters were taken out of order.

1. *Petitions for road repairs in accordance with GCO Article VI “Repair of Private Ways,” Sec. 21-80 et seq. (Cont’d from 08/20/15)*

- A) Starknaught Heights**
- B) Starknaught Road**
- C) Oxford Road**
- D) Joseph’s Way**

Councilor McGeary discussed with **Mike Hale**, DPW Director and **John Dunn**, CFO, the need to further review and revise several areas of GCO Article VI, “Repair of Private Ways,” due to some ambiguities found in the language of the Article. **Councilor Cox** said she understood there wasn’t a rush to move this matter forward but that there is a timing issue according to the current ordinance to have these matters placed before the Council, which **Councilor McGeary** confirmed.

Mr. Dunn said he had submitted a loan authorization for this project to Bond Counsel, and it was the recommendation of Bond Counsel that the loan authorization be reviewed in context of the ordinance by the City Council. The matter is now with the city’s General Counsel for review. Reiterating his concern regarding the language of GCO Article VI, “Repair of Private Ways he indicated he and General Counsel will go through the ordinance and make recommendations for revising the ordinance language to the City Council.

Councilor Cox asked if the Committee is ready to move the matter forward after having heard at the last B&F Committee meeting the views of the DPW Director on these petitions. **Mr. Dunn** advised that without the loan order being moved forward to Council in conjunction with the petitions the Council can’t move on them.

Councilor McGeary and **Mr. Destino** discussed ensuring that all the necessary documentation is in order to move these matters forward to public hearing.

It was also confirmed by **Mr. Hale** that these paving projects would not be able to completed in this paving season.

This matter is continued to September 17.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Cox, the Budget & Finance Committee voted 2 in favor, 0 opposed to advertise to advertise for public hearing the Petitions for road repairs in accordance with GCO Article VI “Repair of Private Ways,” Sec. 21-80 et seq. for Starknaught Heights, Starknaught Road, Oxford Road and Joseph’s Way for the September 22, 2015 City Council meeting.

2. *Grant Application & Checklist from Council on Aging re: Council acceptance of Title III B Older Americans’ Act for \$7,521*

Lucy Sheehan, Senior Center Director, said that this is an annual grant received through SeniorCare which funds supplemental hours and part-time salary for an Outreach Community Education Worker at the Rose Baker Senior Center. This grant is for federal fiscal year 2016, it was noted. This grant requested was for \$10,000 but that

the amount of \$7,521 was received, and was noted to be \$150 less than last year. **Councilor Cox** confirmed with **Mr. Destino** that the city fully funded its portion of the part-time Outreach worker's salary.

COMMITTEE RECOMMENDATION: On motion by Councilor McGeary, seconded by Councilor Cox, the Budget & Finance Committee voted 2 in favor, 0 opposed, to recommend that the City Council accept under M.G.L. c. 44, §53A a federal grant passed through the Mass. Executive Office of Elder Affairs through SeniorCare, Inc., for a Title III-B Older Americans Act Grant for \$7,521.00 for FFY2016. Funds are to be used to supplement the hours and part-time salary for an Outreach Community Education Worker at the Rose Baker Senior Center.

3. Memorandum from Harbormaster re: Council acceptance of a National Grid check in the amount of \$20,000 representing payment as stated in Remediation Agreement Section 19

Jim Caulkett, Harbormaster explained that as stated under the First Amendment to the Remediation Agreement between Massachusetts Electric Company doing business as National Grid and the City of Gloucester under Section 1.9 "Payment from MEC to the City, that within thirty (30) days of the Effective Date of the Amendment MEC shall pay the city \$20,000 in consideration of the City's duties and obligations to MEC under this agreement..." He said that the city is in receipt of that check, and asked that it be accepted and be placed in the Capital Project Waterways Enterprise Solomon Jacobs Park Project Fund #710004, not the Stabilization Account as stated in his memo to the Mayor. He noted the funds will be utilized for purchasing additional floats not covered under the BIG grant.

COMMITTEE RECOMMENDATION: On motion by Councilor McGeary, seconded by Councilor Cox, the Budget & Finance Committee voted 2 in favor, 0 opposed, to recommend that the City Council accept under M.G.L. c. 44, §53A a private grant of \$20,000 as a final payment in accordance with Section 1.9 of the terms of the Remediation Agreement and the First amendment to the Remediation Agreement between the City of Gloucester and Massachusetts Electric Company d/b/a National Grid. This payment represents the final payment obligation under that Section and funds are to be deposited in the Capital Project Waterways Enterprise Solomon Jacobs Park Project Fund #710004.

4. Memorandum from Chief Financial Officer re: Beeman Elementary Boiler Project & a request to repurpose \$66,318 balance of funds remaining in the City Hall boiler conversion project

Jim Hafey, Facilities Manager, explained the following: The Beeman Elementary School has its original oil-fired boilers from the mid-1950 still in place. Gas lines were brought up the street to the school in anticipation of this conversion which was done this year. They are in the midst of construction, completing demolition and are going to install two new gas-fired boilers with all the necessary appurtenances. The contract price for the boilers is about \$421,000 plus engineering.

Councilor Cox asked how the mark was missed on the total cost of the boilers and their installation by \$190,000. **Mr. Dunn** said originally a portion of the project was going to be handled by the \$890,000 loan order appropriation for school improvements and be supplemented by a Green Communities money. He said they did get the Green Communities money, but that some of that was reappropriated to city street lights. **Mr. Hafey** opened the bids on the project and it was realized they didn't have a funding source that they thought they had, he noted. On further inquiry by **Councilor Cox**, **Mr. Dunn** acknowledged his memo was unclear on the funding source issue. He said that they found a way to fully fund this project by repurposing remaining funds of a similar project for City Hall.

Councilor McGeary asked if there were any National Grid incentives for this project. **Mr. Hafey** said that there are, and was utilized for the O'Maley boiler but that it is done on a reimbursement basis, and the city is just getting back some money from National Grid for \$32,000. He assured they'll do the same process for the Beeman School boiler installation.

Mr. Dunn confirmed for **Councilor McGeary** that the total cost now for the project would be \$460,000 with engineering. **Mr. Hale** added that the 2002 Mt. Vernon Report which was the School Department physical plant review which had as its first recommendation under the heating system was to replace the Beeman School's boiler and 13 years later they are getting to the Beeman School boiler which he indicated is the weakest heating system link in the school system right now. He noted that Plum Cove is the only oil fired boiler left because there is no gas line available for that area.

Councilor Cox asked if with this project the school will be ready for winter. **Mr. Hafey** admitted it is a tight time line, and said he has made provisions with the contractor who has agreed that if it gets too tight they will bring in a separate temporary unit outside to be hooked into the existing lines so that the Beeman School won't go without heat. He noted they had a similar situation with the O'Maley Innovation Middle School boiler conversion last winter and covered the heating/hot water/steam system in the same manner.

COMMITTEE RECOMMENDATION: On motion by Councilor McGeary, seconded by Councilor Cox, the Budget & Finance Committee voted 2 in favor, 0 opposed, to recommend that the City Council approve under M.G.L. c. 44, §20 the repurposing of \$66,318 balance remaining in the City Hall boiler conversion project (CIP Fund 300087) to transfer to Account# 300094.10.472.58425.0000.00.374.00.058, CIP14-05 Beeman School Gas Heat Conversion for the purpose of closing a budget gap in order to completely fund a boiler conversion project for the Beeman Elementary School.

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

Kenny Costa, City Auditor, discussed his reports with the Committee with input from **Mr. Dunn**.

A motion was made, seconded and voted unanimously to adjourn the meeting at 4:00 p.m.

Respectfully submitted,

Dana C. Jorgenson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- **Auditor's Actual Amount Overdrawn Report and Projected Amount Overdrawn Report dated 3-Sep-15 from Kenny Costa, City Auditor**