

Budget & Finance Committee
Thursday, July 21, 2016 – 5:30 p.m.
1st Fl. Council Committee Room – City Hall
-Minutes-

Present: Chair, Councilor R. Scott Memhard; Vice Chair, Councilor Joseph Orlando, Jr.; Councilor Joseph Ciolino

Absent: None.

Also Present: Kenny Costa; John Dunn; Chip Payson; Chris Sicuranza; Kristina Hildebrand

The meeting convened at 5:32 p.m.

1. Review of Police Department Action Plan re: Invoice Status Report on Police Details (Cont'd from 03/17/16)

This matter was continued to August 4, 2016.

2. Memo from CFO re: request for loan order in the amount of \$80,000 for a road betterment project on Starknaught Road

Chip Payson, General Counsel, said that as part of the betterment project for Starknaught Road, a loan order was submitted to the Council and referred to B&F for \$80,000. He suggested that if the estimated cost of the betterment was \$71,000, and that during the process under the ordinance was approved, that what was shown as \$80,000 as presented by the CFO for the loan order should be \$71,000. He pointed out that the petition is fairly specific in that it says that, "...the full cost of this project is understood to be not in excess of \$71,000. That is what was voted by the abutters (and by the B&F Committee at its June 9 meeting in relation to the betterment petition). Even, as the CFO states in his memo (on file), there are exigent circumstances that might warrant going above \$71,000 he said he didn't think the city could go above that number.

Councilor Ciolino said it was his understanding the CFO had rounded up the dollar amount to \$80,000. **Mr. Payson** confirmed that was the case, but he reiterated his advice to keep the dollar amount at \$71,000. **Councilor Orlando** added that what the Council approves doesn't necessarily mean that is the entire amount spent in terms of the dollar cap.

John Dunn, CFO, said that in many cases with loan orders he rounds the dollar amount up, but that he was okay with the \$71,000. He expressed his concern that if there was an unplanned contingency, that funds wouldn't be available to cover it, for example if some granite had to be moved costing an extra \$4,000. Referencing the vote of the abutters approving a dollar amount of up to \$71,000, **Councilor Orlando** asked were the abutters responsible for that betterment in the total amount. **Mr. Dunn** said if, for example there is a loan order for \$71,000 and something happens to cause the project to cost more than that, then the city would have to decide to go into a DPW account and charge extra or just not do that portion of the work. But if the abutters are saying it is up to \$71,000, then he said he would recommend the Committee appropriate \$71,000 through a loan order. **Councilor Ciolino** expressed his agreement.

COMMITTEE RECOMMENDATION: On a motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council authorize the following loan order:

Ordered: That Seventy One Thousand Dollars (\$71,000) is appropriated to pay costs of making temporary repairs, including paving, to the following private way:

Starknaught Road

To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to MGL Chapter 4, §7(5), or pursuant to any other enabling authority. Although any borrowing by the City to meet this appropriation shall constitute a general obligation of the City and a pledge of its full faith and credit, one hundred percent (100%) of the amount needed to repay any borrowing shall be raised through the assessment of betterments upon the abutters of the private way, in accordance with MGL Chapter 80, and any other applicable authority. The Mayor and any other appropriate official of the City are authorized to take any and all actions necessary to assess the betterments described above, the term of which shall not exceed ten years.

Further Ordered: That the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under MGL Chapter 44A 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.

NOTE: Pursuant to the Petition of Abutters Petition for road repairs in accordance with GCO Art. VI "Repair of Private Ways" Sec. 21-80 et seq re: Starknaught Road taken up at the B&F Committee meeting of June 9, 2016, the City Council is in receipt of recommendation from Public Works Director, Mike Hale, dated July 6, 2016, but that the that the recommendation from the Mayor has yet to be received by the Council.

3. Memo, Grant Application & Checklist from Harbormaster re: Clean Vessel Act Grant

Kenny Costa, City Auditor, advised that the Federal Clean Vessel Act Grant from the U.S. Department of the Interior passed through the Massachusetts Division of Marine Fisheries is a standard annual grant which supports the city's pump out boat, its operation and maintenance. He said that the city's match is 25% comprised of the Harbormaster's Department operating budget for personnel costs.

COMMITTEE RECOMMENDATION: On a motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept a federal grant under MGL c. 44, §53A a Federal Clean Vessel Act Grant from the U.S. Department of the Interior passed through the Massachusetts Division of Marine Fisheries for \$76,000.00 for the purpose of servicing resident and transient boaters of the City for the disposal of sewage from vessel holding tanks and portable toilets of which \$8,500 is earmarked for the City's pump-out boat and \$67,500 is earmarked for the purpose of a shore side pump-out facility at Solomon Jacobs Park Landing.

4. Memo, Grant Application & Checklist from Interim Health Director re: 2-year extension of MA Opiate Abuse Prevention Grant

Kristina Hildebrand, Healthy Gloucester Collaborative Coordinator, explained that the city has received a two-year extension of the previously accepted Mass. Dept. of Public Health, Mass. Opiate Abuse Prevention Collaborative grant totaling \$100,000 per year for two years. The city has had this grant for the past three years. There expenditure is no-cash match required.

She recounted that the Health Gloucester Collaborative, prior to this Opiate Abuse Prevention Collaborative Grant, had previously been funded for six years through state grants for similar substance abuse prevention projects, and their work creating groundbreaking initiative's to combat substance abuse in collaboration with emergency services for such high-risk screening protocols to identify high-risk individuals which is used at the Addison Gilbert Hospital and other medical facilities, for instance, in schools, and it positioned the city to be the leader in the regional collaborative grant. The city works in conjunction with the city of Beverly and the Town of Danvers to address the opioid crisis through a strategic regional approach targeting prevention of opioid misuse by youths and adults, and overdose training, along with other grant components which she described briefly for the Committee. It was noted that the other member communities provide in-kind supplies and materials, all recounted at the request of **Councilor Ciolino**.

Councilor Orlando inquired whether administrative costs were covered by the grant, which **Mr. Costa** confirmed they were.

COMMITTEE RECOMMENDATION: On a motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept a federal grant under MGL Chapter 44, §53A an Opioid Abuse Prevention Collaborative grant extension from the U.S. Department of Health and Human Services passed through the Massachusetts Department of Public Health, Bureau of Substance Abuse Services in the amount of \$100,000 per year for two years. Expenditure period is from July 1, 2016 to June 30, 2017 and July 1, 2017 to June 30, 2018 with a contract renewal option through June 30, 2020 with a maximum obligation of \$700,000.

5. Addendum to Mayor's Report: MSBA voted to invite city into Accelerated Repair Program (Program) to determine eligibility for MSBA funding of repairs to the Gloucester High School roof. The Program

requires the city to take certain actions within specified time frames, thus the city must showcase a certified Council vote of an initial appropriation of \$115,000 via the Capital Project Stabilization Fund (#7600) which has a current balance of \$867,619 as seen attached in the Council Order form to gain proper approval to appropriate the required funds.

Dr. Richard Safier, Superintendent of Schools, and **Jonathan Pope**, Chair of the Gloucester School Committee recounted the following: that on May 25 the Mass. School Building Authority (MSBA) voted to invite the city into the Accelerated Repair Program (Program) to determine eligibility for MSBA funding of repairs to the Gloucester High School (GHS) roof. The MSBA Program requires the city document that the city is ready to move forward on the Feasibility Study/Schematic Design portion of the potential project based on the estimates from the DPW for the cost of the GHS roof replacement. It is expected this initial funding need will be 5 percent of the estimated \$2.3 million total project cost or \$115,000 as suggested by CFO, John Dunn. It is recommended by the CFO that the city appropriate such an amount from the Capital Project Stabilization Fund (#7600). The MSBA's compliance certification has already been signed by the Mayor, Dr. Safier and Mr. Pope and submitted. A maintenance and capital planning access form has also been submitted by Dr. Safier and the city's Facilities Manager which is required to be submitted by August 23.

Dr. Safier highlighted that the Program has a tight timeline for required actions, and the city must provide the MSBA with a certified Council Certificate of Vote of this initial appropriation by July 27, 2016. He said the Council will need to take its vote on the recommendation of the B&F Committee at its July 26 meeting, and a Vote of Reconsideration because the Council's Certificate of Vote must accompany the documentation to the MSBA the very next day, the deadline for the MSBA's submittal.

Mr. Dunn confirmed the very tight MSBA timeline for the city's documentation submittal. While the MSBA's invitation into the Program doesn't guarantee the city will receive the reimbursement grant for eligible expenses, doesn't mean the city will actually receive anything from them, but he said his understanding was that by being invited in and as long as the city assures legislatively they are providing certain funding criteria and provide documentation according to the MSBA parameters, it should be possible to be approved for the grant.

Councilor Orlando expressed his support of the GHS school roof project saying that this was an important asset of the city's and that it needed to be preserved, highlighting how important certain features of the high school were such as the field house and auditorium as it had been problematic since he was in high school.

Councilor Ciolino asked that if the MSBA didn't move forward with this reimbursement grant for the city, the city would need to carry out this project regardless due to the extremely poor condition of the GHS roof to which **Dr. Safier**, **Mr. Pope** and **Mr. Dunn** expressed their agreement, noting that funding would have to be pulled from other city sources.

COMMITTEE RECOMMENDATION: On a motion by Councilor Orlando, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council authorize the following Supplemental Appropriation:

Ordered: That the City of Gloucester (City) appropriates One Hundred Fifteen Thousand Dollars (\$115,000) from the Capital Project Stabilization Fund (Fund #7600), representing 5.0% of the estimated \$2.3 million total project amount, for the purpose of paying costs of a Feasibility Study/Schematic Design for the Roof Replacement/Repair project located at 32 Leslie O. Johnson Road, Gloucester, MA, including the payment of all costs incidental or related thereto, for which the City of Gloucester may be eligible for a grant from the Massachusetts School Building Authority (MSBA), said amount to be expended under the direction of the Gloucester High School Building Committee. The City acknowledges that the MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any costs the City incurs in excess of any grant approved and received by the MSBA shall be the sole responsibility of the City.

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

Mr. Costa announced he had no reports to review with the Committee at this time with the city's FY16 books in the process of being closed and opened for FY17.

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:00 p.m.

Respectfully submitted,
Dana C. Jorgenson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.