

**Budget & Finance Committee**  
Thursday, June 8, 2017– 5:30 p.m.  
1<sup>st</sup> Fl. Council Committee Room – City Hall  
**-Minutes-**

**Present: Chair, Councilor Scott Memhard; Councilor Ciolino;**

**Absent: Councilor Orlando**

**Also Present: Kenny Costa; Jim Destino; John Dunn; Fire Chief Eric Smith; Ainsley Smith; Stephen Winslow; Larry Durkin**

**The meeting convened at 5:36 p.m.**

**1. Memorandum, Grant Application & Checklist from Fire Chief re: acceptance of an Assistant to Fire Fighters Grant awarded by FEMA in the amount of \$500,000**

**Fire Chief Eric Smith** explained that the city was in receipt of a grant from the Federal Emergency Management Agency (FEMA) for the Assistance to Firefighter's Grant. The grant total is \$469,910 and the city's match amounts to \$46,990. He pointed out that this grant will enable the department to replace all of its aged out portable radios. He explained that these portable radios are the core of the department's on-scene communications system, a piece of equipment that goes into every incident and is considered critical. He explained that the radios the department is purchasing are considered "resilient" in comparison to their current radios, and while costly, have excellent quality sound and range. The radios offer VHF frequency which is the frequency the department operates but also offer UHF frequency which allows for direct communication with the Police Department rather than communicating from a department vehicle-mounted radio. Most mutual aid communities surrounding Gloucester also operate on UHF so it is more efficient in the event of a large incident in the city or in mutual aid communities. This is a "big boost" in safety, he added.

Responding to an inquiry by **Councilor Memhard, John Dunn**, CFO, addressed the city's match of 10% to the Assistance to Firefighters Grant saying that the Administration is proposing that the match funding come out of the Capital Project Stabilization Fund, for a total \$50,000. The account for the funds to be deposited into is within the Stabilization Fund so if not all the money is spent it stays within the Stabilization Fund, returning to its fund balance. This is the best way to approach it, he said, giving the department leeway for overages in the purchase and programming of the radios.

**Councilor Ciolino** said that he understood there was a need for a Motion to Reconsider for the grant acceptance and Supplemental Appropriation when the Council takes up this matter on Tuesday evening. **Chief Smith** requested that when the City Council takes up the matter of the grant acceptance and the Supplemental Appropriation for the 10% grant match that there be Motions to Reconsider as Motorola, the company whom the department will purchase the radios is running a discount program until the end of June which will save about \$22,000. He said the discount will give the department funds to purchase one extra radio as well as having all the options on the radios the department deems necessary.

**Councilor O'Hara** asked when the department would have the radios in hand. **Chief Smith** said that Motorola can deliver the radios to the department's radio vendor who will then see that they are engraved and programmed, get the staff trained in the radios' use. They are expecting a quick turnaround from Motorola of about two to three weeks to the radio vendor, he added. The discount will not be offered again for at least another six months, **Chief Smith** noted and this discount is on Motorola's latest model. The total number of radios must be at least 80 by the grant parameters, and the discount will allow for the purchase of 81 radios with extension speakers. He advised that this purchase will replace all radios in the inventory except for a small cache on the deputy's vehicles (four) that can be given temporarily to mutual aid community responders.

**Councilor Ciolino** asked why these radios are so expensive (\$6,000 per radio). **Chief Smith** said these radios are able to be brought into an explosive atmosphere and they don't make gas vapors ignite; the radios are higher transmitting radios, batteries last longer. He acknowledged the price is high, but that no other vendor makes this quality of radio that is an essential piece of firefighting safety equipment.

**COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant**

(AFG) in the amount of \$469,910. The purpose of this grant is to fund replacement of the Fire Department's portable radios with a 10 percent local match funded by the City of Gloucester.

**COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve 2017-SA-41 for \$50,000 (Fifty Thousand Dollars) from Account #760001-596006, Capital Projects Stabilization Fund, Transfers to Trust Funds to Account #760011-585002, Capital Projects Stabilization Fund Fire Department Radios – Equipment-Communications for the purpose of funding a 10 percent local match for the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) for the purpose of funding Fire Department portable radios.**

**2. Memorandum, Grant Application & Checklist from Project Manager re: acceptance of 2017 Cigarette Litter Prevention Grant in the amount of \$2,500**

**Stephen Winslow**, Senior Project Manager, Community Development Department explained that Community Development funds the Clean Team and other efforts for the city to keep the downtown clean. One of the issues is cigarette butt litter. The Clean City Commission pursued on its own some grants to address cigarette litter. **Ainsley Smith**, Clean City Commission member, explained the Commission applied this winter to obtain a one-time \$2,500 grant for the purpose of reducing cigarette litter in the city through Keep America Beautiful. It is anticipated that this summer the city will install 20 metal cigarette receptacles, about the size of birdhouses, made of metal and are fire proof, around the downtown with locations coordinated with the Department of Public Works and Community Development. She noted that the downtown has a high incidence of cigarette litter, areas of Main Street and Rogers Street where there is a high concentration of restaurants and parking lots. The grant also comes with "pocket ashtrays" and car ashtrays that fit in vehicle cup holders which will be distributed at various community events and health clinics for community members who smoke to utilize as an alternative to littering.

**Councilor Ciolino** indicated there was an issue as to who would be responsible for emptying the receptacles, saying that the DPW said the receptacles have to be emptied separately and asked how that issue was resolved. **Ms. Smith** said volunteers will empty the receptacles which are easily done by emptying the cigarettes into metal buckets to cool. 20 metal cigarette receptacles, about the size of birdhouses, made of metal and are fire proof, around the downtown with locations coordinated with the Department of Public Works and Community Development.

**Councilor Memhard** asked about signage and education that goes with placing the receptacles in city streets. **Ms. Smith** said some of the locations would double up with the Mutt Mitts dispensers. She noted that the Clean City Commission will work with a reporter from the Gloucester Daily Times to convey information on the receptacles, and will also work with Whale Watch companies, restaurants, etc. **Ms. Smith** showed a picture of a receptacle to the Committee from her cell phone with signage that said, "Toss your butts here. Thank you for being part of the solution." She said there has been good participation in other area communities such as Salem.

**COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A to accept a private grant to support implementation of a 2017 Cigarette Litter Prevention Program (CLPP) for a one-time grant of \$2,500 for the purpose of reducing cigarette litter in the City of Gloucester.**

**3. Memorandum from CFO re: Loan Order request to fund DPW and Goose Cove Sewer Pumping Stations and Bayview Odor & Hydrogen Sulfide Dosing Station upgrade projects in the amount of \$6,150,000**

**Larry Durkin**, Environmental Engineer, conveyed that two Gloucester projects have been selected for funding under the 0217 subsidized Clean Water State Revolving Fund program -- the DPW & Goose Cove Sewer Pumping Stations and Bayview Odor and Hydrogen Sulfide Dosing Station Upgrades which were identified in a 2010 study that out of the 29 sewer pump stations were the two most in need. He explained that the Goose Cove pump station receives all the STEP tank waste from Lanesville and Annisquam, and the DPW station is further down the line and are considered critical stations. The Department of Environmental Protection (DEP) said these two stations should be dealt with first although the plan had been to go out to bid on other pump stations for repairs. These two stations were identified as being the most in need of repair and upgrading.

**Councilor Memhard** highlighted that the total amount of the loan authorization is \$6.15 million. **Mr. Durkin** indicated there are two components to the total amount - \$4.95 million for the DPW and Goose Cove Sewer Pumping Stations and the Bayview Odor and Hydrogen Sulfide Dosing Station upgrades, and the Utility Master Plan which is \$1.2 million. The Utility Master Plan is part of the city's new National Pollution Discharge Elimination System (NPDES) permit compliance, which is for an assessment of the stormwater and collection system. Part of this permit takes effect July 1, 2017, he said and then there is the existing permit for the city's wastewater plant. These are compliance components, he explained. This plan will include a lot of field assessment and working with a regional and a local consultant which will include a great deal of "camering." That data then will be inputted into the city's GIS system and using a Utility Cloud system and then utilized for data tracking. This process, he added, allows Public Works to know their assets and prioritize need as well as to be compliant with the NPDES permits.

**Councilor Ciolino** said he noted that the loan language mentioned grants. **Mr. Durkin** explained that this loan is a component of the state's Clean Water Revolving Fund that gives the city the ability to obtain a loan with a 2 percent interest rate. The city, in order to obtain that rate, has to show acceptance of the loan authorization by June 30. **Mr. Dunn** confirmed that the city is going through the state revolving fund loan program at the 2 percent loan rate compared to 4 percent market rate. As indicated in the loan language, he said that at some point if grants are identified to assist in loan payment they will seek them out if possible.

**Councilor Memhard** asked about a typical loan term for a loan of this nature. **Mr. Dunn** explained that the city can issue on sewer and water projects for a term of up to 30 years and that it may be in this case they do so since it's through a subsidized loan program. The longer the term of the loan, the higher the interest rate, he advised, and said that sometimes he has to weigh that in terms of costs -- sometimes it is better to issue a loan for 20 years instead. With a 2 percent rate, he indicated he'd likely take the loan out for 30 years.

**Councilor O'Hara** inquired as to the longevity of the upgrades. **Mr. Durkin** said what they see on the wet side is that there is a great deal of hydrogen sulfide produced which is corrosive to certain elements in the pumping stations such as pipes. He noted that several years ago the DEP instructed the city to replace pumping station doors with fiberglass doors because of the hydrogen sulfide issues. By upgrading the dosing station which has odor control components, those components will be replaced as well as older control units. He advised that the actual pump station buildings are in good shapes. He said that the dosing chemical is expensive and the new automated dosing system will minimize the risk to the pipes. They found that the dosing system previously wasn't installed properly and once fixed that within four hours at the Goose Cove Pumping Station the odors dropped to flat line which is a good thing he said. He said the buildings should be good for 30 years or longer.

**Councilor Memhard** asked about maintenance of the pump stations once they are upgraded. **Mr. Durkin** said the budget carries funds for maintenance (within the Enterprise Funds' budgets - water and sewer).

**COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, 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 the City of Gloucester appropriates Six Million One Hundred Fifty Thousand Dollars (\$6,150,000) to pay costs of DPW and Goose Cove Sewer Pumping Stations and Bayview Odor and Hydrogen Sulfide Dosing Station upgrade projects, including costs incidental or related thereto, in the amount of \$4,950,000, and the development of Stormwater and Wastewater Utility Master Plans, including costs incidental or related thereto, in the amount of \$1,200,000. To meet this appropriation, the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to MGL Chapter 44, Sections 7 or 8, or pursuant to any other enabling authority. The Mayor and any other appropriate official of the City are authorized to apply for, accept and expend any and all grants or gifts that may be available to the City to pay costs of this project. Any premium received by the City upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.**

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

**4. Letter from Diane J. Young requesting to donate \$150-\$200 per net to replace two tennis court nets on Stacy Boulevard**

**Mr. Dunn** spoke to a letter on file through the Mayor from Diane J. Young of Ipswich, MA who has offered with a friend of hers, Judy Conner of Salem, to fund up to \$200 per net to replace the two tennis court nets at the Stacy Boulevard. He advised such a donation would be utilized through the Public Works Department and be accepted. **Councilor Ciolino** said the nets are falling apart and need replacement and although not a resident Ms. Young plays frequently at the Stacy Boulevard tennis courts.

**COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a cash donation of up to \$400 from Diane J. Young of Ipswich, Massachusetts for the purpose of assisting the Public Works Department to purchase two tennis court nets for the tennis courts located at Stacy Boulevard.**

The Committee will ask that the City Clerk send a thank you note to Ms. Young on behalf of the City Council.

**5. Memorandum from CFO re: contract with Cullen Electrical Contractors, Inc., to install new lighting at Mattos Field**

**Mr. Winslow** reviewed the following: The city has executed a contract with Cullen Electrical Contractors, Inc. for \$220,935.20 to install new lighting at Mattos Field. The entire contract amount was being funded by a variety of community fundraising efforts that totaled \$110,000 and CPA funding matched that amount for a total of \$210,000, along with donations from the Dusky Foundation. During the preliminary survey of the lighting installation locations, the contractor discovered difficult soil conditions in one of the locations that will require a modified foundation in order to properly support the light stanchion. The challenge was at the left field line there were a lot of above ground boulders as well as below, and the geotechnical contractor was doing extra borings because it was hard to tell what the soil conditions were because of the above ground boulders. They chose a less expensive design and had a risk that they would have a post that couldn't be pre-fabricated (a more expensive option than prefabricated posts). It ended up that a 6' x 6' x 6' footing for that particular light pole had to be installed and was the basis for the change order. The one pole installation was very difficult but they went forward rather than stop the project. The \$29,000 is the expense associated with the footing and breaking up the boulders to get the light post installed. It was something that they couldn't have identified even after six geotechnical borings.

The Cape Ann Women's Softball League had gone over and above community expectations and had tapped out donations, **Mr. Winslow** explained, and there didn't seem to be an easy source for funding the change order. He said they reached out to Sen. Tarr who is trying to find money to cover some of this expense. The contractor did the work and the lights are working. He said that the neighbors of Mattos Field are happy because they aren't disturbed by the new lights.

**Mr. Dunn** said that like the match for the fire radios, in order to provide funding for this change order in the short term it is recommended that the city appropriate \$29,000 within the Capital Project Stabilization Fund. The Fund would be credited with any state funds that would be received in the future, he noted. **Jim Destino**, CAO, said there is a high probability that the city will be reimbursed. Sen. Tarr inserted a \$29,000 amendment into the state budget and that they have been assured by the State Senate president that this will be reimbursed. He expressed his thanks to Sen. Tarr for his effort. He pointed out there was no contingency built in to the project, and it was a very tight budget.

**Councilor O'Hara** asked if there was a big spread with bids. **Mr. Winslow** said the initial bids came in at \$400,000 with about \$30,000 between the high and low bidder. It was the difficulty of the cost of the borings, he noted. This contractor was consistent with what they were trying to budget, he noted.

**Councilor Memhard** asked what the new balance of the Capital Project Stabilization Fund was after today's two Supplemental Appropriations. **Mr. Dunn** said it is \$1,600,000 after both appropriations.

**COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2017-SA-42 in the amount of \$29,088 (Twenty Nine Thousand and Eighty Eight Dollars) from Account #760001-596006, Capital Projects Stabilization Fund, Transfers to Trust Funds to**

**Account #760012-584000 Capital Projects Stabilization Fund Mattos Field Lights - Site Improvements, for the purpose of funding the modified foundation in order to complete the installation of new lighting at Mattos Field.**

**6. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization & Auditor's Report and other related business***

**Mr. Costa**, City Auditor briefly reviewed the City Auditor's report with the Committee (on file) and a brief discussion with **Mr. Dunn** on FY17 Snow and Ice deficit and how it will be funded.

**A motion was made, seconded and voted unanimously to adjourn the meeting at 6:20 p.m.**

**Respectfully submitted,**  
*Dana C. Jorgenson*  
**Clerk of Committees**

**DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.**