

GLOUCESTER CITY COUNCIL  
**Budget & Finance**  
Thursday, November 4, 2010 – 6:00 p.m.  
1<sup>st</sup> Fl. Council Conference Room – City Hall

-- MINUTES --

**Present:** Chair, Councilor Steve Curcuru; Vice Chair, Councilor Paul McGeary; Councilor Jacqueline Hardy

**Absent:** None.

**Also Present:** Kenny Costa; Jim Duggan; Peter and Joanne Souza; J.J. Bell; Judy Peterson; Jodi Black; Matt Lustig; Karen Gallagher; David Rhineland; Jerry Ackerman

The meeting was called to order at 6:0 p.m. Items were taken out of order.

**1. Continued Business:**

A) Tax Classification (Cont'd from 10/21/10)

The Committee had voted at their October 21, 2010 meeting to advertise for public hearing on the tax classification as noted below:

**MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to ADVERTISE FOR PUBLIC HEARING on the City of Gloucester Tax Classification with the date of November 23, 2010.**

However, the Committee noted there was a need for a correction to the language and voted as follows:

**MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to ADVERTISE FOR PUBLIC HEARING as follows: As in accordance with M.G.L. Chapter 40, Section 56 and pursuant to the Gloucester Code of Ordinances Section 2-26 the Gloucester City Council will hold a public hearing on Tuesday, November 23, 2010, at 7:00 p.m. at City Hall, 9 Dale Avenue in the Fred J. Kyrouz Auditorium, relative to TAX CLASSIFICATION to determine the percentage of the local tax levy to be borne by each class of real and personal property.**

B) Memorandum from Fire Chief re: Addition of New Fees and Increasing Current Fees

**This matter is continued to November 18, 2010.**

C) Memorandum from Comm. Dev. Director re: Community Preservation Committee's recommendations on the first round of project applications for the Community Preservation Act funding (Cont'd from 10/27/10 to review the applications for: The Gloucester Adventure; Gloucester Unitarian Church; Gloucester Historical Commission; and Historic New England

The following four projects were recommended by the Community Preservation Committee. All applications with their attendant documentation are on file in the City Clerk's office:

**The Gloucester Adventure:**

**Joanne Souza**, Executive Director, of the Gloucester Adventure explained to the Committee their proposal for the use of Community Preservation Funds (CPF) for their restoration of the schooner, Adventure's windlass, a large wooden and iron hand-actuated winch that enables the Adventure's 1,000 lb. anchor to be raised and lowered, to allow the vessel to be anchored in open water. This piece of equipment is essential for the safe operation of the schooner. It is also planned to be used as a teaching tool to show students simple machines work, and other aspects of physics. She expressed it was imperative to get this done in a timely manner because many northeast foundries no longer produce these pieces of equipment. They have a foundry that can do this work, and are hopeful the gears can be restored. The vessel, Gloucester's official flagship, is berthed now at Gloucester Marine Railways. They're at a berth and developing adequate Coast Guard approved access; they'd not had continuous access to the vessel for the last six years which is a mainstay in their organization in their fundraising. They'll be on the outside of the north pier so the vessel will be on the harbor side which will be visible throughout the City, another asset. It is an 'easy commute' to I4-C2. She expressed they are here to represent the City. There have been rumors that they're leaving which she stated flatly do not come from their organization. They have no plans to leave the City at all. When they are restored for sailing they'll sail to other ports overnight, always representing the City. If there are other schooner festivals, they would go, one or two nights. This is their home port. They are asking for a \$25,000.00 contribution towards the rebuilding of this windlass and to attach the anchor chain to this National Historic Landmark. **Councilor Curcuru** asked for an update on the restoration.

**Ms. Souza** stated the hull is totally complete. They've put \$2.7 million to date. Once they have adequate access, they are planning in the next season for dockside programming, allowing the public on board; and are outfitting the vessel to go sailing. The windlass is one essential project; the steering gear is being worked on currently; the safety equipment is another. For \$500,000.00 they can sail without passengers. They need to work on the bulkheads to have passengers on board for Coast Guard regulations. For \$1 million they'll be sailing "with all the bells and whistles". They've been developing education programs they're bringing into the schools. They've been working with other organizations towards grants to bring people into Gloucester. They're working with the City on the Harbor Walk; and the Cape Ann Museum. The Gloucester Marine Railways has been an amiable experience; signage and pathways will be there.

**Councilor Hardy** asked what type of advertising to they plan to do.

**Ms. Souza** stated they have a web site; they do a brochure distributed up and down Rt. 128; they're member of the DMO, the Chamber of Commerce, and by word of mouth. She is the treasurer of the American Schooner Association, and they are linked with that.

**Peter Souza**, Vice President and Chair of the Restoration Committee noted another thing driving impetus to be staged is that they sing up and down the coast. Camden, ME has a Harbor Walk similar to what Gloucester will do. He believed it would "be wonderful" to have the Adventure be center stage to something like this. They're looking at putting in pilings and floats. They'll have enough lineage to get booms and spars on the vessel at that site, which they were unable to do at their previous berth. They're moving forward on the outside berths.

**Ms. Souza** pointed out they're the only tall ship that is not owned by a State or a corporation. They're a small non-profit trying to do this on their own which has worked in their favor this year.

**Mr. Souza** added that he and Ms. Souza have committed ten years to this organization; he expressed it is important to them to see this restoration done for the City and bring more people to the City.

**Councilor Curcuru** asked if this amount is what they applied for.

**Ms. Souza** stated they applied for \$50,000.00 originally. The \$25,000.00 will be the restoration of the windlass, the anchor chain, the gears and the barrel. The foundry they're working with is in Taunton. They went to the National Parks Service to get a recommendation to the foundry.

**Councilor Curcuru** asked how the money amounts for the projects were determined.

**J.J. Bell**, Community Preservation Committee stated it was done on a project-by-project basis and in discussion with the applicants. In light of the money available, if they thought it was too much money, they would talk to the applicant to see what the money they proposed as a Committee could get them; and

whether they could still move forward. They would also welcome application in the future to come back again about finishing the project and/or use their funds to leverage other funding.

**Councilor Curcuru** stated they'll actually be able to use this funding and to attract other funding from other sources; and would these funds be used right way.

**Mr. Souza** pointed out they're ready to "cut wood".

**Mr. Costa** asked about the funding. The motion needs to reflect where the money is coming from exactly in CPA. In the instance of historic preservation, is it coming from the reserve or undesignated or from estimated receipts? It is important for the auditing process so that it is recorded properly in the general ledger so that funds can be allocated accordingly.

**Councilor Hardy** expressed she was there this evening to listen to the presentations of the applicants and thought at a later meeting the Committee would be making individual motions for them so that everything will be "bundled" and sent to the City Council for the same meeting.

**Councilor McGeary** asked for clarification that it would be individual votes on each of the grants.

**Councilors Curcuru** and **Hardy** believed that to be the case.

**Councilor Hardy** confirmed they are recommended and voted separately and the motions also express where the money comes from on each project.

**Mr. Costa** talked to the Department of Revenue; and the reserves can be used now; but undesignated funds have to wait until after the certification happens; hopefully within a month.

**Councilor Hardy** noted the November 2010 date on the application as a start date.

**Ms. Souza** stated that was the start date which was on the original application from the CPA.

**Matt Lustig** stated the CPA date was their original anticipated award date.

**Councilor Curcuru** asked once the process is complete when are funds distributed.

**Mr. Costa** stated that would be right away to the non-profit which he verified with DOR. They would cut a check to the entity. It is an instant ballot.

**Councilor Curcuru** asked who makes sure the funds are spent appropriately.

**Mr. Bell** stated there is a quarterly report and at 50% of funds spent report to the CPC.

**Councilor Hardy** asked if any of this money for the Schooner Adventure is for administrative costs.

**Ms. Souza** stated no. Their administrative offices are at the Fitz Henry Lane House; they pay by in-kind rent. The City pays the utilities and the Adventure pays to have the bathrooms cleaned. They've been there a while. They are a tenant at will and approach the Mayor every year to ascertain their status.

**Councilor Hardy** expressed that this is the only project that's been approved by CPC that could pick up and leave the City and asked for assurances this was not the case.

**Ms. Souza** explained the ship was donated to the City of Gloucester, but it could not fund the restoration. This is a part of Gloucester's history. There are no plans to leave.

**Councilor Hardy** asked how boat ownership is done; was it a deed.

**Mr. Souza** stated it is a non-profit organization. The vessel is registered and insured.

**Councilor Hardy** asked if there were any liens.

**Ms. Souza** stated no. All the money goes to the vessel's restoration. Their overhead is as low as possible. It is a volunteer organization.

**Mr. Souza** emphasized the Gloucester Adventure is known as a Gloucester vessel and always would.

**Ms. Souza** stated that there aren't a lot of ports that they can get into which limits them for berthing due to their draft. Gloucester is a deep water port.

**Mr. Souza** noted standing invitations to other ports, but they only go overnight two.

**Councilor Hardy** asked what flags they fly.

**Ms. Souza** stated they fly a Gloucester flag as well as an Adventure flag. She also assured that almost all of their volunteers are Gloucesterites, many from fishing families.

**Mr. Souza** thought that they have a historic reservation restriction. They will find out and see if that they can submit it as an amendment to the application.

The Committee stated eventually they'd like to do a site visit for all the applicants.

#### **Gloucester Unitarian Church:**

**Jerry Ackerman**, of the Universalist Meetinghouse Restoration project explained that they are requesting an appropriation from the CPF of \$30,000.00 to improve accessibility for persons with disabilities, including a platform lift, as well as to construct ADA compliant lavatories. It was a leading church in the separation of church and State. The Meetinghouse, built in 1805-06 is listed on the National Register of Historic Places and is the oldest standing church in Gloucester. He recounted some of the details of the history of the church and its relationship to Gloucester. It was noted that currently the sanctuary and other areas where many public events are held each year are inaccessible to persons unable to navigate the stairs. The platform lift elevator would serve both a downstairs vestry and the 300 seat main sanctuary above. The ADA accessible lavatories would be new construction. This is a 10-12 month project which they would use the money almost immediately. They host 20 public events per year, a few organized by the church, others are rentals. They hosted a Haiti Relief fundraising concert in February, and others. They're part of the Middle Street Walk; the Docksiders High School band concerts; the Charles Olsen Centennial; they're inexpensive to rent for events and centrally located. The church has "extraordinary" acoustics. The building is classic for many reasons which was outlined in the application. They put on a new roof; put in smoke detection; brought the electrical and plumbing system up to code. The painting of the church was done to be historically accurate.

**Councilor Hardy** asked about parking for the church.

**Mr. Ackerman** stated they do not have a dedicated parking lot.

**Councilor Curcuru** stated that the entire project is \$175,000.00. They're asking for \$30,000.00.

**Mr. Ackerman** confirmed that to be the case.

**Councilor Curcuru** asked if the church would be required to go out to bid in this instance.

**Mr. Costa** advised they did not get involved in that process; they did not have to go out to bid for this project because the City doesn't own the property. The City Hall restoration would go out to bid.

**Councilor Hardy** asked how soon they would see a return on the \$30,000.00 investment from the CPA.

**Mr. Ackerman** stated they hoped to see the results within 10-12 months. They first need to get the actual engineering work done because it involves the installation of an elevator as well as the lavatory. The money would likely go primarily to an engineering company and not get as far as the elevator itself because the project is \$75,000.00. They have available funds to carry out the project and will do additional fundraising as well.

**Councilor Hardy** asked if they could use it as a match to facilitate another grant.

**Mr. Ackerman** stated they hope to use it as leverage for additional fundraising. They have received grants in the past from Essex National Heritage and from the Mass Historical Commission. He emphasized they are a part of the tourism economy and a visitor destination. They also expect to be part of a proposal National Historic Landmark involving a group of downtown buildings which includes City Hall to recognize Gloucester's prominence in the fishing industry. They are a member of the DMO, the Chamber and SeaArts.

**Mr. Costa** stated it also needs to be historically registered; and they need the certification of their National Historic Registry on file.

**Mr. Ackerman** noted the church is on the National Registry now as well as the State register.

**Mr. Bell** stated it would be under Mass Historic Commission guidelines.

**Councilor Hardy** asked if there is certification for that and was it included in their application.

**Councilor Curcuru** asked if they had selected a contractor yet.

**Mr. Ackerman** stated no they hadn't.

**Councilor Hardy** wanted to know if other churches around the state had received CPA funding.

**Mr. Ackerman** responded there are three dozen churches who have received CPC monies in Mass.

**Councilor McGeary** asked where the new handicapped entrance would be.

**Mr. Ackerman** stated it would be on the Gould Street side. There are handicapped spaces there.

**Councilor Hardy** noted there is a telephone pole out on Church Street with a light not working on it and wondered if it was because of a request of the church that that particular light is turned off as she was expressing concern on behalf of some of their neighbors.

**Mr. Ackerman** stated that they will call National Grid on that, as it was not at their request.

**Councilor Hardy** stated the total budget (for the renovation) is \$175,000.00, but they have asked for \$30,000.00 which comes to about 17%.

**Mr. Bell** stated that was one of the things that impressed the CPC.

**Mr. Ackerman** informed the Committee that Karen Rembert, is the Unitarian Universalist contact person; and her contact information was in the application. He added that the church is a part of the total City fabric; contributing to civic life since the late 1770's.

**Mr. Bell** also felt this church helps define the City's skyline. They keep the spire lit to midnight.

**Mr. Ackerman** made note of the letters of support that are in the application which the Committee acknowledged.

**Councilor Hardy** asked that there be a letter from them listing other churches in MA who have received CPC funding submitted for the application file and their information.

### **Gloucester Historical Commission:**

**David Rhinelander**, Co-Chair of the Historical Commission, he noted their support of all these applications. He spoke on behalf of the Gloucester Historical Commission's application for CPF monies for their request for \$7,500.00 in order to update the Street Survey Index of historic properties. This survey update would assist in the planning for the ultimate restoration and preservation of the City's historic resources. This survey would provide a detailed assessment of Gloucester's inventory of historic properties and also comprehensive recommendations for priorities for updating and expanding the inventory. The update would help to also identify areas where additional work is necessary and provide a basis for the City to move forward with its historic properties survey needs. This will also lead to a written Survey Plan which will include an assessment of existing inventory of approximately 1,400 properties and National Register documentation. This funding will be used to support the work of a preservation consultant to complete the survey update. This work helps to qualify the City for grants. The last time it was done in the 1970's. The consultant who will do the work worked on the last survey. The survey promotes preservation which is what they are about. They give awards each year to homeowners for their preservation efforts. This survey can be done on CD's and be put up on line. This is a two part request. This is to go through the index to see what needs to be done; and it is expected they will apply for some of the actual work to be done, probably next year. The CPA has a process which you can apply for the first round and the second round.

**Councilor Hardy** stated they are updating an existing one. She asked if a copy could be brought to the meeting.

**Mr. Rhinelander** stated there is a full set of binders in the Archives down in the basement of City Hall; and he could bring them to the City Clerk's office. He noted the survey's usefulness in that the City is full of villages and neighborhoods where there are many houses not yet on the list. It is necessary to spend the money to get money. This is not to do with the [downtown historic] district. It is just a list of properties, 50 years or older, a record. It is the kind of thing that Massachusetts Historical Commission needs for part of their applications for projects. They ask for this. If a homeowner wants to have a historic designation for their house, they have to be on the list.

**Councilor Hardy** asked how many phases they anticipated.

**Mr. Rhinelander** stated there would be two phases.

**Councilor McGeary** asked what an application was for the list.

**Mr. Rhinelander** understood if you have a 100 year old house that's not on the list, you ask them to add this property to the street index. Typically a consultant is hired to fill out the application as there are technical aspects to it; take photographs; and describe the house, its condition, etc.

**Councilor McGeary** asked who originated the survey.

**Mr. Rhinelander** stated this was something going back, he believed, to the 1970's. He would get a set up to the Clerk's office. The consultant stated it could be up to \$25,000.00 for the second phase. The homeowner doesn't pay any fee.

**Councilor McGeary** asked about what this gains for the City.

**Mr. Rhinelander** stated some of it increases grants into the City and recognition of the City. You don't get a brass plaque. It is an important record and documents the pedigree of a house. Even if the inside has been modified; the house will be dated and described.

**Councilor Hardy** asked if there would be a link to the website for this.

**Mr. Rhinelander** thought that would be probable. The images and words are not hard to put on a disk. The City is attracting more and more tourists in a good way.

**Councilor Hardy** asked Mr. Rhinelander to pick out a half dozen examples of what is in the archives to act as an example of what the survey is and attach it as an amendment to the application.

[**Note:** Wendy Frontiero is their architect and preservationist.]

### **Historic New England:**

**Jodi Black**, preservation project manager, Historic New England was speaking on behalf of the Beauport Museum, 75 Eastern Point Boulevard, window conservation project stated they are requesting \$25,000.00 in order to provide professional conservation care for approximately 30 historic wood windows at the Beauport, Sleeper-McCann House, a National Landmark, started in 1907 by Henry Davis Sleeper, a prominent interior designer who started it as his "country" retreat, about 20 rooms at that time. But he ended up using his home a showroom and over the next 27 years it became a 14,000 square feet house with 50 rooms. Mr. Sleeper-Davis died in 1934; and the home changed hands. In 1942 Historic New England obtained the property bequeathed by the McCann family; and has been open to the public since then. In 2006 they received a grant from the Getty Conservation Institute to do a survey on the property; and secured a grant through the Save America's Treasures (SAT) program through the federal government for \$500,000.00 for exterior envelope repairs: masonry repairs, roof replacement and window conservation. It is a one- to-one match; and they have to come up with \$500,000.00. They received a \$50,000.00 grant from the MA Historic Commission (MHC) and started with the windows first; and found they had 249 in the house. They had a grant for \$50,000.00 from MHC and matched \$50,000.00 from the SAT grant. They broke the work into four different phases over the last two years. She showed pictures to the Committee of the conditions of the windows explaining the building's location which is on a natural rock ledge directly above the Atlantic Ocean placing it in the path of surface water runoff. This restoration project will help to prevent future moisture penetration, remove potential 'threats' to the building and mitigate further damage to the historic fabric and collections. MHC asked them to resubmit for more money, and they received \$16,000.00 at the end of the project, and proceeded to the south side of the house. With the first two phases they got about 90 windows done; and this spring another 50 windows and did the front of the building. They're asking for funding for the last phase of the project. These are the worst and most difficult windows to access. Currently they are working towards the restoration of "severely" deteriorated windows on the harbor side of the property [the terrace is used for many events]. This money would support their 4<sup>th</sup> phase of a \$50,000.00 window restoration project with matching funds through the SAT grant, already approved. The staging is up for the roof; and this would be available to use for the removal of the windows.

The Committee discussed access to the museum due to the security stationed at the beginning of Eastern Point; that it might inhibit people wanting to go to the museum, especially at the height of the summer.

**Mr. Bell** stated this money would help to bring money from the outside as well. Gloucester residents are free at the museum. This is the most visited house in New England. It is a destination tourist location. He noted this museum has been called "the best house in America".

**Councilor Curcuro** asked if this was used as a retreat and functions.

**Ms. Black** stated they've used tents on the grounds and outside on the terrace; but the rooms aren't conducive to larger gatherings. They're open June 1<sup>st</sup> to October 15<sup>th</sup>, as the museum is unheated.

**Councilor Hardy** asked if there was a boat ramp.

**Ms. Black** stated it was removed as they couldn't maintain it.

**Councilor Hardy** asked if they needed to stay with wood or change it to other materials.

**Ms. Black** stated they have to follow certain guidelines and those of the Department of the Interior; to keep the characteristics of the house; they repair and maintain the house as it is found. They then remove the wood windows, re-glaze them, put the glass back in and reinstall them.

**Councilor Hardy** asked about lead paint.

**Ms. Black** stated that it was possible, and they'd have to have it tested. They applied for \$25,000.00.

**Councilor Hardy** was impressed that people are coming forward for reasonable amounts and her pleasure with the efforts of Historic New England.

**Ms. Black** stated they're lucky to have SAT grants. They are active in Gloucester with the visitor/convention bureau; they're in the DMO book; they're with Trails and Sails.

**Councilor Hardy** expressed she was pleased with their efforts.

**Ms. Black** stated they would start right away to remove the windows and wait to early spring to reinstall them when it is safer. They'll put in plywood or acrylic and paint it black so it isn't so noticeable.

The Committee discussed with Mr. Bell, Mr. Costa and Mr. Lustig as to the expected process for the next round of CPC funding as well as the status of legislation that was before the Mass legislature allowing for the expansion of the use of CPA funds which would allow them to take up more recreation use and improvements with pre-existing properties.

**2. *Appointment: Board of Registrars (TTE 02/14/2013) Judith A. Peterson (To be heard at the request of Ordinances & Administration Committee)***

The Committee questioned Ms. Peterson regarding her appointment noting her long service to the City as an employee in the City Clerk's office as well as a volunteer for the City. Ms. Peterson asserted her familiarity with the Open Meeting Laws, and that she had taken her State Ethics exam, and filed it appropriately with the City Clerk's office.

**Councilor Hardy** asked why she was interested in this position since she is now retired from the City.

**Ms. Peterson** expressed she worked for the City for 25 years and usually spends Election Day in the City Clerk's office volunteering. Lucy Sheehan and Arlene Hill are also on the Board. She expressed her enjoyment in being active in the community and helping to make the system work.

The Committee expressed their thanks to Ms. Peterson for stepping forward to take on this volunteer position.

**MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council the appointment of Judith A. Peterson to the Board of Registrars, TTE 02/14/2013.**

**3. *Memorandum from Principal Assessor re: Tax Classification***

The Committee acknowledged the receipt of a memorandum (on file) from Nancy Papows, Principal Assessor on Tax Classification through the Mayor's Report.

**4. *Memorandum from Community Development Director re: acceptance of Seaport Bond Funds in the amount of \$500,000.00***

**Mr. Duggan** informed the Committee that the City has been awarded \$500,000.00 grant from the Seaport Advisory Council (SAC) which will be split with \$100,000.00 for the design and \$400,000.00 for the actual construction. Included in the Committee packet (on file) were photographs showing the existing areas and proposed areas for the new Harbor Walk along the waterfront; it's an economic development project. The intention is to make the downtown a destination area. People want access to and are able to view a working waterfront. There is a design committee that has been set up for this. He was asking the Committee to accept the \$500,000.00.

**Councilor Hardy** asked about the design committee.

**Mr. Duggan** explained that since it is not a building design, it is not under the City Charter. The RFP is for the design services. They don't have to go out for an RFP; but for transparency and open public process it was felt it was appropriate to go through the steps. Oversight of the implementation of the funds will see project management split between two different areas. The project design portion will be under the purview of the Community Development Director, Sarah Garcia. The actual construction will be under the supervision of the DPW Director, Mike Hale. The design review committee is made up of Carroll Gray, Library Director; Ronda Faloon, Executive Director of the Cape Ann Museum; Geoff Richon, business owner and member of the Board of Directors of the Maritime Heritage Museum; Mike Hale and Sarah Garcia.

**Councilor Hardy** expressed that Mr. Duggan had said they weren't obligated to do this under the City Charter because it is not a 'building' because she did think they had to have a Building Committee under the Charter.

**Mr. Duggan** stated that was the case; that it was not a building and his understanding was that Ms. Garcia had checked with the City Solicitor on that matter. However, he would confirm that to the Committee.

**Councilor Curcuru** asked what the City would be getting for the \$400,000.00 as far as the construction as he felt this wasn't a great deal of money for what was being proposed.

**Mr. Duggan** responded it wasn't a lot of money; but they hoped they would get what is proposed as shown in the packet. The thought is that the Harbor Walk will go as far as the I4-C2 area.

**Councilor McGeary** added it would go as far as the bulkhead but not from there along the Building Center side.

**Councilor Curcuru** thought portions of the Harbor Walk will encroach on private property.

**Mr. Duggan** stated there will be easements. They met that afternoon with the people who are affected; and they are in support of it. They thought it was going to draw people to the destination port area. The meeting resulted in the suggestion of expanding up towards the Maritime Heritage Museum and the Fitz Henry Lane House. Currently the Harbor Walk is shown to end at I4-C2. He expressed there is a great deal of enthusiasm for this project.

**Councilor McGeary** asked who else was affected by possible easements for private property.

**Mr. Duggan** thought that the area other than the one they had just discussed was public property.

**Councilor McGeary** thought the impact on private property was Fisherman's Wharf and the small segment going towards Gus Foote Park.

**Councilor Curcuru** asked what happens should the cost exceeds the \$400,000.00.

**Mr. Duggan** expressed they would use the money to the greatest extent they could; but that they have a strong relationship with the SAC. Between the initial grant coming for \$400,000.00 and \$800,000.00 for I4-C2 and \$500,000.00 for the Harbor Walk, he believed they would continue looking at finishing the project with SAC money.

**Councilor Hardy** asked if there were any costs associated with the easements.

**Mr. Duggan** responded that had not been discussed yet; General Counsel would draft any easement language. The easements will be on public and private property. He did express he was unfamiliar with Chapter 91 property. There are some areas that would require a private property easement. It is also at the Latitude 43 Restaurant. There was no discussion of any financial commitment; it wasn't even suggested.

**Councilor Hardy** asked if they're going to redo their deeds to show these easements go over their properties.

**Mr. Duggan** stated legally the property owners will need to be sure they'll be covered. They would do this through the City Solicitor.

**Councilor Hardy** asked about a timetable for the completion of the work.

**Mr. Duggan** stated they want to complete this project at the beginning of the summer.

**Councilor Hardy** asked if there was any administrative overhead in the \$400,000.00 or on the \$100,000.00 side and would any employees need to be hired.



**Councilor McGeary** noted there was a statement that there was an “in-kind” contribution as part of the application.

**Mr. Duggan** stated it will be done in house; and that the \$100,000.00 would cover the administrative costs. There is no “strings”; no match with SAC funds “ever”; which he would confirm to the Committee. He didn’t know why the “in-kind” statement was there, and would clarify that also for them.

**Mr. Costa** asked for an award letter and for the grant application. He also noted as part of the grant application there is an account budget. Ms. Garcia’s and Mr. Hale would have to complete them so they would be able to know how they are spending the money.

**Mr. Duggan** stated he will be sure it is forwarded to him.

The Committee discussed their concern in not having all documentation in hand before bringing the matter for a vote of the full City Council. Further, they believed that all departments should be held to the same standards. They would continue the matter to the November 10<sup>th</sup> Special B&F meeting to give Community Development the time to gather and turn in all the rest of the necessary documentation and then vote on the acceptance.

**This matter is continued to the Special Meeting of B&F on November 10, 2010.**

**5. Memorandum from Assistant Treasurer re: permission to pay FY2010 invoice with FY2011 funds**

**Mr. Duggan** explained that Charlene Pina, Assistant Treasurer has asked to pay a FY2010 invoice for office supplies from New England Office Supply with FY2011 monies. She did not open a purchase order for office supplies and therefore had an unpaid invoice for May 6, 2010 which now needs to be paid. This is a very rare occurrence by the Treasurer’s office.

**Councilor Hardy** noted this is unusual for this department to do this and would recommend approval.

**MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend to the City Council to pay \$91.30 in expenses incurred in FY2010 with FY2011 funds to New England Office Supply.**

**6. CC2010-077 (Tobey) City terminates forthwith all business relationships with TD Bank North**

**Mr. Duggan** noted the oversight on the matter has been “spearheaded” by B&F with the recent problems with TD Bank North. The City has taken the necessary steps to transfer the business that they could to other banking institutions in the City; however they are under contractual obligations for their main account in TD Bank North. There is a cancellation policy they have to adhere to, and are exercising. There a number of different administrative orders that needs to be done to cancel their relationship with TD Bank North entirely. They are requesting that they allow the necessary administrative action to take place by March of 2011.

**Councilor Hardy** noted this matter was before the Committee as a result of Councilor Tobey’s through order for the last City Council agenda and was referred to them for action. She had a conversation with Jeff Towne and Suzanne Egan, regarding the matter. She believed it was Councilor Tobey’s intent was to be very clear as to his feeling that the City should no longer be doing business with this bank. They all realize that a certain period of time has to go by so that they get their business in order so as not to leave anything “hanging” with time for all checks to clear before they move the account to another bank. Councilor Tobey recognized that also. It is important to have a date certain to be put in place so that the contract is not extended beyond what it already is. Mr. Towne indicated to her he needed time to work with whomever the next bank will be to set up the programs, the accounts, and the line items with them to ease the transition. It was felt this timeframe would allow for that.

**Councilor Curcuru** stated this Committee has been following the matter all along with the Administration coming to them during that process with updates on a regular basis. This was not something that “went amiss”.

**Councilor Hardy** echoed the Councilor's sentiment reiterating the Committee had stayed on top of the matter since they first became aware of the problem. A lot may not have come out but that was due to it being under investigation for a certain period of time. She felt enough time has gone by; that they needed to move on.

**Councilor McGeary** noted the termination date of the contract as being 03/19/2011. He asked did they have to go out to bid to replace this contract.

**Mr. Costa** understood the City has to go out to bid if the bank fees or costs are over \$25,000.00; if not they didn't have to go out to bid. Most communities solicit an RFP to make it competitive but it is not required under M.G.L. c. 30B.

**Councilor McGeary** stated once they got the accounts set up they could start moving the money. They're not obligated to keep money in TD Bank North through March 2011.

**Mr. Costa** responded he spoke with both Mr. Towne and Ms. Egan as well. Right now they are in a transition period. They do have a payroll account at this bank. Generally it takes six months to be sure all checks clear, etc. It could be an administrative issue to move all the services immediately rather than doing it gradually.

**Councilor McGeary** asked what happens if they want to keep the account open after March 2011 to cover late arriving checks.

**Mr. Costa** stated the Treasurer would make a determination at that point.

**Councilor Hardy** expressed that if there were extenuating circumstances she hoped the Treasurer/CFO would come back to the Committee and ask for an extension. She thanked the Administration for providing the RFP and existing contract; and the CFO and Auditor who gave a listing of all the existing accounts and balances as had been asked for in the previous meeting.

**MOTION: On motion by Councilor Hardy, seconded by Councilor McGeary the Budget & Finance Committee voted 3 in favor, 0 opposed that the City Council and the Budget and Finance Committee strongly recommend and advocate that the City of Gloucester terminate its banking relationship with TD Bank at the earliest date feasible but no later than March 19, 2011.**

**A recess was called at 6:37 p.m.**

**The Committee reconvened at 6:44 p.m.**

**7. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization***

**Mr. Costa** reviewed his reports submitted prior to the meeting (on file) with the Committee.

**A motion was made, seconded and voted unanimously to adjourn the meeting at 8:15 p.m.**

**Respectfully submitted,**

**Dana C. Jorgenson  
Clerk of Committees**

**DOCUMENTATION/ITEMS SUBMITTED AT MEETING: None**