

**Budget & Finance Committee**  
Thursday, June 21, 2018– 5:30 p.m.  
1<sup>st</sup> Fl. Council Committee Room – City Hall  
**-Minutes-**

**Present: Chair, Councilor Melissa Cox; Vice Chair, Councilor Scott Memhard; Councilor Jen Holmgren (Alternate)**

**Absent: Councilor Hecht**

**Also Present: Kenny Costa; John Dunn; Jill Cahill; Gregg Cademartori; Jamie Corliss; Mark Cole; Sal DiStefano; Larry Durkin**

The meeting was called to order at 5:33 p.m. Matters were taken out of order.

**1. Memorandum from Harbormaster re: acceptance of a FY19 Clean Vessel Act Grant in the amount of \$11,000**

**John Dunn**, CFO, advised this is an annual grant received through the Mass. Division of Marine Fisheries, this year for \$11,000 of which \$9,000 is earmarked for the city's pump out boat and \$2,000 is earmarked for the shoreside pumpout facility at Solomon Jacobs Pier. **Councilor Cox** noted the good press for the work of the Harbormaster has been paying off for the city.

**COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Holmgren, 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 \$11,000.00 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 \$9,000 is earmarked for the City's pump-out boat and \$2,000 is earmarked for the purpose of a shore side pump-out facility at Solomon Jacobs Park Landing.**

**2. Memorandum from Planning Director: requests to apply & Grant acceptances - MassHousing & MVP**

**Gregg Cademartori**, Planning Director, explained the MassHousing Grant acceptance as follows: This is a technical assistance grant for promoting housing production plan strategies. With the scope being refined, and the value is in the technical assistance, MassHousing will pay the contractor who works with the city directly. The Council is being asked to accept the technical assistance for up to \$50,000 in value. There was a very short turnaround time to apply for the grant to the grant award, it was noted. The 10% grant match will mostly be staff in-kind, but the FY18 department budget does have a remainder of funding to cover what is necessary in cash for the rest of the match. **Councilor Cox** offered her thanks to Mr. Cademartori for his efforts.

**COMMITTEE RECOMMENDATION: On a motion by Councilor Holmgren, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a Planning for Housing Production Grant as part of the Baker-Polito Administration's Housing Choice Initiative for technical assistance from the Massachusetts Housing Finance Agency (MassHousing) with a monetary value of up to \$50,000. The purpose of this grant is to provide technical assistance to update the City of Gloucester's zoning ordinance in conjunction with MassHousing and assist the City of Gloucester with its Housing Production Plan. The local cash match required is equal to 10% of the value of the consultant services awarded and is up to \$7,500.**

**Mr. Cademartori** reported on the Municipal Vulnerability Preparedness Grant (MVP) as follows: An MVP workshop was held in April and produced a draft report prior to filing for the MVP action grants. This grant had an application deadline of May 18 and was awarded on June 1. Through the prioritization process from the workshop, several areas were identified for receiving attention: watershed and water supply resilience. It is a grant award of \$107,044; matching funds will likely come from the Water Enterprise Fund or another similar DPW funding source, and staff in-kind. In consultation with the MAPC, another grant application is being made for a Coastal Resilience Grant for the High School flood mitigation.

**Councilor Cox** noted that this is a FY18 grant with FY19 funds for the match and asked about the deadline to expend funds. The deadline for funds to be expended is June 30, 2019, **Mr. Cademartori** pointed out. **Councilor Holmgren** offered her thanks to Mr. Cademartori seeking out these important grants given all he has to do.

**COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Holmgren, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a Municipal Vulnerability Preparedness (MVP) Program Grant from the Massachusetts Executive Office of Energy and Environmental Affairs in the amount of \$107,044 with a 25% match to be comprised of a cash match of \$25,026, funds of which will come from the FY2019 Water Enterprise budget; and \$12,700 staff in-kind hours. The purpose of this grant is to study Watershed and Water Supply Vulnerability by conducting risk assessment and enumerating management strategies.**

**3. *Memorandum from Planning Director: requests to apply for Planning Assistance Grant & Coastal Resilience Grant***

Please note that the request to apply for the Planning Assistance Grant & Coastal Resilience Grant is informational only per GCO Section 16-1 Grant applications.

**4. *Memorandum from Community Development Director re: Community Preservation Committee Off-Cycle Recommendation for Ten Gates Development Project at Pearl Street #15 (Cont'd from 06/07/18)***

**Christian Fisher**, representing Ten Gates as Principal/Manager, developer, reported they flyered the neighborhood and about seven or eight neighbors showed up for the scheduled Saturday, June 16 site visit. He noted one neighbor expressed concern about the parking, and someone from Addison Street that expressed support for affordable housing and asked if they were doing solar panels on the roof. **Mr. Fisher** reported they were not planning on installing solar panels at this time. Another neighbor on Pearl Street expressed support for the project, he noted. He advised he had a generally good feeling about it.

**Councilor Memhard** advised as did **Councilor Cox** that they were unable to attend the site visit. **Councilor Cox** noted parking will be a concern for the neighborhood. She advised that many tandem parking projects have been approved. She pointed out she hasn't received any complaints about those projects in the last six years which works if everyone cooperates. **Councilor Memhard** noted in a Gloucester Daily Times article on the project today it was reported Ten Gates was looking for off-site parking opportunities for the 15 Pearl Street property. **Mr. Fisher** conveyed he recognized prior to the site visit that parking was likely to be the primary issue for the neighbors, and so he was able to get a commitment from a neighbor on the corner of Washington and Pearl Streets for two off-street parking spaces and one off-street parking space from a property owner on Prospect Street with the possibly of two more. **Councilors Memhard** and **Cox** expressed that this will go a long way to the neighborhood welcoming the project. **Councilor Cox** encouraged Mr. Fisher to urge his tenants not to park in the Shaw's parking lot or they will be towed.

**COMMITTEE RECOMMENDATION: On motion by Councilor Holmgren, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council appropriate up to \$120,000 (One Hundred Twenty Thousand Dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee to provide off-cycle funding for the purpose of Ten Gates Development to renovate a property in the City of Gloucester, #15 Pearl Street. The renovation and reconstruction work will create four affordable housing units within the city. The appropriation will be allocated to the Community Housing category and be funded by up to \$120,000 from the Community Housing Reserve Fund #4530. The project will be tracked in the Community Preservation Fund – Community Housing Projects Fund #4903.**

This matter will be advertised for public hearing.

**5. *Memorandum from Community Development Director & Economic Development Director re: Massachusetts Seaport Economic Council Grant Application - Gloucester Fresh***

Please note that the request to apply for the Massachusetts Seaport Economic Council Grant – Gloucester Fresh is informational only per GCO Section 16-1 Grant applications.

**Councilor Memhard** asked if this is repeat grant funding. **Jill Cahill**, Community Development Director confirmed that this is the same grant as was accepted last year by the Council, but that they have added new initiatives for Gloucester Fresh -- one is branding the Massachusetts lobster, for which Gloucester is the No. 1 landing port in the state. She reported that Sal DiStefano, Economic Development Director has been working to seek out institutional buyers, such as hospitals for Gloucester's seafood which helps fishermen get more money per pound for their catch. She noted the city hosted representatives from the MGM Grand Hotel and Casino recently. She conveyed that they have over \$25,000 of in-kind match for this grant. Snap Chef donates a great deal of their time, for instance. **Mr. DiStefano** reported that one of the city's guests yesterday was a member of the Mass. Gaming Commission, their Vice President of Procurement who was very impressed; a person who first made contact with the city through the city's booth at the Boston International Seafood Expo. After yesterday they said they would reach out to the Encore (formerly known as "The Wynn"); one of the representatives from MGM oversees MGM International's procurement for all their casinos and really liked what they saw; spending a half a day with city staff and touring the city. At the end of the day, one of the representatives said, "I'm a believer in Gloucester." All the work they're putting in as a team is coming to fruition under the guidance of the Mayor and the Council, he pointed out. He named several media outlets that are helping at cost with this effort. This is a positive outreach, he added.

**6. Memorandum from Community Development Director re: Program Year 2018 Community Development Block Grant (CDBG) & HOME funds appropriations**

**Ms. Cahill** explained briefly that these are grants that come to the city annually and touched briefly on some of the details for the Committee.

**Councilor Memhard** noted in reviewing the allocation list (on file) that these grants funds enrich a wide range of community organizations and appropriate designated recipients. Responding to an inquiry by **Councilor Cox** who noted originally the HOME Grant funds were \$94,190 but went up to \$97,103; **Ms. Cahill** reported that the total has increased through the North Shore HOME Consortium funding which was confirmed by City Auditor, **Kenny Costa**.

**COMMITTEE RECOMMENDATION: On a motion by Councilor Holmgren, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council under MGL c. 44, §53A accept federal grants in the amount of \$652,277 for the Community Development Block Grant from the U.S. Department of Housing and Urban Development for Program Year 2018/Fiscal Year 2019 and the HOME Grant from the North Shore HOME Consortium for Program Year 2018/Fiscal Year 2019 in the amount of \$97,103.**

**7. Memorandum from Assistant DPW Director re: permission to pay FY17 invoices in the amount of \$7,192.92 with FY18 funds**

**Mark Cole**, Assistant Public Works Director, explained there are two invoices for work done a year ago under the former Facilities Manager. There is money in this year's budget to pay for these services, noting that this was last minute work for air conditioning at O'Maley. Funding is budgeted in the FY19 to pay for these services, he added.

**COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Holmgren, 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 prior year invoices for services rendered during FY2017 with FY2018 General Fund – Public Works Facilities Maintenance budgeted funds which exceeded the dollar amounts for opened Purchase Orders for a total of \$7,192.92 as follows:**

<u>Company Name</u>	<u>Invoice Number</u>	<u>Invoice Date</u>	<u>Amount</u>
Cooling and Heating Specialists, Inc.	Invoice #17-1863	6/19/2017	\$2,514.20
Cooling and Heating Specialists, Inc.	Invoice #17-1864	06/28/2017	\$4,678.72
			<b>TOTAL: \$7,192.92</b>

**8. 2018-SA-33 from DPW Director**

**Mr. Cole** conveyed that this Supplemental Appropriation is for more street paving and line painting. This is for some trenches done during the winter that have now settled and can be paved, and now that the downtown crosswalks have been painted they will start fanning out to work on other areas of the city. **Councilor Cox** asked at some point that the DPW to look at the parking spaces on Main Street which she indicated appear to be different measurements from Flanagan Square to Washington Street. She noted that were the spaces to be made an appropriate uniform length there was the possibility that Main Street could gain several more parking spaces. **Mr. Cole** advised the DPW would take a look at the issue.

**COMMITTEE RECOMMENDATION: On a motion by Councilor Holmgren, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2018-SA-33 in the amount of \$30,000.00 (Thirty Thousand Dollars) from the Highway Force Account, Transfers to the General Fund, Account #32085-596001, to DPW, Public Services-Repairs & Maintenance Paving, Account #0147052-524014 for the purpose of spring paving, line painting, etc.**

**9. 2018-SA-34 from Chief Financial Officer**

**Mr. Cole** recounted that the funds being appropriated won't go far but will get rid of the worst of the rusted Stacy Boulevard railings. They will try to get more done in-house this summer, he conveyed, noting that they have already contacted Ringo Tarr about the flags while they make repairs to the railings.

**COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Holmgren, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2018-SA-34 in the amount of \$10,000.00 (Ten Thousand Dollars) from the Capital Projects Stabilization Fund-Undesignated Fund Balance, Account #7600-359000, to Capital Projects Stabilization Fund, Site Improvements, Account #760016-584000 for the purpose of the repair of Stacy Boulevard Railings.**

**10. Memorandum from CFO re: loan authorization request in the amount of \$1,525,000 for Sewer Pump Station Facility Rehabilitation & Improvements located at: Beacon Marine, Parker Street, Finch Lane, Corliss Avenue and Thurston Point Road**

**Larry Durkin**, Environmental Engineer, under direct questioning by the Committee spoke to the proposed rehabilitation/improvements to the sewer pump stations located at Beacon Marine, Parker Street, Finch Lane, Corliss Avenue and Thurston Point Road with a total estimated cost of improvements at \$1,525,000. (**Note:** These improvements have been selected for funding under the 2018 Mass. Dept. of Environmental Protection Clean Water State Revolving Fund which provides low interest financing and some modest amount of principal forgiveness.) The Beacon Marine and Parker Street Pump Stations is 1950's vintage, **Mr. Durkin** noted. They have to rehab the buildings or it becomes more expensive having to replace roofs, doors and windows. The other issues are three stations that have fats, oils and grease accumulation which he advised has to be addressed neighborhood by neighborhood. He pointed out they will be able to find the culprit or culprits who are dumping grease down their drains through use of camering laterals. There will come a point where they will charge the rate payers for back-ups because of residual damage the grease causes as well as the time and effort to clean the station machinery to keep it functioning. They have to document these issues and act responsibly to work to stop the problems from happening.

**Councilor Memhard** asked if there is any resiliency being built in. **Mr. Durkin** advised they have grant for design documents pursuant to resiliency. At some of these stations they will be installing control upgrades which would have been done regardless. He advised he does his best to come forward with low interest loans for this work and seek out grant funding. **Mr. Dunn** pointed out there will be a small amount of state loan principal forgiveness, and that everything helps.

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

**Ordered:** That the City of Gloucester appropriates One Million Five Hundred Twenty Five Thousand Dollars (\$1,525,000) to pay costs of improvements to Sewer Pump station facilities and equipment at the Beacon Marine, Parker Street, Finch Lane, Corliss Avenue and Thurston Point Road locations, including costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G.L. Chapter 44, Section 7(1), 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 grants or gifts that may be available to the City to pay costs of the projects. Any 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 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.

This matter will be advertised for public hearing.

**11. Memorandum from CFO re: loan authorization request in the amount of \$1,500,000 re: Babson Water Treatment Plant Emergency SRF Support Request**

**Mr. Durkin** described for the Committee concerns regarding the operations of the Babson Water Treatment Plant and the requested Emergency State Revolving Fund Support for the costs of repairs/improvements (as noted in on file letter to Steven McCurdy, MassDEP Director of Municipal Services). He estimated the costs for these repairs/improvements to be \$1.5 million. As with most SRF funding, the city expects somewhat low interest rates and the possibility of some modest principal forgiveness. He showed the Committee a picture of large eels getting caught in the low lift pumps describing why this is a serious issue since 2010 which has gotten worse. He briefly described the technical solutions that will be pursued. Another issue is the raw water control valve that if there is a power failure the valve is supposed to close. The control board has failed twice since 2010. The last failure occurred just after the city's water had been transferred to West Gloucester and with the contractor working all night they were able to prevent a dump of raw water. They will be installing a new control "vault" and flow meter with this funding. The current flow meter is not serviceable as it is 20 feet below grade with adjoining properties. They will place the new flow meter where the pipe is shallower and is not a confined space entry for safety reasons. Several flow meters will also be worked on as well, he advised. The DPW has the engineer already started on preliminary design. This funding pays for construction and construction administration, he pointed out, adding that they are trying to build in resiliency redundancy into the plant.

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

**Ordered:** That the City of Gloucester appropriates One Million Five Hundred Thousand Dollars (\$1,500,000) to pay costs of improvements to the Babson Water Treatment Plant, including costs incidental or related thereto. To meet this appropriation the Treasurer, with the approval of the Mayor is authorized to borrow said amount under and pursuant to M.G.L. Chapter 44, Section 7(1), 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 grants or gifts that may be available to the City to pay costs of the projects. 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 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.

12. *Memorandum from City-Owned Cemeteries Advisory Committee re: acceptance of \$326 donation from Awesome Gloucester (previously noted as \$1,000 through the Mayor's Report of June 12, 2018)*

**COMMITTEE RECOMMENDATION:** On a motion by Councilor Holmgren, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council under MGL c. 44, §53A to accept a donation of \$326 from the Awesome Gloucester Foundation for the purpose of future cemetery preservation projects of the City-Owned Cemeteries Advisory Committee.

13. *CC2018-030 (Holmgren/Nolan): Request O&A & B&F examine the potential of raising the Stage Fort Park non-resident access fee and explore the potential of opening a fund/account to designate a portion of the fee to ready Stage Fort Park for the Quadricentennial celebration in 2023*

This Council order was withdrawn on June 18, 2018 at the Ordinances & Administration Committee meeting.

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

**Kenny Costa**, City Auditor, reviewed his reports (on file) with the Committee with commentary from **Mr. Dunn**. It was noted there would be a special meeting of the Committee scheduled for Tuesday, July 10 at 5:30 p.m. in Kyrouz Auditorium for any last minute year-end motions. The meeting will be held only if absolutely necessary.

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:47 p.m.

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

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