

Budget & Finance Committee
Thursday, July 5, 2018– 5:30 p.m.
1st Fl. Council Committee Room – City Hall
-Minutes-

Present: Chair, Councilor Melissa Cox; Vice Chair, Councilor Scott Memhard; Councilor Ken Hecht
Absent: None.

Also Present: Kenny Costa; John Dunn; Karin Carroll; Jill Cahill; Harbormaster T.J. Ciarametaro

The meeting was called to order at 5:35 p.m.

1. Request from Public Health Director to accept a two-year extension on the Substance Abuse Prevention Collaborative Grant in the amount of \$200,000

Karin Carroll, Public Health Director reported to the Committee that the city is in receipt of a two-year grant extension, for a previously awarded Substance Abuse Prevention Collaborative grant, for \$200,000. The time period for the expenditure of these funds is from July 1, 2018 to June 30, 2020 (with a maximum obligation per year of \$100,000). The original grant was received and accepted in 2015. The focus of the grant continues to be the prevention and reduction of underage drinking and other drug use in Massachusetts communities.

Councilor Cox asked that with the new marijuana laws would the Health Department alter their focus. **Ms. Carroll** advised this year they won't be changing their focus but may do so in the following year. She noted they'll look for additional grants focused on that matter. **Councilor Cox** asked if underage drinking is of primary importance with youth. **Ms. Carroll** noted vaping and tobacco use is the primary issue; nicotine is their No. 1 concern which is now being mixed with marijuana. She mentioned the North Shore Tobacco program that the department participates. The department and the Board of Health are reviewing the marijuana regulations to have some degree of control in the community. They'll look at product flavoring, percentage of THC, given the prevalence of vaping with youth. She suggested the nicotine trend will continue into the marijuana trend.

Councilor Cox, pointing out that the DPW manages the city's beach regulations she noted there's nothing in those regulations that bans smoking on the beaches as it has been said they can't police everything due to manpower issues. She advised she didn't see the difference between drinking and tobacco use in such a public place. **Ms. Carroll** conveyed that the Board Of Health will be reviewing their smoking regulations which may result in a proposal to ban smoking on city beaches now that it's been done in other surrounding towns, pointing to the recent ban instituted in neighboring Rockport -- the Board of Health would make it an extension of their regulations of smoking in public spaces. The enforcement piece is difficult, she noted.

Councilor Memhard asked if this grant funding for outreach or staffing. **Ms. Carroll** advised about half of the grant funds are used for staffing for a part-time coordinator for the regional coalition based in the Health Department. The rest of the funds go to various efforts for the regional member cities and towns.

Councilor Hecht asked how the outreach is made to youth. **Ms. Carroll** noted that any campaign needs to happen over a period of time and reviewed that it's a process of educational outreach with the youth and community and described briefly a "Sticker Shock" campaign which will be undertaken starting this summer that utilizes students as advocates for the program in the community.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, 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 federal grant from the Substance Abuse and Mental Health Services Administration (SAMHSA) an amendment of \$200,000 passed through the Massachusetts Department of Public Health Bureau of Substance Abuse Prevention Coalition Services grant with a maximum obligation of \$100,000 per fiscal year for two years effective July 1, 2018 through June 30, 2020 for a total grant contract for all years of \$500,000. The purpose of this grant is for the prevention and reduction of underage drinking and other drug use and problem behaviors.

2. Memorandum from City-Owned Cemetery Advisory Committee requesting reimbursement of a FY17 invoice in the amount of \$667.55 to be paid with FY19 Mayor's Office budget to a committee member/SHRAB Grant for materials paid for with the committee member's own funds

John Dunn, CFO, highlighted briefly for the Committee that the City-Owned Cemetery Advisory Committee

(COCAC) at the time of the grant acceptance was not familiar with the city's procurement and grant process. When faced with the need to procure materials other than what was available through the DPW, a member of the COCAC purchased and paid for the materials herself. This funding from the Mayor's Office FY19 budget is to reimburse that member. He assured that a conversation has been had with the City-Owned Cemeteries Advisory Committee that this isn't the way the city does business and advised them of the appropriate procedures to follow.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council in accordance with MGL c. 44, §64 approve a reimbursement to Sandy Barry, a member of the City-Owned Cemeteries Advisory Committee for materials purchased in FY2017 and without a purchase order in place under a Building Center invoice #1706-027175 dated 6/27/2017 for \$667.55 related to restoration work done under a grant from the Massachusetts State Historical Records Advisory Board (SHRAB) through the Massachusetts Secretary of State's Office for the purpose of the City-Owned Cemeteries Advisory Committee Preservation of Veterans' headstones in First Parish Burial Ground and Clarks Cemetery at 122-R Centennial Avenue. The reimbursement will be funded with FY2019 General Fund – Mayor's Office budgeted funds.

3. Memorandum from Community Development Director & CFO re: Loan Order & Grant Approval for Harbormaster Facilities Improvements & Visiting Boating Center

Harbormaster T.J. Ciarametaro explained that in his third season as Harbormaster the department is now in need for a Harbormaster Facility to house transient boaters and host the community. He reported that: A feasibility/site selection study was conducted last year, and all led back to the office leased from National Grid at Harbor Loop after all factors were reviewed. The facility can never be owned because of the contaminants and will be always owned by National Grid. The city has a 30-year lease with two ten year options for the facility. The new waterside boating facility is busy which includes a four-hour tie up and other amenities. The launch is full out, and all transient moorings are solidly booked. The missing piece is the land side facility. Any criticism through DOCKWA about boaters' experiences been a result of a lack of facilities. Salem and Newburyport has them, it was pointed out. With a huge city Administration and department heads group cooperative effort the city has been rated very highly as a place to come to as a transient boater. The city will seek a \$1 million grant from the state's Seaport Economic Council and smaller grants from other funding sources. **The Harbormaster; John Dunn**, CFO; and **Jill Cahill**, Community Development Director, all assured the Committee that if the Seaport Economic Council funding doesn't come through the project won't be undertaken. **Mr. Dunn** advised they are appropriating the entire amount which they have to do as these grants are reimbursement grants, and reconfirmed if the \$1 million Seaport Economic Council grant isn't obtained the project won't go forward. He mentioned that it was hoped the city will also be able to obtain some smaller grants which will reduce the city's overall debt obligation. He advised that the city's grant match would be less than \$500,000. **Ms. Cahill** advised they'll know in January 2019 if they've won the grant. The required match is about \$330,000. Anything related to the facility that is done now will go towards the match.

Responding to an inquiry by **Councilor Cox**, **Ms. Cahill** noted the design costs were \$190,000. Harbormaster **Ciarametaro** noted there is talk about public rest rooms being installed in the facility given the great need in that area of the city. There are multiple uses for this property, **Ms. Cahill** advised, she suggested there would be locked restrooms and showers for visiting boaters who are paying a fee for such amenities through their transient mooring cost. The Shellfish Constable is now located at the Harbor Loop facility, the **Harbormaster** pointed out, saying that the harbor is evolving, and they are needing to evolve with it.

Councilor Cox asked about community boating needs such as the sailing group; storage, a conference room for meetings. The **Harbormaster** advised the plans include a conference room and housing two sailing boats, one for the YMCA sailing program and one for GHS sailing program; the float is being taken care of for those programs. As far as the on-land portion, the conference room will be booked as if it were a city hall conference room, he pointed out. **Mr. Dunn** advised a good deal of this building will be available to the public and to adequately serve the general boating community. Visiting boaters, **Ms. Cahill** pointed out, spend on average \$300 per night in the city. The **Harbormaster** pointed out that there are two federal anchorages with eight boats anchored in it just an hour ago highlighting that 800 to 1,000 boats transit the Annisquam River on average according to the bridge tender on a hot day. Those boaters, he added, are buying fuel, food, ice, etc., all in Gloucester. He noted that recreational boating is a \$115 billion industry a year. **Ms. Cahill** advised the four-hour tie up at the Harbormaster's waterside facility is free because the city utilized federal grant monies for its development. There was a discussion of how the water side of the facility is utilized by the Harbormaster with the Committee. All facilities were noted as still

lacking. They also need a maintenance facility, the **Harbormaster** pointed out, noting an occasion when one of the launches didn't function and how the department had to scramble to get it back into use on a busy Saturday without the aid of on-site facilities. He described briefly a separate set of facilities for transient paying boaters, and potentially could look at an increase when the facilities are finished but the amount of revenue is on the back side in tax revenue.

Councilor Cox asked if the facility will have a janitor dedicated to it, paid out of the Waterways Enterprise Fund or would the DPW be the responsible entity. **Harbormaster Ciarametaro** advised the only thing the DPW does is collect the trash. A janitorial service is paid through contract to clean the facility currently. If there are public restrooms they'll work something out with the DPW, he noted and revisit the contract.

Councilor Memhard asked about security provisions so that there is supervision at the facility once completed at all times. Harbormaster touched on some of the possible security provisions they may employ such as cameras, changing codes on locks frequently. He touched on almost \$200,000 from a punch list that must be done to the facility to fix it up along with installation of handicap accessibility. This will be an "all at once" renovation, he noted. He expressed agreement it is important that the facility must be kept clean at all times. He mentioned there is also a possible expansion of the floats for the sailing program.

Councilor Hecht asked how many square feet the building is. **Ms. Cahill** confirmed the facility is 4,824 square feet. **Mr. Dunn** pointed out that number should be divided into \$600,000 not the total \$1.6 million, as the \$1 million Seaport Economic Council grant which would offset the city's debt service when calculating a per square foot cost. **Councilor Memhard** and the **Harbormaster** spoke briefly about Wi Fi capability for the office and boaters in the inner harbor mooring field that is a closed system. He advised he would be modeling this renovation from Newburyport's recent example. **Councilor Memhard** asked about criteria for the facility to ensure community needs are met not just for transient boaters but in order to get the most from it for the community. **Ms. Cahill**, responding to a Councilor inquiry advised that because of the feasibility study there is not a need to issue an RFP for the design services because it is the same consultant who did the feasibility study, Harriman. She advised the design will be ready by November for **Councilor Cox**. When **Councilor Hecht** expressed concern for the per square foot cost of the renovations as appearing to be high by his calculation, **Ms. Cahill** pointed out that Mike Hale, Public Works Director, was consulted on the per square foot cost and while it may seem high, there were no surprises to him at the cost whatsoever. This project must pay prevailing wages, and it was pointed out that the cost for an electrician alone is \$115 per hour. It is hoped to have shovels in the ground by October 2019, she noted. Councilor Memhard asked about the kinds of green elements will be incorporated. Ms. Cahill advised that will be a big part of the discussion. **Councilor Memhard** suggested that the Fitz Henry Lane House could be incorporated into an extension of the project. **Councilor Cox** pointed out it would make a better Visitor's Center. **Councilor Hecht** urged that there be input in the design so that the facility represents Gloucester in its totality.

Patti Page, 3 Tidal Cove Way, pointed out that this is the only city controlled point of access for boaters in the harbor which is extremely important for public access for the waterfront. She suggested there was more room for more of a community center and expressed support of the project but saying she found the focus to be narrow. Saying that it is more about having accessibility for people don't have boats and advocated that a community boating center be a part of this design process and be included as a necessary part of the project. She suggested that through this design process there should be a public conversation well-advertised for a full broad outreach to ask what the community wants and needs from this city waterfront facility. She reiterated her ask for space in the building for a community boating center. The **Harbormaster** and **Ms. Cahill** briefly discussed the issues surrounding the development of a community boating center with the Committee, highlighting the primary hindrance to its development is to the costs, estimated on average of \$1 million. With 15 community programs reviewed, it was noted that all 15 were privately funded. **Ms. Cahill** asked to meet with Ms. Page to hear more of her suggestions and observations which **Councilor Cox** encouraged.

Councilor Memhard noted that Maritime Gloucester is next door to the Harbormaster's facility, and part of the design should be identifying opportunities offered there and look to collaborate and delegate to delineate programs that might complement each other and offer services. Harbormaster Ciarametaro expressed agreement. The Waterways Enterprise Fund only receives the city's boat excise tax, pointing out that he has a less than \$450,000 in annual budget. If community boating was to be explored, he pointed out they can't ask mooring holders to pay for something they aren't using at all and suggested that kind of funding would have to take on other forms of revenue. It doesn't encompass the Enterprise Fund's capability, he advised.

Councilor Cox offered her thanks to all involved for pursuing the improvement to the Harbormaster's facility and for going after grants.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, 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 One Million Six Hundred Thousand Dollars (\$1,600,000) to pay costs of improvements to the Gloucester Harbormaster facilities and establish a visiting boater center, 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, 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.

This matter will be advertised for public hearing.

4. 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. He and Mr. Dunn then submitted to the Committee through the Auditor’s report year-end Special Budgetary Transfers in order to close the books on FY18 (Special Budgetary Transfer documentation on file). There would be several more Special Budgetary Transfers taken up at the Special Budget & Finance Committee meeting on July 10, it was advised.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor Memhard, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve the following Special Budgetary Transfer (2018-SBT-17) for the purpose of funding and making whole account deficits for Fiscal Year 2018 for a total of \$457,415.00 in the following accounts:

2018-SBT-17

From				To					
Account:	0117151	511000	Con. Com., Salaries	Account:	0129651	511000	Shellfish Control, Salaries	\$	12,000.00
From				To					
Account:	0117151	511000	Con. Com., Salaries	Account:	0118151	511000	Community Development, Salaries	\$	7,500.00
From				To					
Account:	0117151	511000	Con. Com., Salaries	Account:	0124151	519011	IS, RMT Sick Leave Buyback	\$	10,800.00
From				To					
Account:	0190151	517003	Health Insurance	Account:	0192151	517004	Pension Retirement Fund	\$	116,797.00
From				To					
Account:	0115552	530028	IT, Software Services	Account:	0147052	527007	DPW - Pub Svcs, Lease - LED Lights	\$	40,000.00
From				To					
Account:	0112152	520000	Mayor, Purch. of Svcs	Account:	0147052	527007	DPW – Pub Svcs, Lease- LED Lights	\$	20,000.00
From				To					
Account:	0114552	540000	T/C, Supplies	Account:	0147052	527007	DPW - Pub Svcs, Lease - LED Lights	\$	8,030.00
From				To					
Account:	0194552	574003	Self-Insured –Property Liab.	Account:	0147052	527007	DPW - Pub Svcs, Lease - LED Lights	\$	10,000.00
From				To					
Account:	0114559	530027	T/C, Bond Issuance Cost	Account:	0190351	517008	Medicare Insurance	\$	5,000.00

Account:				Account:				
From				To				
Account:	0190151	517003	Health Insurance	Account:	0190351	517008	Medicare Insurance	\$ 18,000.00
From				To				
Account:	0115251	519008	HR, Training - Managers	Account:	0190351	517008	Medicare Insurance	\$ 16,000.00
From				To				
Account:	0161051	511000	Library, Salaries	Account:	0190351	517008	Medicare Insurance	\$ 25,000.00
From				To				
Account:	0170059	592500	Debt Svc, Interest on Notes	Account:	0190351	517008	Medicare Insurance	\$ 34,000.00
From				To				
Account:	0191051	517009	Workers Comp Settlement	Account:	0190351	517008	Medicare Insurance	\$ 18,000.00
From				To				
Account:	600052	530027	Water, Bond Issuance Cost	Account:	600059	592500	Water, Interest on Notes - BANs	\$ 20,679.00
From				To				
Account:	600052	520000	Water, Purch. of Svcs	Account:	600051	513002	Water, Overtime	\$ 9,000.00
From				To				
Account:	640052	530027	Sewer, Bond Issuance Cost	Account:	640059	592500	Sewer Debt Svc, Interest on Notes	\$ 86,609.00
								TOTAL: \$ 457,415.00

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:50 p.m.

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

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.