

Budget & Finance Committee
 Thursday, August 9, 2012 – 6:00 p.m.
 1st Fl. Council Committee Rm. – City Hall
 -Minutes

Present: Chair, Councilor McGeary; Vice Chair, Councilor Joseph Ciolino; Councilor Melissa Cox

Absent: None.

Also Present: Gregg Cademartori; Sharon DuBois; J.J. Bell; Sandra Dahl-Ronan; Mary Richardson; Jeff Towne

The meeting was called to order at 6:06 p.m. Items were taken out of order.

1. *Memorandum from CAO requesting permission to pay an invoice for K12 Insight in the amount of \$4,999*

Mr. Duggan requested that this matter be continued to the next regularly scheduled B&F meeting. The Committee assented to Mr. Duggan's request.

This matter is continued to August 23, 2012.

2. *Memorandum from Acting Community Development Director and recommendations from the Community Preservation Committee for Round 3, FY12 Funds*

OVERVIEW OF APPLICATIONS FOR FY12 ROUND 3 APPROPRIATIONS

Historic Preservation:

| | | |
|--|---|----------|
| 1. North Shore Art Association: | Window Replacement | \$15,000 |
| 2. Lane's Cove Fish Shack Building Committee | Fish Shack Restoration | \$20,000 |
| 3. Cape Ann Museum | Preservation & Digitization of Phillips & Holloran Architectural Plans | \$10,000 |
| 4. Magnolia Historical Society | Archives Manager | \$ 5,000 |
| 5. Maritime Gloucester | Restoration of Marine Railways & Mill Bldg. | \$20,300 |
| 6. Phyllis A. Marine Association, Inc. | Restoration of stanchions, planking & rail caps | \$25,415 |

Open Space:

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|-------------------------------------|---|-----------|
| 1. Friends of Good Harbor | Preservation of 70-74 Thatcher Road | \$150,000 |
| 2. Community Development Department | N. Gloucester Woods Appraiser s & Surveyors | \$15,000 |

J. J. Bell and **Sandra-Dahl-Ronan**, Co-Chairs of the Community Preservation Committee (CPC) reviewed in brief their process and a summary of above applications with the Committee (on file) for their third round. Of note, there were no housing fund applications this year. There is approximately \$260,000 to disburse. The unused housing money rolls to the next year (10% must be reserved each year as a minimum for that distribution purpose). Applicants are told that public access is an important factor for all funded projects. **Gregg Cademartori, Acting Community Development Director** also answered several questions directed to him regarding the CPA process and touched very briefly upon the City's Community Development Department's application for the North Gloucester Woods project.

It was noted by **Mr. Bell** that the CPA law was amended recently. In FY13 the State is taking \$25 million of the budget surplus to take the match to around the low \$40 million mark which will mean \$100,000 for Gloucester. And most importantly, the amendment to the CPA law will also allow for the rehabilitation of existing recreational lands (parks and ball fields). This will affect the next round of funding for the City. The bonding for City Hall was timed well for interest rate purposes. It allowed the CPC to stay within the \$250,000 debt service "envelope" and for the term of the bond to go from 16 years to 13 years which is a good savings to the City.

The Committee, after a short discussion and with direct questioning of the co-chairs of the CPC determined they would hear three Historic Preservation applicants and one Open Space applicant during their August 23, 2012 regularly scheduled meeting, and hear the second three Historic Preservation applicants and the other Open Space

applicant at the September 20, 2012 regularly scheduled meeting. Any site visits by the Committee would be arranged directly with the applicants.

This matter is continued to August 20, 2012.

3. Memorandum from Grants Administrator regarding a three-year EPA Brownfields Assessment Grant in the Amount of \$400,000

Sharon DuBois, Grants Administrator brought before the Committee from the Environmental Protection Agency (EPA) a Brownfields Assessment Grant in the amount of \$400,000 covering a three-year period. Some highlights for the Committee were:

- This is a new grant to the City which has never been given to the City before, and the City is receiving the maximum amount available to a community for funding.
- There is no cost share to it. The money can be granted to the City and private developers to assess the land. It is a first step as to what they should do with a Brownfields program. This was the maximum amount available for funding.
- There is no particular percentage for the grant funds as to how much can be used by the City and other business entities. The distributions are handled through a public process. The choices are based on whatever looks to be the most viable opportunity to move a property along.
- This grant can be offered not only to assess City properties, but can also be offered to for-profit businesses as well. However, clean up money is only available to municipalities not to private developers.
- A prioritized inventory of Brownfields in the City will be created, and the grant will also provide technical assistance to implement Phase I (*paper investigation) and Phase II (actual borings) assessments of targeted sites and required reporting. Phase III is the results of those tests and costs of clean up. The Administration is working with a licensed site professional, from a pre-approved list to do whatever phases of assessment is necessary. There is more outreach planned to property owners in the City regarding this program.
- The funds can be co-mingled. A portion of these funds will pay the salary for the Grants Administrator, and a smaller portion for the Grants Senior Bookkeeper to support activities required by the EPA Brownfields for this new assessment funding. This has been accepted as a part of the grant, and is administered by the Grants Division. "Fringe benefits" are also partially covered and were explained to be anything related to benefits for employees. When applying for grants, they have been more aggressive in project delivery/charging off more costs of employees' times and benefits to grants when making applications. There is more outreach planned to property owners in the City to make them aware regarding this program.

Gregg Cademartori, Planning Director spoke to the Administration of the grant commenting it is appropriate to attribute the staff time. They don't want a situation where there is time spent but no allocation of funds for it. Any grant coming into the City, they have to look at what the full resource is. **Councilor McGeary** asked if they are increasing staff hours to administer more grants. **Ms. DuBois** assured that she knew how to approximate the hours and to keep in mind the bookkeeper does some of this work also. HUD is aware she is working on this grant who informed her they consider this as a legitimate charge for her time (related to the CDBG grant administration). **Councilor McGeary** expressed concern for Ms. DuBois' time being more involved by adding another grant to administrate. **Ms. DuBois** assured the Councilor this is just a different fund and would not be an overwhelming situation as she dealt with a similar situation in her previous employment. **Mr. Cademartori** noted the CDBG funding has been reduced this year which will likely result in fewer projects being funded. As one grant drops off, another typically increases. **Mary Richardson**, Assistant Auditor was assured that the Auditor's Office has received the appropriate paperwork; but Ms. Richardson pointed out that this grant will be subject to an audit due to it being over \$300,000 and that all paperwork must be in order. They must submit a signed contract also.

MOTION: On motion by Councilor Ciolino, seconded by Councilor Cox, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to accept under MGL c. 44, §53A a three-year federal grant from the Environmental Protection Agency (EPA) Brownfields Division \$400,000 for Assessment of hazardous substances (\$200,000) and petroleum releases (\$200,000) covering the period of October 1, 2012 through September 30, 2015.

**4. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization
And Auditor's Report***

Mary Richardson, Assistant City Auditor reviewed her documentation with the Committee.

A motion was made, seconded and voted unanimously to adjourn the meeting at 7:10 p.m.

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

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- Actual Amount Overdrawn Report and Projected Amount Overdrawn Report dated August 9, 2012