

Budget & Finance Standing Committee
Thursday, February 23, 2023 – 5:30 p.m.
Harbormaster’s Conference Room, 19 Harbor Loop
and via Zoom
-Minutes-

Present (in person): Chair, Councilor Scott Memhard; Vice Chair, Councilor Tony Gross

Present (remotely): Councilor Jeff Worthley (arrived at 6:58 p.m.)

Also Present (in person): Mayor Greg Verga; CFO, John Dunn; Auditor, Kenny Costa; Community Development Director, Dave Fields; Sustainability Coordinator, Gemma Wilkins; Rosalie Nicastrò, Assistant Program Manager – Seniors on the Go Bus; Clerk of Committees, Sherry White

Also Present (remote): Assistant DPW Director, Mark Cole; Environmental Engineer, Dana Martin; Director of Elder Services, Elise Sinagra; Regional Prevention Director, Chelsea Goldstein-Walsh; Director of Communications and Constituent Services, Pam Tobey

Meeting called to order at 6:00 p.m.

Councilor Memhard announced, “If you are calling in on a phone, you can press Star 9 to request to speak. If you are watching on a computer or a device, there is a raised hand button that you can tap or press to request to speak. Please use either of these options to be recognized to speak.”

Councilor Memhard announced the names of the B&F Committee members in attendance (Councilors Gross, Worthley and himself), and City staff who were attending in person and via Zoom.

Matters were taken out of order; minutes reflect the order in which matters were taken.

1. Memorandum from CFO and #2023-SA-22 in the amount of \$100,000

Summary of Discussion: Mayor Verga stated that this is the first installment of at least \$200,000 that the Administration has committed to the City’s 400th celebration. He explained that any funds donated from the City are to be used solely for free, open to the public events.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council approve Supplemental Appropriation #2023-SA-22 in the amount of \$100,000 from the General Fund, Undesignated Fund Balance (“Free Cash”) to Gloucester 400th Celebration – Other Special Revenue Fund, Fund #3382, for the purpose of making funds available to the Gloucester 400th Committee.

2. Memorandum from CFO re: Gloucester Contributory Retirement System Cost of Living Adjustment (COLA)

Summary of Discussion: The CFO, John Dunn, explained that this matter is for a one-time cost-of-living adjustment (COLA) of 2% (from 3% to 5%) which applies to the first \$14,000 of retirement benefits. The Auditor, Kenny Costa, stated that the Gloucester Retirement Board voted in favor of this matter in December and that an actuary was brought in to present the impact to the pension liability. He stated that the Board felt that it was an appropriate one-time adjustment for the City’s retirees due to inflation. The CFO stated that the pension liability will be increased by \$2,809,970 and that it is approximately a \$280 increase per retiree.

Councilor Memhard summarized a communication from **Councilor Worthley** who stated that he is in favor of the one-time COLA.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council approve, a one-time additional 2% cost-of-living adjustment (COLA) pursuant to Chapter 269 of the Acts of 2022, from a maximum 3% to 5% of the COLA base.

3. Memorandum from Health Department requesting acceptance of a donation to the Massachusetts Community Health & Healthy Aging Grant in the amount of \$1,000

Summary of Discussion: The Assistant Program Manager for the Seniors on the Go Bus, Ms. Rosalie Nicastro, stated that she has twenty to thirty seniors participating on a regular basis. She provided a brief overview of the bus schedule including a mystery trip once a week, as well as grocery shopping. She explained that a bus and bus driver are rented from CATA and that the seniors are picked up and dropped off at their homes. She stated that she is extremely grateful for this donation, which came from an anonymous donor, as the Seniors on the Go bus is a grant-funded program, which will end in June. She further explained that she has been invited by the Mayor to make a proposal to hopefully continue this program.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council accept a cash donation under MGL c. 44, §53A, an anonymous donation to supplement the efforts of the Massachusetts Health & Healthy Aging Grant for a total donation amount of \$1,000.00 for the project of Cape Ann Seniors on the GO.

4. Memorandum from City Engineer requesting acceptance of a grant for the Dam, Levee and Seawall Repair and Removal Grant in the amount of \$99,000

Summary of Discussion: Ms. Dana Martin, Environmental Engineer, stated that the City has been awarded a grant for the stabilization of the soils at the Haskell Dam. She explained that there is lead contamination from the previous shooting range at the site and that the City is working with a consultant on this issue. She explained that the scope of work will include stabilization of the existing soil, removal of any contaminated soil, as well as surface restoration.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council accept a state grant under MGL c. 44, §53A, from the Executive Office of Energy and Environmental Affairs, a Dam and Seawall Repair or Removal Program Grant, in the amount of \$99,000 for the purpose of completing the necessary design work and filing of permits needed to remediate the former shooting range at the site of Haskell Pond Dam. The grant period is from January 30, 2023 through June 30, 2023, and there is no local match required.

5. Memorandum from Environmental Engineer requesting acceptance of a GAP III Grant in the amount of \$80,203.05

Summary of Discussion: Ms. Martin stated that these funds are from the Clean Energy Results Program (CERP) from the MassDEP through DOER. She stated that an analysis of the City's energy usage for some of the City's drinking water facilities was done and that two pump stations were identified (Haskell and Wallace) that needed motor replacements for the pumps. She stated that this work will also include installing variable frequency drives, which help reduce and optimize energy

efficiency for the motors, as well as the controls and programming work that would coincide with those replacements. **Councilor Memhard** stated that this is an important update to important infrastructure. **Councilor Gross** congratulated **Ms. Martin** for a well-written proposal.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council accept a state grant under MGL c. 44, §53A, a GAP III Grant for Municipal Drinking Water and/or Wastewater Facilities from the Massachusetts Department of Environmental Protection (Mass DEP) through Mass DEP's Clean Energy Results Program (CERP), with the support of the Department of Energy Resources (DOER), in the amount of \$80,203.05 for the purpose of funding two projects in an effort to improve energy efficiency measures in the City's drinking water facilities. There is a local match of \$19,084.95.

6. Memorandum from Asst. DPW Director requesting acceptance of a Mass. Dept. of Environmental Protection Recycling Dividends Grant in the amount of \$16,800

Summary of Discussion: The Assistant DPW Director, Mark Cole, stated that these funds will be used towards the new mattress and textile program. He stated that the Recycling Dividends Grant Program is based on a points system with the funds awarded being based on the number of points the City receives for various recycling efforts. He also stated that the City has maxed out what it can achieve within the points system.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council accept under MGL c. 44, §53A, a State Recycling Dividends Program grant under the Sustainable Materials Recovery Program from the Mass. Department of Environmental Protection (Mass DEP) for \$16,800 for the purpose of enhancing the City of Gloucester's waste reduction programs. The grant has no match and unused funds may be rolled over to future fiscal years.

7. Memorandum from Community Development Director requesting acceptance of Massachusetts Cultural Council Grant Awards for the Rocky Neck Cultural District in the amount of \$15,000 and the Harbortown Cultural District in the amount of \$15,000

Summary of Discussion: The Community Development Director, Mr. David Fields, stated that this grant is sponsored by the Mass Cultural Council. He explained that the funds are distributed to each cultural district for programmatic improvements through the Executive Director and their boards, if they have one, to make their programs more robust.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council accept a state grant under MGL c. 44, §53A, from the Massachusetts Cultural Council for a FY23 Cultural District Initiative Grant in the amount of \$15,000 for the purpose of supporting the Rocky Neck Cultural District and financial assistance to support personnel, marketing, artist stipends and free public transportation for summer Thursday evening cultural experiences located in the Rocky Neck Cultural District and Downtown Harbortown Cultural District. The grant period of the grant is from July 1, 2022 through June 30, 2023 and there is no local match for this grant.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council accept a state grant under MGL c. 44, §53A, from the Massachusetts Cultural Council for a FY23 Cultural District Initiative Grant in the amount

of \$15,000 for the purpose of supporting the Gloucester's Downtown Harbortown Cultural District and financial assistance to partner with the Rocky Neck Cultural District to plan and market Thursday evening cultural experiences this summer highlighting the numerous cultural assets in the Downtown Harbortown Cultural District and the Rocky Neck Cultural District. The grant period of the grant is from July 1, 2022 through June 30, 2023 and there is no local match for this grant.

8. Memorandum from Community Development Director regarding the application to the Dept. of Energy's Renew America's Schools Grant

Summary of Discussion: Mr. Fields stated that this is a grant opportunity from the Department of Energy. The Sustainability Coordinator, Ms. Gemma Wilkins, explained that the City is submitting an expression of interest to remain eligible to apply for the grant. She stated that the City is working in collaboration with the Superintendent of Schools, DPW and National Grid to scope out and identify general needs, as well as associated costs. She stated that the City's expression of interest outlined a \$10 million project at the high school that would involve electrification of the heating system, weatherization and updating the control system to be an electric system. She stated that the Department of Energy will notify the City by April as to whether or not the project meets their initial criteria; then, the City will have one month to formally apply. She stated that the City would have five years to implement the project if awarded the grant. She also explained that it is a highly competitive grant as there is only \$80 million available to the entire country.

9. Memorandum from Harbormaster requesting acceptance of a FY23 Clean Vessel Act Grant in the amount of \$11,000

Summary of Discussion: Councilor Gross stated that this is an annual grant with the funds being used for resident and transient boaters to dispose of sewage from vessel holding tanks, portable toilets and the shore side pump-out facility. He stated that the City matches in-kind with salaried employees.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council accept a federal grant under MGL c. 44, §53A, a Clean Vessel Act Pump-out Boat Grant for \$11,000 from the U.S. Department of the Interior passed through Massachusetts Division of Marine Fisheries for the purpose of servicing resident and transient boaters of the City for the disposal of sewage from vessel holding tanks, portable toilets and shore side pump-out facility. The grant period is from January 30, 2023 through December 31, 2023 and there is an in-kind match of payroll expenses.

10. Memorandum from Harbormaster and #2023-SA-15, 16, 17, 18, 19, 20, 21 totaling \$118,667

The CFO stated that these appropriations are transfers to expenditure accounts within the Waterways Enterprise Fund, and then the transfer of the balance to the stabilization account.

#2023-SA-15:

Summary of Discussion: Councilor Gross stated that this transfer is to help with training and staffing for the newly purchased second launch.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council approve Supplemental Appropriation 2023-SA-15 in the amount of \$25,000 (Twenty Five Thousand Dollars) from Waterways Enterprise Fund, Undesignated Fund Balance-Retained Earnings ("Free Cash"), Account #7000-359000 to

Waterways Enterprise Fund, Salary & Wages Temporary, Account #700051-512000, for the purpose of funding temporary wages for the second launch.

#2023-SA-16:

Summary of Discussion: Councilor Gross stated that these funds are being used for the purchase of required public landing signage as well as repairing of the dock electrical service due to storm damage.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council approve Supplemental Appropriation 2023-SA-16 in the amount of \$19,000 (Nineteen Thousand Dollars) from Waterways Enterprise Fund, Undesignated Fund Balance-Retained Earnings (“Free Cash”), Account #7000-359000 to Waterways Enterprise Fund, Purchase of Services, Account #700052-520000 for the purpose of purchasing public landing signage and repairing electrical service to the dock due to storm damage.

#2023-SA-17:

Summary of Discussion: Councilor Gross explained that these funds will be used to upgrade the electronics to the aging 23’ Parker, as well as repair of damage (and maintenance) to the cathodic pile protection that was due to storm damage.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council approve Supplemental Appropriation 2023-SA-17 in the amount of \$20,200 (Twenty Thousand Two Hundred Dollars) from Waterways Enterprise Fund, Undesignated Fund Balance-Retained Earnings (“Free Cash”), Account #7000-359000 to Waterways Enterprise Fund, Repairs and Maintenance (R&M) – Boat and Marine Maintenance, Account #700052-524037 for the purpose of repairing and upgrading the 23’ Parker electronics and hull and repair and maintenance to the cathodic pile protection.

#2023-SA-18:

Summary of Discussion: There was no additional discussion on this matter.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council approve Supplemental Appropriation 2023-SA-18 in the amount of \$5,000 (Five Thousand Dollars) from Waterways Enterprise Fund, Undesignated Fund Balance-Retained Earnings (“Free Cash”), Account #7000-359000 to Waterways Enterprise Fund, Marine Supplies, Account #700052-548008 for the purpose of purchasing marine supplies to outfit the new launch and patrol boat, including life rings, mooring lines and fenders.

#2023-SA-19:

Summary of Discussion: There was no additional discussion on this matter.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council approve Supplemental Appropriation 2023-SA-19 in the amount of \$5,000 (Five Thousand Dollars) from Waterways Enterprise Fund, Undesignated Fund Balance-Retained Earnings (“Free Cash”), Account #7000-359000 to Waterways Enterprise

Fund, Motor Gas and Oil, Account #700052-548001, for the purpose of supplementing the Waterways Motor Gas and Oil account due to the increase of gas prices.

#2023-SA-20:

Summary of Discussion: There was no additional discussion on this matter.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Worthley) absent, to recommend that the City Council approve Supplemental Appropriation 2023-SA-20 in the amount of \$2,000 (Two Thousand Dollars) from Waterways Enterprise Fund, Undesignated Fund Balance-Retained Earnings (“Free Cash”), Account #7000-359000 to Waterways Enterprise Fund, Uniforms, Account #700052-558006, for the purpose of purchasing uniforms and safety gear for new hires.

Councilor Worthley joined the meeting at 6:58 p.m.

#2023-SA-21:

Summary of Discussion: The Auditor, Kenny Costa, stated that there is currently \$105,136 in the stabilization account and that these funds will be added to the balance.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2023-SA-21 in the amount of \$42,467 (Forty Two Thousand Four Hundred Sixty Seven Dollars) from Waterways Enterprise Fund, Undesignated Fund Balance-Retained Earnings (“Free Cash”), Account #7000-359000 to Waterways General Stabilization Fund, Transfers from Enterprise Fund, Account #71504-497005, for the purpose of transferring the remaining retained earnings to the Waterways General Stabilization account.

11. Memorandum from Director of Elder Services requesting acceptance of a State Formula Grant in the amount of \$128,520

Summary of Discussion: The Director of Elder Services, Elise Sinagra, stated that this is an annual grant that is based on the Federal Census where the City is allotted \$12 per senior. Due to the increase in the grant award from previous years, she explained that there is approximately \$35,000 in “found money” in the budget. She stated that the “extra” funding will be used to backfill salary accounts that typically come out of the General Fund, as well as for improving the “Tech Room” at the Senior Center. She also stated that the City will receive this amount (\$128,520) per year for the State Formula Grant until 2030 (when the next Federal Census is done).

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A, a Massachusetts State FY2023 Council on Aging Formula Grant Allocation from the Mass. Executive Office of Elder Affairs in the amount of \$128,520. There’s no local matching requirements for the state grant and the grant period is from July 1, 2022 through June 30, 2023.

12. Memorandum from CFO and #2023-SBT-10 in the amount of \$35,000

Summary of Discussion: Ms. Sinagra explained that these funds are the “excess” from the State Formula Grant that are being transferred for improvements at the Rose Baker Senior Center.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer #2023-SBT-10 in the amount of \$35,000 from Council on Aging, Wages – Hourly Permanent, #0154151-511300, to Council on Aging, Building Improvements, Account #0154158-582003, for the purpose of building improvements at the Rose Baker Senior Center through June 30, 2023.

13. Memorandum from Veterans Services District Director requesting the acceptance of donations in the amount of \$1,446

Summary of Discussion: There was no additional discussion on this matter.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Gross, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to recommend that the City Council accept various cash donations, under MGL c. 44, §53A, to support Cape Ann Veterans Services in the amount of \$1,446 from the following members and business partners within our community:

First Parish Church Congregational	\$1,000.00
Stop and Shop	\$ 46.00
Ed Comeau	\$ 200.00
Ed Comeau	\$ 200.00

	Total: \$1,446.00.

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

Summary of Discussion: The Auditor, Kenny Costa, stated that there are 22 accounts on the Basic Overdrawn Report as compared to 17 at the prior B&F meeting.

There was a brief discussion regarding the snow and ice accounts. The Auditor, Kenny Costa, stated that due to the Municipal Modernization Act the CAO has the authority to increase the spending limit on these accounts, which is now at a spending limit of \$1.1 million.

MOTION: On a motion by Councilor Gross, seconded by Councilor Worthley, the Budget & Finance Committee voted by ROLL CALL 3 in favor, 0 opposed, to adjourn the meeting at 7:17 p.m.

Submitted by: Sherry White, Clerk of Committees

Documents submitted at the meeting: None.

Meeting Recording: <https://www.gloucester-ma.gov/1097/Past-Remote-Public-Meetings>