



Committee on Finance

December 15, 2014 – 7:00 PM - **Minutes**
Chambers of the City Council, Room 214

MEETING: COMMITTEE ON FINANCE
DATE: DECEMBER 15, 2014
TIME: 7:02 P.M.
PLACE: CITY COUNCIL CHAMBER, ROOM 214, MUNICIPAL BUILDING

PRESENT: COUNCILLORS LINDA MORAD, CHAIRPERSON; JOSEPH LOPES, VICE-CHAIRMAN; HENRY BOUSQUET; NAOMI CARNEY; DEBORA COELHO; BRIAN GOMES (7:16); STEVEN MARTINS (7:28); JAMES OLIVEIRA; DANA REBEIRO; KERRY WINTERSON

ABSENT: COUNCILLOR DAVID ALVES

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Councillor Morad called the Finance Committee Meeting to order and took attendance. The Clerk read a Communication from Councillor Alves stating he would not be in attendance due to a prior personal commitment. This Communication was received and placed on file by Councillor Lopes and seconded by Councillor Carney. Councillor Morad informed the Committee that Councillors Gomes & Martins would be late in attending this meeting.

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Notice, City Clerk of reference of a COMMUNICATION, Derek Santos, Executive Director, New Bedford Economic Development Council, to Council President Lopes and Members of the City Council, submitting TIF application and Resolution approved by the Tax Increment Financing Board for a five (5) year STA Agreement for **AMT BioProducts Corp & Shop Realty LLC**, 39 Cape Street, New Bedford, MA 02740 (Ref'd 11/25/14) was received and placed on file by Councillor Bousquet and seconded by Councillor Coelho. (1, 1a)

Derek Santos, Executive Director of New Bedford Economic Development Council gave the Committee a brief overview of the STA Agreement between the city and Bio-Products Corp., a five (5) year agreement, special task assignment, no expansion, all equipment enhancements. Investment property 600,000 will add an additional eight (8) employees over a three to four year period. This company takes fish bio-products and turns it into fertilizer. The business expansion is a fairly simple expansion and jobs will be filtered through the career center.

Councillor Lopes voice his concern as a member of the TIF Board, that the STA had a minimal number of jobs, mostly expansion, and no real investment for the city's tax base.

Mr. Santos explained that though the increase is small, that the proposal did meet the STA requirements.

Chawner Hurd, 161 County Road, Lakeville, MA, Partner of the Bio-Products, gave an overview and reviewed salary amounts for employees. He also stated they give sick time and vacation time, but do not offer health insurance. He also explained that the goal of the company is expand over the next three years; the company currently employees 11 people.

Ira Perry, 135 Rockland Street, South Dartmouth, Partner Bio-Products, gave an overview of average salaries. They offer six (6) sick days and one (1) week's vacation after one (1) year and two (2) after three (3).

Jeff Young, 47 Eldorado Place, Weehawken, NJ, Partner Bio-Products, gave an overview of the operation. He also addressed past odor concerns.

Councillor Morad expressed her concern that the hiring of local people should be more than 51% per the agreement. She suggested on local programs such as these that the NBEDC should look to increase this percentage.

Mr. Santos said they always push for 100% but have the 51% as a safety net. The TIF Board Members consist of CFO Ari Sky, Carlos Amado from the Assessor's Office, City Council President Joseph Lopes and himself.

On motion by Councillor Oliveira and seconded by Councillor Coelho, the Committee VOTED: To recommend to the City Council ADOPTION of the TIF application and Resolution approved by the Tax Increment Financing Board for a five (5) year STA Agreement for AMT BioProducts Corp & Shop Realty LLC, 39 Cape Street, New Bedford, MA 02740. This motion PASSED on a Roll Call Vote of Yeas 8, Nays 2, with Councillors Carney and Rebeiro opposed.

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Notice, City Clerk of reference of a COMMUNICATION, Mayor Mitchell, to City Council, submitting AN ORDER for the TRANSFER of \$75,231.00 from CEMETERY, SALE OF LOTS, to DEPARTMENT OF PUBLIC INFRASTRUCTURE, CHARGES and SERVICES in the amount of \$42,000.00; and DEPARTMENT OF PUBLIC INFRASTRUCTURE, CAPITAL OUTLAY in the amount of \$33,231.00 (Ref'd 11/25/14) received and placed on file by Councillor Martins and seconded by Councillor Oliveira. (2, 2a)

DPI Commissioner Ron Labelle gave an overview of the funding needed to purchase equipment and roof repairs on cemetery buildings. Equipment purchases include several 1 trucks, which will have plowing ability, and other ground maintenance equipment. The equipment purchased will be dedicated to the cemetery division.

On motion by Councillor Martins and seconded by Councillor Oliveira, the Committee VOTED: To recommend to the City Council ADOPTION of AN ORDER for the TRANSFER of \$75,231.00 from CEMETERY, SALE OF LOTS, to DEPARTMENT OF PUBLIC INFRASTRUCTURE, CAPITAL OUTLAY in the amount of \$33,231.00. This motion PASSED on a Roll Call Vote of Yeas 10, Nays 0.

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Notice, City Clerk of reference of a Related Motion, Councillor Morad, requesting that DFFM Director Kenneth Blanchard and CFO Ari Sky, provide the Committee on Finance, from what line item the funds were charged for the installation of a new roof at the Whaling City Golf Course's Club House; and further, supply the Committee Members with a detailed expenditure of the total cost of said roof installation (Ref'd 10/23/14) was received and placed on file by Councillor Martins and seconded by Councillor Lopes. (3)

DPF Commissioner Ken Blanchard gave an overview of work done to the roof at the New Bedford Country Club.

Councillor Winterson asked about the costs and who was responsible for the repairs the city of Johnson Management.

Mr. Blanchard explained the following; there was ambiguity in the contract as to who was responsible for the roof. The issue was taken to court and the finding/interpretation by Assistant Solicitor Markey said it was the city's responsibility. This interpretation extends to a 2003 court finding. The repair to the roof was put out to bid and the \$93,000.00 price was in the middle and they chose that firm to do it.

Councillor Winterson expressed concern about bathrooms etc. Mr. Blanchard said he would need to look into who would be responsible for those repairs and that the city is responsible for capital improvements. The payment for the roof came from the General fund.

Councillor Carney asked for a copy of the judgment. Mr. Blanchard said he would get it to the Committee.

Councillor Morad asked about where the funding came from. Mr. Blanchard said the 800 account was previously approved in 2014. Councillor Morad asked why the work was not done by city employees to save money. Mr. Blanchard explained specialized roof, 30 guarantees, that while the city may have been able to do it, the warranty would not be validated.

On motion by Councillor Oliveira and seconded by Councillor Martins, the Committee VOTED: To take "No Further Action" on this matter at this time. This motion passed on a voice vote.

On motion by Councillor Oliveira and seconded by Councillor Gomes, the Committee VOTED: That the Committee on Appointments & Briefings meet to discuss the golf course contract and review of detailed expenditures on the roof installation and additional works needed at the golf course. This motion passed on a voice vote.

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Notice, City Clerk of reference of a Communication, Mayor Mitchell, to City Council, submitting a LOAN ORDER, appropriating \$4,970,000.00 for the purpose of making critically-needed repairs to City-owned buildings, including, but not limited to, projects for the repair and renovation of public safety facilities, school buildings, recreational facilities and general office space (amount amended) (Ref'd 12/10/14) and a Communication/Email, Zoo Director Keith Lovett, to Councillor Linda Morad, Chairperson, Committee on Finance, Re: Capital Improvement Plan request and Master Plan (12/12/14) were received and placed on file by Councillor Bousquet and seconded by Councillor Oliveira. (4, 4a, 4b)

Ari Sky, CFO, gave an overview of the Capital Improvement Program (CIP) Loan Order in its second year in the program. A review of the CIP Critical Needs bond was reviewed.

Mark Champagne, Capital Projects Manager from DFFM, was recognized to give an overview of the status of repairs done to date. Fire Station Eight (8) repairs, Police Station generator replacements, School repairs, public restrooms at East Beach, Elephant Habitat Expansion, Elevator at Casa Da Saudade, and life safety bids (sprinkler system) for the Z.

Councillor Lopes asked Ari Sky where some items were under budget would he come to the Council to tell where the additional monies would be transferred to? The answer was yes.

Dr. Barry Rabinovich, Finance Director for New Bedford Public Schools and Al Oliveira, Facilities Manager for New Bedford Public Schools, gave an overview on the repair and update of New Bedford High School Pool. Phase one is done \$550,000 security upgrades, \$350,000 all in all the CIP will be \$900,000.

Ari Sky then gave an overview of the FY2015-2019 CIP summary.

Ron Labelle, DPI Commissioner addressed the funding requested to repair the soccer field at Riverside Park. He also spoke on road repairs and the costs involved. He provided information on the software system used to determine the degree of which streets need to be done and in what order.

Mr. Champagne gave a detailed description of the projects within the FY2015-2019 CIP.

Al Oliveira addressed the need to re-point the brick at Winslow, Congdon, Gomes and DeValles Schools and some window replacements; and they hope to recover some of the expenses though an SBA Grant but need requested funding in order to apply to the SBA.

Shara Crook-Martin, of the Zoo, gave an overview of the aquatic repairs needed and elephant habitat expansion which will go towards the accreditation of the zoo.

Commissioner Labelle reviewed the need to replace the city's salt shed.

Councillor Morad asked why the cost was so much. Mr. Labelle responded that it was the best price received for what they were looking for.

Councillor Carney asked why the city could not build a salt shed. Commissioner Labelle explained that the design to be purchased is more cost effective to fit the city's needs.

Maria Pina-Rocha, MIS Director, gave an overview of the IT improvements, the purchase of VOIP which will allow calls to be made through the computer doing away with landlines, making communication more efficient; that the savings of \$55,000 per year would pay for the money needed in four (4) years, the savings would start in 2015.

Mr. Champagne went over the deferred maintenance section of the CIP.

Dennis Farias, City Clerk, gave an overview of the need to rescue and properly store city records, which are currently in a chaotic state in the vault. They will hopefully use the services of King Information Services to provide them with suggestions on how to preserve city records.

Ari Sky wrapped up the presentation and explained the yearly debt ratio, 20-25 years on this program.

On motion by Councillor Morad and seconded by Councillor Carney, the Committee VOTED: To Amend the Loan Order to \$3,470,000 and recommend ADOPTION to the City Council as amended. This motion FAILED on a Roll Call Vote of Yeas 3, Nays 7, with Councillors Carney, Morad and Rebeiro in favor and Councillors Bousquet, Coelho, Gomes, Lopes, Martins, Oliveira and Winterson opposed.

Councillor Martins spoke against the motion because it cut into the repairs of the soccer field in his ward.

On motion by Councillor Morad and seconded by Councillor Carney, the Committee VOTED: To amend the Loan Order to \$3,970,000 and recommend ADOPTION to the City Council as amended. This motion FAILED on a Roll Call Vote of Yeas 4, Nays 6, with Councillors Bousquet, Carney, Morad and Rebeiro in favor and Councillors Coelho, Gomes, Lopes, Martins, Oliveira and Winterson opposed.

On motion by Councillor Bousquet and seconded by Councillor Oliveira, the Committee VOTED: To recommend to the City Council ADOPTION of the AMENDED LOAN ORDER, appropriating \$4,970,000.00 for the purpose of making critically-needed repairs to City-owned buildings, including, but not limited to, projects for the repair and renovation of public safety facilities, school buildings, recreational facilities and general office space. This motion PASSED on a Roll Call Vote of Yeas 7, Nays 3, with Councillors Carney, Morad and Rebeiro opposed and Councillors Bousquet, Coelho, Gomes, Lopes, Martins, Oliveira and Winterson in favor.

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Notice, City Clerk of reference of a COMMUNICATION, Mayor Mitchell, to City Council, submitting AN ORDER authorizing the City to enter into an eight (8) year lease for the purchase of a replacement Ladder Truck for the City's Fire Department (Ref'd 11/25/14) was received and placed on file by Councillor Gomes and seconded by Councillor Martins. (5, 5a)

On motion by Councillor Gomes and seconded by Councillor Martins, the Committee VOTED: To recommend to the City Council ADOPTION of AN ORDER, authorizing the City to enter into an eight (8) year lease for the purchase of a replacement Ladder Truck for the City's Fire Department. This motion passed on a voice vote.

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On motion by Councillor Oliveira and seconded by Councillor Rebeiro, the Committee VOTED: To waive the reading and follow the Chair's recommendation to take "No Further Action" on item number six (6). This motion passed on a voice vote. It was as follows:

Notice, City Clerk of reference of a Written Motion, Councillor Morad, requesting, that Paul Barton, Chairman of the Airport Commission, appear before the September meeting of the Committee on Finance to brief the Committee in detail as to the income and expenses of the Airport Enterprise Fund from the beginning of the Fiscal Year, July 01, 2014, to August 31, 2014. (Ref'd 08/21/14) (6)

Councillor Gomes made a motion to adjourn, which was seconded by Councillor Winterson.

This meeting adjourned @ 10:43 p.m.

ATTEST:

Clerk of Committees