



Committee on Finance

May 20, 2015 – 7:35 PM - **Minutes**
Chambers of the City Council, Room 214

NEW BEDFORD, MASSACHUSETTS

MEETING: COMMITTEE ON FINANCE
DATE: MAY 20, 2015
TIME: 7:35 P.M.
PLACE: CITY COUNCIL CHAMBER, ROOM 214, MUNICIPAL BUILDING

PRESENT: COUNCILLORS JOSEPH LOPES, CHAIRMAN; JAMES OLIVEIRA, VICE-CHAIRMAN; DAVID ALVES; NAOMI CARNEY; DEBORA COELHO; BRIAN GOMES; STEVEN MARTINS; LINDA MORAD; DANA REBEIRO; KERRY WINTERSON

ABSENT: COUNCILLOR HENRY BOUSQUET

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Councillor Lopes called the Finance Committee Meeting to Order and took attendance. A Communication from Councillor Bousquet was read into the record stating he would not be in attendance due to his being ill and confined to bed rest. This Communication was received and placed on file by Councillor Martins and seconded by Councillor Carney. Councillor Lopes also informed the Committee that CFO Ari Sky called to say he would be late as his daughter is being inducted in the Honor Society and Patrick Sullivan, Director of Planning, Housing & Community Development sent a Communication stating he would not be in attendance as he has a prior meeting, this Communication was received and placed on file by Councillor Morad and seconded by Councillor Winterson.

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Councillor Morad made a motion to take item number three (3) out of order, which was seconded by Councillor Alves. This motion passed on a voice vote.

Notice, City Clerk of reference of a Communication, Ronald H. Labelle, DPI Commissioner to City Council, requesting the approval of a sewer betterment extension project on Bristol Street, consisting of approximately 400 feet of 8" diameter sewer with one manhole structure and five 6" diameter sewer service extensions to the property line (Ref'd 3/26/15) and the Order, was received and placed on file by Councillor Martins and seconded by Councillor Winterson. (3, 3a)

Ron Labelle, DPI Commissioner, was present and briefed the Committee on the sewer betterment extension project on Bristol Street east of Acushnet Avenue. The discussion involved when should the homeowners pay to tie-in to the sewer. They surveyed five (5) residences on Bristol Street to see who was interested in tying into the sewer once it is finished. He explained

that by the homeowner tying into the sewer it will result in increasing the value of their home. As it stands now the cost to each homeowner will be an additional \$326 a year for twenty (20) years; should the house be sold during that time that fee transfers to the new homeowner.

Councillor Alves agrees with the extension of the pipeline proposal because of health issues, for example, if the sewers go bad he would hate to see a house sit there because of a sewer issue and not be able to be sold or lived in.

Councillor Morad said she would like to see the sewer pipes laid for the rest of Bristol Street and she would like to see an Ordinance expedited allowing the city to put the sewer in the street and assess homeowners the appropriate charge but only when a homeowner makes the decision to attach to the pipe. She explained that some homeowners do not want to be tied into the system and that there are payback issues when a homeowner is unable to pay. Times are different now people don't have disposable incomes for this type of project. She would like to see the city put the pipe in and allow people to pay for it when they are able to pay for it.

Commissioner Labelle informed the Committee that the Solicitor has the City Ordinance that was originally passed and could move to adjust the Ordinance. He believes that Attorney Jane Medeiros-Friedman is aware of the Ordinance and the changes that would likely have to be made.

Councillor Morad asked Ron Labelle if the Ordinance is changed how the city would be able to foot the bill to install the piping. Commissioner Labelle explained that they would have to do the best that they can, it's a relatively small project and they may be able to pay for it out of existing funds.

Councillor Oliveira explained that modifying the Ordinance would be the best course of action. Those who wish to tie-in will do so and those who wish not to will not. He would like to see the wording for the Ordinance at the next Ordinance Meeting if possible. He also thanked the residents that were here this evening on behalf of this issue.

On motion by Councillor Gomes and seconded Councillor Morad, the Committee VOTED: To table this matter at this time and ask the Chairman of the Ordinance Committee to hear the proposed Ordinance language at his next meeting. This motion passed on a voice vote.

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Notice, City Clerk of reference of a Written Motion, Councillor Lopes, requesting that CFO Sky and DPI Commissioner Labelle update the Committee on Finance on the cost and types of lights that were used by the City of New Bedford as part of the streetlight retrofit program (Ref'd 2/26/15, tabled 3/18/15) was removed from the table by Councillor Alves and seconded by Councillor Winterson. (1)

CFO Sky and DPI Commissioner Labelle were present to answer questions from the Committee. Commissioner Labelle updated the Committee on the cost and types of lights that were used by the City of New Bedford as part of the streetlight retrofit program. He gave an overview of the lighting program and explained that they looked at different sets and styles of lighting and ultimately chose the style currently being used.

Councillor Coelho expressed her concern that there are specific neighborhoods that are in need of an increase in wattage to protect them. She asked if the Commissioner had met with the Chief of Police to discuss those areas that required increased wattage.

Commissioner Labelle explained that they will work with the Police Department to provide the correct lighting and increase in wattage when needed. He also gave the number 508-979-1556 to report a problem with the light, by giving their address and the pole number, which would be very helpful.

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

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Councillor Lopes informed the Committee that Item Number two (2) was WITHDRAWN by the Chairman.

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Notice, City Clerk of reference of a Written Motion, Councillors Lopes, Martins, Winterson, Morad and Rebeiro, requesting that Patrick Sullivan, Director of the Office of Housing and Community Development provide the City Council with the preliminary FY2016 Community Development Block Grant Budget and allocations. (Ref'd 03/26/15) (4)

On motion by Councillor Alves and seconded by Councillor Winterson, the Committee VOTED: To table this matter at this time as Mr. Sullivan was unable to attend this meeting. This motion passed on a voice vote.

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On motion by Councillor Alves and seconded by Councillor Coelho the Committee VOTED: To take items 5, 5a, 6, 6a, 7, 7a, 8, 8a up together. This motion passed on a voice vote.

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council, submitting AN ORDER, for the transfer of \$15,000 from AIRPORT, FREE CASH to AIRPORT, SALARIES & WAGES (Ref'd 04/09/15) was received and placed on file by Councillor Alves and seconded by Councillor Coelho. (5,5a)

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council, submitting AN ORDER, for the transfer of \$50,000 from WASTEWATER, CAPITAL OUTLAY to WASTEWATER, SALARIES & WAGES (04/09/15) was received and placed on file by Councillor Alves and seconded by Councillor Coelho. (6, 6a)

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council, submitting AN ORDER, for the transfer of \$125,000 from WATER, CAPITAL OUTLAY to

WATER, SALARIES & WAGES (Ref'd 04/09/15) was received and placed on file by Councillor Alves and seconded by Councillor Coelho. (7, 7a)

Notice, City Clerk of reference of a Communication, Mayor Mitchell to City Council, submitting AN ORDER, for the transfer of \$650,000 from FREE CASH to GENERAL GOVERNMENT UNCLASSIFIED, RESERVE FOR APPROPRIATION (Ref'd 04/09/15) was received and placed on file by Councillor Alves and seconded by Councillor Coelho. (8, 8a)

The Chair recognized CFO Ari Sky to discuss these items.

Councillor Morad reviewed all the letters for these items and asked if they were all related to the AFSCME Contract. She questioned the funding for the airport and also asked if the transfer from their Capital Outlay to cover the increase on the AFSCME Contract was appropriate.

CFO Sky explained that it was not inappropriate though unprecedented.

Commissioner Labelle explained that the capital outlay account for wastewater expenses in yearly maintenance comes out of this account. However deferred work has led to the creation of a surplus that will be able to cover the AFSCME contract agreement. He went on to say that overtime exceeded the money that was available in the salary line to do sewer main breaks, water main breaks and pump station problems over this winter.

Councillor Lopes discussed item 8 and 8a; he wanted to know the total value of the contract for this fiscal year and the next.

CFO Sky explained that for fiscal 2015, \$650,000 is applicable and for fiscal year 2016, \$500,000. He explained to the Committee that AFSCME has been without a contract for the past seven (7) years.

Councillor Lopes expressed his concern about the furloughs lawsuit; he wanted to know if there was any discussion to absorb the furlough charges during contract negotiations.

CFO Sky explained the topic did come up but was not addressed especially where the Union would have wanted higher signing bonuses. He went on to tell Councillor Lopes that the Solicitor's Office feels that they will win the furlough case but in case they do not there is enough money in the stabilization fund to cover costs if there is a need to pay.

Councillor Morad asked what the interest cost was per day, as it related to the furlough lawsuit.

CFO Sky explained that it is a quarterly charge, but it is very low and he would really like to get back to her as to what the exact numbers is. He did believe that we were looking at \$1.8 million as a general liability, but that money is set aside in the stabilization fund if necessary.

On motion by Councillor Gomes and seconded by Councillor Winterson, the Committee VOTED: To recommend to the City Council ADOPTION of the ORDERS for items five (5) through eight (8a). This motion PASSED on a Roll Call Vote of Yeas 10, Nays 0.

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On motion by Councillor Alves and seconded by Councillor Winterson, the Committee VOTED: To receive and place on file and follow the recommended action on items nine (9) and ten (10) and that item ten (10) be referred to the Quasi Committee on the Whole for review when the School Department has their Budget Hearing Session. This motion passed on a voice vote. They are as follows:

Notice, City Clerk of reference of a Communication, Joseph E. Connarton, Executive Director, Public Employee Retirement Administration Commission to New Bedford Retirement Board, regarding the required Fiscal Year 2016 Appropriation of \$29,758,906.00 which commences on July 01, 2015. (Ref'd 12/18/14) (9)

Notice, City Clerk of reference of a Communication, Councillor Morad, submitting an email from a concerned New Bedford resident regarding the possible discontinuation of pay pass school buses for children who live within two miles of their school. (Ref'd 03/26/15) ***Refer to New Bedford School Committee; NBPS Business Manager Dr. Barry Rabinovitch and the Quasi Committee of the Whole.*** (10)

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On motion by Councillor Alves and seconded by Councillor Coelho, the Committee VOTED: To follow the Chair's recommendation to take "No Further Action" on items eleven (11), twelve (12) and thirteen (13). This motion passed on a voice vote. They are as follows:

Notice, City Clerk of reference of a Written Motion Council President Lopes, requesting, that CFO Ari Sky brief the New Bedford City Council on the status of the City's "other post employment benefits"; and further, that CFO Sky provide this body with any and all plans that the City is looking at to address this matter. (Ref'd 04/24/14, 9/18/14 – tabled) (11)

Notice, City Clerk of reference of a Written Motion Councillor Lopes, requesting that Interim Business Manager Dr. Barry Rabinovitch provide the members of the City Council with an update on the percentage of funds that the New Bedford School Department is expected to lose as part of Governor Baker's 1.9 million dollar reduction in Charter School reimbursement. (Ref'd 2/12/15) (12)

Notice, City Clerk of reference of a Written Motion, Councillor Lopes, requesting that Interim Business Manager Dr. Barry Rabinovitch provide the members of the City Council with an update on the percentage of funds that the New Bedford School Department is expected to lose as part of Governor Baker's reduction in Special Education Circuit-Breaker. (Ref'd 2/12/15) (13)

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

This meeting adjourned @ 8:19 p.m.

ATTEST:

Clerk of Committees