



# Committee on Finance

March 27, 2017 – 7:02 PM – **Minutes**  
Chambers of the City Council, Room 214

**MEETING:** COMMITTEE ON FINANCE  
**DATE:** MARCH 27, 2017  
**TIME:** 7:02 P.M.  
**PLACE:** CITY COUNCIL CHAMBER, ROOM 214, MUNICIPAL BUILDING

**PRESENT:** COUNCILLORS LINDA MORAD, CHAIRPERSON; JAMES OLIVEIRA, VICE CHAIRMAN; NAOMI CARNEY; DEBORA COELHO; JOSEPH LOPES; STEVEN MARTINS; DANA REBEIRO (7:15); KERRY WINTERSON

**ABSENT:** COUNCILLORS IAN ABREU; BRIAN GOMES

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Councillor Morad called the Finance Committee Meeting to order and took attendance; two Communications were read into the record explaining the absences of Councillors Abreu and Gomes. These Communications were received and placed on file by Councillor Oliveira and seconded by Councillor Winterson.

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Notice, City Clerk of reference of a COMMUNICATION, R. Renee Fernandes, City Treasurer/Collector, to Councillor Linda M. Morad, Chairperson, Committee on Finance, recommending that the Finance Committee approve the sale of the following bonds in the following amounts to the Massachusetts Clean Water Trust:

- MCWT Loan CW-13-04 - Wastewater (Wastewater and Stormwater Plan)  
\$2,095,000 (20 years; 2%);
- MCWT Loan CWP-14-19-A - Wastewater (CSO Abatement)  
\$2,681,930 (30 years; 2.4%);
- MCWT Loan DWP-14-05 - Drinking Water (Water Transmission Main)  
\$4,466,812 (20 years; 2% - \$533,188 Principal Forgiveness);
- MCWT Loan DWP-15-03 - Drinking Water (Valve Replacement)  
\$4,140,212 (20 years; 2% - \$183,580 Principal Forgiveness);

and further, to approve the Financing Agreements with respect to each loan and the execution and delivery thereof by the Treasurer was received and placed on file by Councillor Oliveira and seconded by Councillor Winterson (1)

Renee Fernandes, Treasurer/Collector was present and gave an overview of the loans to the Committee. She told the Committee that this will allow the city to permanently finance the above referenced loans. The Commonwealth is financing \$345,000,000 in loans across the State, affecting 47 Municipalities and Districts. Two of the loans are wastewater related and the other two are drinking water related and in the end this will result in financial savings for the city.

On motion by Councillor Lopes and seconded by Councillor Oliveira, the Committee VOTED: To APPROVE the sale of the bonds to the Massachusetts Clean Water Trust and to APPROVE the Financing Agreement with respect to each loan and the execution and delivery thereof by the Treasurer. This motion passed on a Roll Call Vote of Yeas 7, Nays 0.

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Notice, City Clerk of reference of a COMMUNICATION, Mayor Mitchell, to City Council, submitting a LOAN ORDER appropriating \$4,483,000.00 for the purpose of making critically needed repairs to City-owned building including, but not limited to, projects for repairs and renovations of public safety facilities, recreational facilities, general office space, and roads and infrastructure and all costs incidental and related thereto (Ref'd 1/26/17) (2/28/17-tabled) was removed from the table by Councillor Martins and seconded by Councillor Coelho. (2, 2a)

Zeb Arruda, DPI Commissioner, Ken Blanchard, DFFM Commissioner and Ari Sky, CFO were all present to answer questions from the Committee on this Loan Order.

The Committee asked that DPI look to install the complete lighting project at Buttonwood Park to light up the area where the children play football. The original amount was \$110,000, they asked the remainder of the money be found (estimated at \$250,000). The money was not allocated and the DPI Commissioner explained that they would hope to save money on other projects and funnel that money over to the lighting project to complete it, in its entirety.

Councillor Winterson told the Committee that he understood as part of the Ward funding he received, he asked that a portion of those funds go towards the lighting of the park area, including the refurbishing of the tennis courts and repair work at the Winslow School playground.

Councillor Oliveira explained the funding his ward received was to be used towards the improving the parks in the ward one area, including Pulaski Park and Pine Hill Park.

Councillor Rebeiro explained she was using her ward funding to repair streets in her ward. Councillor Lopes explained he was using his wards funding towards the Hazelwood Park Betterment Project for lighting, drainage and trees. Councillor Carney continued to express her concern that the Buttonwood lighting project would not be funded in full.

Commissioner Blanchard was questioned on the Quest Center and Brooklawn Senior Centers roofing projects. The Committee was concerned about the high costs involved in doing these projects and wanted to know there were ways to do simple repairs and mitigate the costs involved. He informed the Committee that the Quest Center roof was done in 2008 and has failed, it was not installed properly, which is why the State now dictated architectural oversight and design planning on public buildings before roofing commences. There are substantial leaks, and to patch them would only prolong the work that really needs to be done, which is the total replacement of the roof and it would not be any cheaper to do the project by putting it off.

Commissioner Blanchard was asked if he could move to increase the rents to cover the costs of the roof and he told the Committee that the rates are regulated but the occupants of the building are startup companies and rent space below market value with the hopes of becoming successful and remaining in the city.

The Quest Center roof was installed by a sub-contractor secured by Capeway Roofing, the company that won the bid. They do not believe they would be successful in going after Capeway to pay for the roof.

The Brooklawn Park roof was done 15 years ago; most of the damage is due to vandalism. However, it was installed with city employees who did a good job, but that roofing is a specialized field. The roof did not have a warranty that they fall back on. If installed properly it should have a life expectancy of 20-30 years.

Ari Sky, CFO, spoke on the structure of the CIP and explained that this plan was in place to last until 2021 and locked spending in at a fixed cost of five million per year. There are two things that may spike this figure that being the Hannigan School construction and the Public Safety Center if the city chooses to move forward on that item; and that spending should be absorbable to the annual debt we are absorbing each year.

On motion by Councillor Oliveira and seconded by Councillor Rebeiro, the Committee VOTED: To receive and place on file the Memo from CFO Sky on 3/8/17, regarding the February 28<sup>th</sup> Finance Committee Follow Up. This motion passed on a voice vote.

On motion by Councillor Morad and seconded by Councillor Lopes, the Committee VOTED: To amend the Order reducing it in the amount of \$225,000 proposed for the Shawmut Avenue Truck Shed. This motion FAILED on a Roll Call Vote of Yeas 3, Nays 5, with Councillors Carney, Morad and Rebeiro in favor.

On motion by Councillor Morad and seconded by Councillor Lopes, the Committee VOTED: To amend the Order by reducing it in the amount of \$200,000 proposed for New Bedford High School Auditorium. This motion PASSED on a Roll Call Vote of Yeas 6, Nays 2, with Councillors Coelho and Oliveira opposed.

On motion by Councillor Lopes and seconded by Councillor Rebeiro, the Committee VOTED: To amend the Order by reducing it in the amount of \$170,000 for the proposed repairs of the Cemetery Public Burial Tomb. This motion PASSED on a Roll Call Vote of Yeas 8, Nays 0.

On motion by Councillor Lopes and seconded by Councillor Rebeiro, the Committee VOTED: To amend the Order by reducing it in the amount of \$148,000 proposed for the Fire Museum repairs. This motion FAILED on a Roll Call Vote of Yeas 4, Nays 4, with Councillors Carney, Coelho, Oliveira and Winterson opposed.

On motion by Councillor Lopes and seconded by Councillor Rebeiro, the Committee VOTED: To recommend to the City Council ADOPTION of the LOAN ORDER, AS AMENDED in the amount of \$4,113,000 for the purpose of making critically needed repairs to City-owned buildings including, but not limited to, projects for repairs and renovations of public safety facilities, recreational facilities, general office space, and roads and infrastructure and all costs incidental and related thereto. This motion PASSED on a Roll Call Vote of Yeas 6, Nays 2, with Councillors Martins and Morad opposed.

Councillor Morad made a motion to adjourn, which was seconded by Councillor Rebeiro.

This meeting adjourned @ 8:01 p.m.

ATTEST:

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Denis Lawrence, Jr.,  
Clerk of Committees