

NEW BEDFORD, MASSACHUSETTS

**MEETING:** COMMITTEE ON FINANCE  
**DATE:** NOVEMBER 20, 2017  
**TIME:** 7:09 P.M.  
**PLACE:** CITY COUNCIL CHAMBER, ROOM 214, MUNICIPAL BUILDING

**PRESENT:** COUNCILLORS LINDA MORAD, CHAIRPERSON; IAN ABREU; NAOMI CARNEY; HUGH DUNN; BRIAN GOMES; JOSEPH LOPES; DANA REBEIRO (7:35)

**ABSENT:** COUNCILLORS JAMES OLIVEIRA, VICE CHAIRMAN; DEBORA COELHO; STEVEN MARTINS; KERRY WINTERSON

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Councillor Morad called the Finance Committee Meeting to order and took attendance; four Communications were read into the record explaining the absences of Councillors Coelho, Martins, Oliveira and Winterson. These Communications were received and placed on file by Councillor Gomes and seconded by Councillor Abreu. Councillor Morad also announced that Councillor Rebeiro called to say she would be late.

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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 STA Agreements and Resolutions approved by the Tax Increment Financing Board for five (5) year STA Agreements for **Oceans Fleet Fisheries, Inc. and Harborview Realty LLC, 38 Blackmer Street, New Bedford, MA 02744** and a RESOLUTION, Approving Certified Project Application and Special Tax Assessment Agreement with Oceans Fleet Fisheries, Inc. and Harborview Realty LLC (Ref'd 10/12/17) were received and placed on file by Councillor Gomes and seconded by Councillor Abreu. (1, 1a)

Derek Santos from the Economic Development Council was asked by the Chair to provide an overview of the STA for Oceans Fleet Fisheries. Mr. Santos explained that the company has plans to expand in the South Terminal area. Their total new investment will be \$1.7 million dollars and add 19 new jobs (perhaps more). He added that the STA is a standard five-year agreement, with full taxes being paid to the City in year five.

Mr. Michael Johnson of Oceans Fleet Fisheries provided the Committee with an overview of his company, stating that they have been in operation since 1996 and are looking to expand their products and services within the seafood market.

Councillor Lopes stated that Oceans Fleet is a company already employing New Bedford residents and paying good wages and added that 'this was an easy one for the TIF Board to recommend'.

Councillor Carney asked Mr. Johnson for clarification about what the 19 new jobs would entail. Mr. Johnson responded that they would be in the area of Marinated

Fish, which Oceans Fleet is looking to expand into as a result of this STA; and that the company would provide required training to the 'right' type of individuals.

In response to a question from Councillor Abreu regarding hiring New Bedford residents, Mr. Johnson also added that it is the company's preference to hire locally, stating that it is practical and beneficial for the company to have employees who live close by because it reduces issues such as absenteeism and tardiness.

On motion by Councillor Lopes and seconded by Councillor Gomes, the Committee VOTED: To recommend to the City Council ADOPTION of the RESOLUTION, Approving Certified Project Application and Special Tax Assessment Agreement with Oceans Fleet Fisheries, Inc. and Harborview Realty LLC. This motion passed on a voice vote.

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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 STA Agreements and Resolutions approved by the Tax Increment Financing Board for five (5) year STA Agreements for **Quality Custom Packing, Inc, and Saluti-St. Ours Realty, 8 South Street, New Bedford, MA 02740** and a RESOLUTION, Approving Certified Project Application and Special Tax Assessment Agreement with Quality Custom Packing, Inc. and Saluti-St. Ours Realty LLC (Ref'd 10/12/17) was received and placed on file by Councillor Gomes and seconded by Councillor Carney. (2)

Derek Santos again provided an overview of the STA, saying it is very similar to the one just voted on. Quality Custom Packing is a company located on South 6<sup>th</sup> Street and the 20,000 sq. foot warehouse will allow for an increase in production, for which they will need to add 40 new jobs. Again, the STA is a standard five-year deal with a total of \$1.4 million dollar investment, paying wages that are 30% above minimum wage rates.

Mr. St. Ours provided an overview of his company and what the STA would do for his company. He stated that his company primarily packages scallops, but will now expand into additional species, thus requiring the 40 additional employees, whom will be trained by the company.

On motion by Councillor Gomes and seconded by Councillor Lopes, the Committee VOTED: To recommend to the City Council ADOPTION of the RESOLUTION, Approving Certified Project Application and Special Tax Assessment Agreement with Quality Custom Packing, Inc. and Saluti-St. Ours Realty LLC. 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 AN ORDER authorizing the City to enter into a capital lease for the purchase of replacement vehicles assigned to the departments of Facilities and Fleet Management and Public Infrastructure (Ref'd 10/26/17) was received and placed on file by Councillor Gomes and seconded by Councillor Lopes. (3, 3a)

Ken Blanchard, Director of the Department of Facilities and Fleet Management, explained that this is a continuation of the plan, which was begun in FY16, to methodically upgrade the fleet of vehicles. At the time, the fleet was in dire straits and very old. As a result, the Capital Vehicle Program was implemented to ensure that the City could systematically and responsibly upgrade the fleet. He stated that in this round of funding, the City is acquiring the following vehicles:

- 4 Vans for Custodial Use
- 1 4X4 Plow Vehicle for the Zoo
- 1 Stake Body truck so DFFM staff can transport snow removal equipment from building to building
- 2 Cab & Chassis trucks to be used as sanders. (These sanders will NOT increase the number of sanders at the fleet's disposal, but rather will simply replace 2 existing vehicles that are extremely old.)
- 1 Packer for trash collection (again, replacing an older truck)

Ari Sky, CFO, informed the Committee that the funds are in place within the FY18 budget. Manuel Silva, Acting DPI Commissioner, added that his department is acquiring a new Backhoe, to replace an old, '97 model. Councillor Morad asked if the price tag of \$107,000 was high to him. Mr. Silva responded that that price is the going rate, and is actually the State Contract Pricing.

Councillors Morad and Gomes both asked questions related to whether the City 'traded' in vehicles or disposed of them in some way that could financially benefit the City. Mr. Blanchard responded that the City used to hold auctions and sell old vehicles for a low price - \$10 for example; and then the buyer would sell the same vehicle to the scrap yard for a much higher price - \$200 for example. As a result, the City has been going directly to the scrap yards itself in recent years.

On motion by Councillor Gomes and seconded by Councillor Abreu, the Committee VOTED: To recommend to the City Council ADOPTION of the ORDER, authorizing the City to enter into a capital lease for the purchase of replacement vehicles assigned to the departments of Facilities and Fleet Management and Public Infrastructure. This motion passed on a voice vote. Chair noted that the item would be placed on the City Council's 11/21/17 Late File Agenda.

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Notice, City Clerk of reference of a COMMUNICATION, R. Renee Fernandes, Treasurer-Collector to Councillor Linda M. Morad, Chairperson, Committee on Finance, Mass Clean Water Trust will be issuing two interim loans on behalf of the City for water and wastewater projects; these loans require approval of the finance committee (Email received 10/23/17) was received and placed on file by Councillor Abreu and seconded by Councillor Rebeiro. (4)

Renee Fernandes provided an overview of the loans, stating that the first is for a Water project for \$16 million dollars with 0% financing to make upgrades to Quitticas and the second is for a \$1 million dollar study for potential Waste Water improvements, also with 0% financing.

Manuel Silva, Acting DPI Commissioner, informed the Committee that at Quitticas, they have already begun the work of removing old oil tanks. And for the Waste Waters study, they are now putting together the required reports and are approximately three-quarters of the way complete. Councillor Morad asked whether High Hill would receive any upgrades. Mr. Silva stated that High Hill will be next on their list of projects, and that it is part of the overall \$63 million dollar plan.

On motion by Councillor Lopes and seconded by Councillor Gomes, the Committee VOTED: To APPROVE as PRESENTED. This motion passed on a Roll Call Vote of Yeas 7, Nays 0.

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Notice, City Clerk of reference of a WRITTEN MOTION, Councillors Abreu, Carney, Martins, Morad, Rebeiro and Winterson, requesting, that Airport Manager Scot Servis and Chief Financial Officer Ari Sky appear before the Committee on Finance to discuss the “reported” appointment of the Acting Assistant Manager, the salary being paid by the Airport Enterprise Fund to the Acting Assistant Manager and the specific duties that are the responsibility of the Acting Assistant Manager. (To be Referred to the Committee on Finance.) (Ref’d 9/14/17) (10/23/17-tabled) was removed from the table by Councillor Carney and seconded by Councillor Abreu. (5)

Councillor Morad asked Scot Servis, Director of the New Bedford Regional Airport, about the ‘Acting’ Assistant Manager situation. Mr. Servis responded that Mr. Michael Crane was hired, and in fact, just started work that very day as the new, official, Assistant Airport Manager, thus negating the ‘need’ for Mr. Barton to be the ‘Acting’ Assistant Manager.

Councillor Gomes asked if the former ‘Acting’ Assistant Manager did, or is receiving, any stipend or compensation. Mr. Servis responded that the only compensation Mr. Barton received was his stipend for serving as Chair of the Airport Commission.

On motion by Councillor Lopes and seconded by Councillor Gomes, the Committee VOTED: To recommend to the City Council to take “No Further Action” on the WRITTEN MOTION, Councillors Abreu, Carney, Martins, Morad, Rebeiro and Winterson, requesting, that Airport Manager Scot Servis and Chief Financial Officer Ari Sky appear before the Committee on Finance to discuss the “reported” appointment of the Acting Assistant Manager, the salary being paid by the Airport Enterprise Fund to the Acting Assistant Manager and the specific duties that are the responsibility of the Acting Assistant Manager. The 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 in the amount of \$8,538,654.00 to pay costs of the reconstruction of Runway 14-32 at the New Bedford Regional Airport including design, engineering, administrative and constructions services, and all other costs related thereto to be reduced by the amount of any State or Federal Aid received at the time of

issuance (Ref'd 10/26/17) was received and placed on file by Councillor Gomes and seconded by Councillor Abreu. (6, 6a)

Scott Servis, Director of the New Bedford Regional Airport, provided an overview of the proposed project to the members. He stated that Runway No. 14-32 will be revamped with new lights, a new safety zone, land acquisition, the addition of various new navigational aids and the removal of various trees that are deemed too high. This project, he added, will begin this winter and the anticipated completion date is September of 2018.

Councillor Rebeiro asked if the \$18 million dollar cost for the project, in his opinion, is common. Mr. Servis responded that it is within normal parameters for such a project; and added that the bid actually came in a little lower than he had expected it to. Mr. Servis stated that this is an FAA project, which means that the City will be reimbursed 90% of the cost by the FAA, with another 5% reimbursement coming from another source as well, resulting in the City's out-of-pocket costs being approximately \$450K.

Councillor Morad asked Mr. Servis to explain why, in his opinion, the existing runway has to be replaced. Mr. Servis stated that the runway is in very bad condition – especially by FAA standards. It has been there since 1943 and a new top was put on in 1973 or 75. The life expectancy for runways such as this is usually 20 years.

Councillor Morad asked Mr. Servis what his opinion is of the fact that, as a result of this project, the runway's width will be reduced to 75 feet. Servis stated that he has read and looked into the objections of those in opposition of reducing the width, but assured the Committee Members that 75 feet is quite sufficient, adding that it will in no way diminish the airport's ability to continue serving the volume of commercial jets as it currently does.

On motion by Councillor Abreu and seconded by Councillor Gomes, the Committee VOTED: To recommend to the City Council ADOPTION of the LOAN ORDER in the amount of \$8,538,654.00 to pay costs of the reconstruction of Runway 14-32 at the New Bedford Regional Airport including design, engineering, administrative and constructions services, and all other costs related thereto to be reduced by the amount of any State or Federal Aid received at the time of issuance. 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 in the amount of \$2,000,000 to fund the costs relative to the land acquisition and final design for the public safety center to serve the area currently covered by Fire Stations 6 and 11 and Police Station 2 (Ref'd 11/9/17) was received and placed on file by Councillor Lopes and seconded by Councillor Dunn. (7, 7a)

The Chair called for a Recess of two minutes to confer with Legal Counsel regarding Items 7 and 7a.

Councillor Morad asked Legal Counsel David Gerwatowski to provide an explanation and overview of his advice to her during the recess regarding Executive Session.

Attorney Gerwatowski explained that the reason to go into Executive Session on this matter would be to protect the City's interests in future negotiations when attempting to purchase land for the public safety facility. Specifically, if a potential seller of land knew that their particular parcel met the very specific needs of the City for this project, he/she could use that knowledge to put the City at a disadvantage when negotiating a final sale price. Therefore, if the Committee were to go into Executive Session, it should ONLY discuss land requirements as it relates to the building's design and needs and nothing more. General Design questions and discussion should be reserved, he added, for open session.

On motion by Councillor Lopes and seconded by Councillor Rebeiro, the Committee VOTED: to enter into Executive Session for Purpose No. 6 of MGL C. 30A, Sect. 21.

The Chair noted that the Committee would reconvene into regular session. The Committee went into Executive Session at 8:17 pm.

On motion by Councillor Gomes and seconded by Councillor Lopes, the Committee VOTED: to return to Regular Session

The Committee returned to Regular Session at 8:46 pm.

On motion by Councillor Lopes and seconded by Councillor Gomes, the Committee VOTED: To recommend to the City Council ADOPTION of the LOAN ORDER in the amount of \$2,000,000 to fund the costs relative to the land acquisition and final design for the public safety center to serve the area currently covered by Fire Stations 6 and 11 and Police Station 2. This motion passed on a voice vote.

Councillor Abreu made a motion to adjourn, which was seconded by Councillor Dunn.

This meeting adjourned @ 8:48 p.m.

ATTEST:

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Dennis W. Farias,  
City Clerk / Clerk of the City Council