

NEW BEDFORD, MASSACHUSETTS

MEETING: COMMITTEE ON FINANCE
DATE: NOVEMBER 17, 2022
TIME: 7:36 P.M.
PLACE: CITY COUNCIL CHAMBER, ROOM 214, MUNICIPAL BUILDING

PRESENT: COUNCILLORS WILLIAM BRAD MARKEY, CHAIRMAN; SCOTT LIMA, VICE CHAIRMAN; IAN ABREU; DEREK BAPTISTE (7:47); SHANE BURGO; NAOMI CARNEY; HUGH DUNN; BRIAN GOMES; LINDA MORAD; RYAN PEREIRA

ABSENT: COUNCILLOR MARIA GUESTA

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Councillor Markey called the Finance Committee Meeting to order and took attendance. The Clerk read a Communications from Councillor Giesta explaining her absence from this meeting. This Communication was received and placed on file by Councillor Burgo and seconded by Councillor Dunn.

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Items 1, 1a, 2, 2a were taken up together without objection. They are as follows:

Notice, City Clerk of reference of a COMMUNICATION, Mayor Mitchell, to City Council, submitting a LOAN ORDER in the amount of ONE HUNDRED AND FIFTY THOUSAND DOLLARS (\$150,000), to authorize the borrowing of funds to pay costs of a schematic design/feasibility study for an accelerated repair project at the Elizabeth Carter Brooks Elementary School, 212 Nemasket Street (Ref'd 11/10/2022) was received and placed on file by Councillor Lima and seconded by Councillor Baptiste. (1, 1a)

Notice, City Clerk of reference of a COMMUNICATION, Mayor Mitchell, to City Council, submitting a LOAN ORDER in the amount of ONE HUNDRED AND FIFTY THOUSAND DOLLARS (\$150,000), to authorize the borrowing of funds to pay costs of a schematic design/feasibility study for an accelerated repair project at the Ellen R. Hathaway Elementary School, 256 Court Street (Ref'd 11/10/2022) was received and placed on file by Councillor Lima and seconded by Councillor Baptiste. (2, 2a)

Andrew O'Leary, Assistant Superintendent of Finance and Operation for the New Bedford Public Schools was present and gave an overview of the two requests each for \$150,000 asking that approval of the Loan Orders be granted. He explained the first project is for the funds to pay for the schematic design feasibility study for an accelerated repair project at the Elizabeth Carter Brooks Elementary School and the same for the Ellen R. Hathaway Elementary School. He explained this is the next step of a process with the MSBA. They have approved the projects for 80% funding, and they now must complete and provide a study on the work that will be done at each school. He confirmed that the city would not have any additional exposure other than the 20% investment needed for the MSBA to pay the 80% portion.

On motion by Councillor Morad and seconded by Councillor Lima, the Committee VOTED: To recommend to the City Council APPROVAL of the LOAN ORDER in the amount of ONE HUNDRED AND FIFTY THOUSAND DOLLARS (\$150,000), to authorize the borrowing of funds to pay costs of a schematic design/feasibility study for an accelerated repair project at the Elizabeth Carter Brooks Elementary School, 212 Nemasket Street. This motion passed on a voice vote.

On motion by Councillor Morad and seconded by Councillor Lima, the Committee VOTED: To recommend to the City Council APPROVAL of the LOAN ORDER in the amount of ONE HUNDRED AND FIFTY THOUSAND DOLLARS (\$150,000), to authorize the borrowing of funds to pay costs of a schematic design/feasibility study for an accelerated repair project at the Ellen R. Hathaway Elementary School, 256 Court Street. 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 Members of the City Council, submitting STA Agreement and Resolution approved by the Tax Increment Financing Board for a five (5) year Agreement for ISLAND CREEK OYSTERS INC. AND HARBORVIEW LLC (Copies provided and distributed to all Councillors on October 6, 2022.) (Ref'd 10/13/2022) was received and placed on file by Councillor Burgo and seconded by Councillor Lima. (3, 3a)

On motion by Councillor Morad and seconded by Councillor Lima, the Committee VOTED: To receive and place on file the Conservas/Island Creek Oysters proposal. This motion passed on a voice vote.

Ramon Silva, Senior Director of Economic Development Council was present and gave the Committee a summary of the TIF proposal.

Robert Chandler, Representative of Island Creek Oysters, gave an overview of his company's oyster processing and canning plant to be moved to the city. They will be hiring local people an offering positions with full benefits. They have currently entered into a six-year lease and are asking for a five-year TIF agreement.

On motion by Councillor Morad and seconded by Councillor Carney, the Committee VOTED: To recommend to the City Council Approval of the STA Agreement and Resolution approved by the Tax Increment Financing Board for a five (5) year Agreement for ISLAND CREEK OYSTERS INC. AND HARBORVIEW LLC. This motion passed on a voice vote.

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Items 4 and 5 were taken up together without objection. They are as follows:

Notice, City Clerk of reference of a RELATED MOTION, Councillor Morad, requesting, that New Bedford Economic Development Council Executive Director Derek Santos provide to the Chairperson of the Committee on Finance the draft minutes from the June 1, 2022 Tax Increment Financing Board meeting detailing the Board's discussion regarding the proposed Special Tax Assessment (STA) agreement for Island Creek Oyster Company; and further, that said draft minutes be submitted 5 business days prior to the Committee on Finance meeting where the discussion of said STA is to be

conducted (To be Referred to the Committee on Finance and the New Bedford Economic Development Council Executive Director.) (Ref'd 10/13/2022) was received and placed on file by Councillor Morad and seconded by Councillor Burgo. (4)

Notice. City Clerk of reference of a RELATED MOTION, Councillor Morad, requesting, that New Bedford Economic Development Council Executive Director Derek Santos provide to the Chairperson of the Committee on Finance the recently revised and adopted language of the Tax Increment Finance (TIF) Program Policy and Guidelines which were to include the new Massachusetts Diversity, Equity and Inclusion (DEI) requirements (To be Referred to the Committee on Finance and the New Bedford Economic Development Council Executive Director.) (Ref'd 10/13/2022) was received and placed on file by Councillor Morad and seconded by Councillor Burgo. (5)

Ramon Silva, Senior Director of Economic Development Council was present and advised the Committee that as of June 1, 2022, the TIF Board has revised and adopted language of the Tax Increment Finance program policy and guidelines that are now included along with the new Massachusetts Diversity Equity and Inclusion Guidelines also known as DEI.

On motion by Councillor Morad and seconded by Councillor Burgo, the Committee VOTED: To recommend to the City Council to take "No Further Action" on the RELATED MOTION, Councillor Morad, requesting, that New Bedford Economic Development Council Executive Director Derek Santos provide to the Chairperson of the Committee on Finance the draft minutes from the June 1, 2022 Tax Increment Financing Board meeting detailing the Board's discussion regarding the proposed Special Tax Assessment (STA) agreement for Island Creek Oyster Company; and further, that said draft minutes be submitted 5 business days prior to the Committee on Finance meeting where the discussion of said STA is to be conducted. This motion passed on a voice vote.

On motion by Councillor Morad and seconded by Councillor Burgo, the Committee VOTED: To recommend to the City Council to take "No Further Action" on the RELATED MOTION, Councillor Morad, requesting, that New Bedford Economic Development Council Executive Director Derek Santos provide to the Chairperson of the Committee on Finance the recently revised and adopted language of the Tax Increment Finance (TIF) Program Policy and Guidelines which were to include the new Massachusetts Diversity, Equity and Inclusion (DEI) requirements. This motion passed on a voice vote.

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Notice, City Clerk of reference of a WRITTEN MOTION, Councillor Morad, requesting, that Mayor Jonathan F. Mitchell advise the Council as to why he instructed Election Commissioner Manuel DeBrito to mail November 2022 General Election postcards to registered voters in the City of New Bedford; and further, that Interim Chief Financial Officer Michael Gagne advise the Council as to where the funding for the postage for said mailing was allocated in the FY2023 budget (To be Referred to the Mayor Jonathan F. Mitchell, Chief Financial Officer Michael Gagne and the Committee on Finance.) (Ref'd 10/27/2022) was received and placed on file by Councillor Morad and seconded by Councillor Burgo. (6)

Manny DeBrito, Election Commissioner was present and provided the Committee with the events that led up to his office issuing \$14,000.00 in voter reminder post cards to voters who had not voted in the past State Election. He explained that 32,500 post cards were issued and paid for the ARPA funds. The Committee expressed their dismay that ARPA funds would be used for such a thing.

Acting CFO Mike Gagne said it was an appropriate use.

Councillors Morad and Carney expressed their concern that there are many smaller non-profits who were unable to tap into the ARPA funding for the city to spend \$14,000 to mail out post cards with the hopes of attracting voters did not seem appropriate. Especially where most political mailings are not read and end up in the trash.

On motion by Councillor Morad and seconded by Councillor Burgo, the Committee VOTED: To recommend to the City Council to take "No Further Action" on the WRITTEN MOTION, Councillor Morad, requesting, that Mayor Jonathan F. Mitchell advise the Council as to why he instructed Election Commissioner Manuel DeBrito to mail November 2022 General Election postcards to registered voters in the City of New Bedford; and further, that Interim Chief Financial Officer Michael Gagne advise the Council as to where the funding for the postage for said mailing was allocated in the FY2023 budget. This motion passed on a voice vote.

Items 7, 8, 9, and 10 were taken up together without objection. They are as follows:

Notice, City Clerk of reference of a COMMUNICATION, Councillor Morad, submitting communications from the Executive Director of the New Bedford Retirement Board regarding the vote taken by the Board to increase the COLA base from \$12,000 to \$14,000 and KMS Actuaries regarding the impact on the New Bedford Contributory Retirement System's liabilities and appropriations as a result of increasing the COLA base (To be Referred to the Committee on Finance.) (Ref'd 10/13/2022) was received and placed on file by Councillor Burgo and seconded by Councillor Morad. (7)

Notice, City Clerk of reference of a COMMUNICATION, Council President Abreu, submitting a copy of a letter from Leonard F. Baillargeon, Chairperson of the New Bedford Retirement Board regarding the Board's vote of a COLA Increase (To be Referred to the Committee on Finance.) (Ref'd 10/13/2022) was received and placed on file by Councillor Burgo and seconded by Councillor Morad. (8)

Notice, City Clerk of reference of a COMMUNICATION, Council President Abreu, submitting a Communication from Jeff Camara, President of the Retired Firefighters of New Bedford regarding their endorsement of the New Bedford Retirement Board's vote of the COLA increase (To be Referred to the Committee on Finance.) (Ref'd 10/13/2022) was received and placed on file by Councillor Burgo and seconded by Councillor Morad. (9)

Notice, City Clerk of reference of a COMMUNICATION Council President Abreu, submitting a Communication from Billy Sylvia, President, New Bedford Firefighters, Local 841, requesting support for our retirees and their families by voting in favor of the increase to the COLA base (To be Referred to the Committee on Finance.)

(Ref'd 10/13/2022) was received and placed on file by Councillor Burgo and seconded by Councillor Morad. (10)

Leonard Baillargeon, Chairperson of the New Bedford Retirement Board was present and explained that the Retirement Board voted to increase the COLA base to \$14,000 per year. This equated to a \$60.00 per retiree increase, and that the city had not had a COLA base increase since 1998 and the time had come to increase it.

Robert Ekstrom, acting in the capacity of a Consultant, and being the former City Auditor, gave a presentation of how the city was in the position to absorb such an increase.

Michael Gagne, Interim CFO, gave his rationale as well as to why now was not a good time to approve such an increase and asked that the item be tabled so that the city could come up with a plan on how to cover such an expense.

The Committee disagreed with both Mr. Ekstrom and Mr. Gagne. They took issue as when is a good time to approve such an increase. They explained that while they are looking to increase Unit C salaries, that they should, in good conscience be able to approve a COLA increase.

Councillor Morad explained that she believed that the COLA could be funded if they city had cut the empty positions that are continuously being carried over in departments year after year.

On motion by Councillor Morad and seconded by Councillor Carney, the Committee VOTED: To recommend to the City Council APPROVAL of the COLA base increase from \$12,000 to \$14,000, effective July 1, 2023, as detailed in a Communication dated 9/22/2022 from Eric Cohen, Executive Director of the New Bedford Retirement Board. This motion passed on a Roll Call Vote of Yeas 10, Nays 0.

On a Related Motion by Councillor Pereira and seconded by Councillor Burgo, the Committee VOTED: That the Administration provide the City Council with a breakdown on how they will pay for the COLA increase. This motion passed on a voice vote.

On motion by Councillor Morad and seconded by Councillor Carney, the Committee VOTED: To recommend to the City Council to take "No Further Action" on the items eight (8), nine (9), and ten (10). This motion passed on a voice vote.

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Notice, City Clerk of reference of a WRITTEN MOTION, Councillor Pereira, requesting, that the Department of Public Infrastructure Commissioner, Jamie Ponte, appear before the City Council's Committee on Finance to discuss the department's water shut-off policies and payment procedures. (Ref'd 04/28/2022) (05/19/2022 – tabled; invite Renee Fernandes next time this matter is on an agenda) (11)

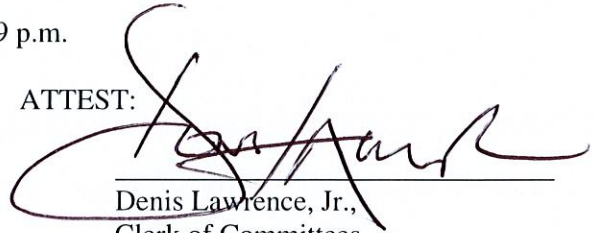
On motion by Councillor Burgo and seconded by Councillor Carney, the Committee VOTED: To follow the Chair's recommendation and waive the reading, report out to the City Council recommending they take "No Further Action" on the

WRITTEN MOTION, Councillor Pereira, requesting, that the Department of Public Infrastructure Commissioner, Jamie Ponte, appear before the City Council's Committee on Finance to discuss the department's water shut-off policies and payment procedures. This motion passed on a voice vote.

Councillor Burgo made a motion to adjourn, which was seconded by Councillor Baptiste. This motion passed on a voice vote.

This meeting adjourned @ 9:59 p.m.

ATTEST:



Denis Lawrence, Jr.,
Clerk of Committees