



CITY OF NEW BEDFORD, MASSACHUSETTS

MEETING: COMMITTEE ON FINANCE
DATE: OCTOBER 16, 2025
TIME: 7:00 P.M.
PLACE: CITY COUNCIL CHAMBER, ROOM 214

PRESENT: COUNCILLORS LINDA MORAD, CHAIR; NAOMI CARNEY; LEO CHOQUETTE; MARIA GIESTA; BRIAN GOMES; JOSEPH LOPES; RYAN PERERIA

ABSENT: COUNCILLORS IAN ABREU; DEREK BAPTISTE; SHANE BURGO; SHAWN OLIVER

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Councillor Morad called the Finance Committee meeting to order, took attendance, and explained that the meeting was being recorded and live-streamed. The Clerk read Communications into the record from Councillors Abreu, Burgo and Oliver explaining their absence. The Communications were received and placed on file by Councillor Pereira and seconded by Councillor Lopes.

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COMMUNICATION (Matter ID #1341) and AN ORDER (Matter ID #1342), submitted by Mayor Mitchell, for the TRANSFER of \$132,572.00, from POLICE PURCHASE OF SERVICES to MIS PURCHASE OF SERVICES. (Referred – August 21, 2025.)

The Chair recognized Jonathan Nunes, Assistant Director for the Information Technology Department, and Derek Belong, Assistant Deputy Chief for the Police Department.

Mr. Nunes explained that the request is to transfer funds originally placed in the Police Department budget into the MIS budget in order to cover payments for firewall protection programs. The two firewalls are used by the Police Department and City Hall. These are annual charges which MIS is responsible for paying.

Councillor Morad asked if the new firewall is in place for the Police Department. She was told that it was, and that the City Hall firewall fees are \$74,974.00 and the Police Department firewall fees are \$57,000.

On motion by Councillor Lopes and seconded by Councillor Gomes, the Committee VOTED: To recommend to the City Council ADOPTION of the ORDER, for the TRANSFER of \$132,572.00 from POLICE PURCHASE OF SERVICES to MIS PURCHASE OF SERVICES.

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COMMUNICATION (Matter ID #1253) and AN ORDER (Matter ID #1254), submitted by Mayor Mitchell, for the APPROPRIATION of \$63,662.00 from ORDINARY REVENUE AND MUNICIPAL RECEIPTS to MIS PURCHASE OF SERVICES. (Referred – July 17, 2025.)

The Chair recognized Jonathan Nunes, Assistant Director for the Information Technology Department, who explained that his Department had a budget cut at the start of the fiscal year in the amount of \$162,000. Although they have made cuts since that time, they still have a \$63,000 shortfall. The request for this amount is to cover the costs of vendor software needed to conduct City business.

Councillor Pereira asked if the IT Department was considering moving their meetings to Microsoft Teams as opposed to Zoom to be more cost effective. He was told that they were.

Councillor Morad asked Robert Ekstrom, CFO, if the City, with its vast budget, was able to come up with the \$63,000 being requested to fund the IT Department's vendor invoices. Mr. Ekstrom answered that the budget is quite lean and attempting to make cuts from existing budgets to cover others would be premature at this point in time. He added that the vendor bills are due and need to be paid. Councillor Morad reiterated her opinion that the CFO should be able to come up with the money needed to pay these vendors from within the existing approved City budget.

A motion was made by Councillor Pereria, and seconded by Councillor Gomes, to Adopt the Order before them.

On the Question, Councillor Pereira stated that he was pleased that the IT Department took steps to cover the original Council budget cuts and based on this initiative, he would support this request.

Councillor Carney echoed the statements of Councillor Morad, stating that the CFO should be able to allocate the requested funds from within the current budget and that she does not support this request.

On motion by Councillor Pereira and seconded by Councillor Gomes, the Committee VOTED: To recommend to the City Council ADOPTION of the ORDER, for the APPROPRIATION of \$63,662.00 from ORDINARY REVENUE AND MUNICIPAL RECEIPTS to MIS PURCHASE OF SERVICES. This motion FAILED on a roll call vote of Yeas 3, Nays 4. (Councillors Gomes, Lopes and Pereira IN FAVOR.) Matter remains in Committee.

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COMMUNICATION (Matter ID #1345) and AN ORDER (Matter ID #1346), submitted by Mayor Mitchell, that pursuant to the provisions of Massachusetts General Laws, Chapter 40, Section 5B, to establish a Stabilization Fund to be called **Cable Television Public Education and Government Access Stabilization Fund**. (Referred – August 21, 2025.)

The Chair recognized Robert Ekstrom, CFO, who explained that there is currently \$4.8 million in the General Fund, which MGL Chapter 40, Section 5B, requires to be allocated to the City's Cable Access program. The request, if approved, will allow the City to set up a stabilization fund called the Cable Television Public Education and Government Access Stabilization Fund. He went on to explain that creating this account will allow the funds to be moved from the general fund to the stabilization fund and allow Cable Access to use the funds on department equipment, upgrades, purchases and staffing.

James Marshall, Director of Cable Access, was recognized and explained that the revenue they receive from Comcast has declined over the years. The Department's funding is calculated based on cable television sales in New Bedford. This fund will allow the Department to keep the staff engaged and allow Cable Access to continue to provide the services they currently provide.

Councillor Gomes asked why the funds received from Comcast are lower than in the past. He was told that it is primarily because people are not using Xfinity as their television provider. More and more people are opting to secure streaming outlets to receive their television programming. Mr. Marshall went on to say that in all reality, Comcast would rather not provide television services because in the end they would have to pay less to entities like Cable Access.

Councillor Morad asked Mr. Ekstrom if these funds would be allocated to the stabilization fund if approved by Council. She was told once the fund was created, he would move to have the Council transfer the money from the general fund into the stabilization fund. He went on to say that it would require a two-third vote by the Council.

On motion by Councillor Lopes and seconded by Councillor Gomes, the Committee VOTED: To recommend to the City Council ADOPTION of the ORDER, that pursuant to the provisions of Massachusetts General Laws, Chapter 40, Section 5B, to establish a Stabilization Fund to be called **Cable Television Public Education and Government Access Stabilization Fund**.

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COMMUNICATION (Matter ID #1251) and AN ORDER (Matter ID #1252), submitted by Mayor Mitchell, for the APPROPRIATION of \$175,000.00 from ORDINARY REVENUE AND MUNICIPAL RECEIPTS to WASTE COLLECTION & DISPOSAL PURCHASE OF SERVICES. (Referred – July 17, 2025.)

The Chair recognized Robert Ekstrom, CFO, who explained that this request was being made to fund the additional charges incurred through Capital Waste, for example, bulky item pickup fees for mattresses, TVs, etc., for which the City is charged a separate fee. He added that the City currently has a projected solid waste collection budget of \$9.3 million, and during the budget process they had an original projection of \$9,184,000. The Department is projecting an end-of-year deficit of \$280,000.

Mr. Ekstrom informed the Committee that the solid waste contract is currently being prepared for an RFP, as the current contract will expire in 2026, and that they are currently using a consultant to draft the RFP.

Councillor Lopes asked if the consultant was budgeted for. Mr. Ekstrom said it was being paid for through funding within the current budget by the DPI Director. The Councillor asked if the proposed RFP would be for three or five years. Mr. Ekstrom stated that the question would be better directed to the DPI Director, who was not present at this meeting.

Councillor Morad asked if the RFP for a consultant had closed yet. Mr. Ekstrom again stated that the question would be better directed to the DPI Director.

On motion by Councillor Carney and seconded by Councillor Lopes, the Committee VOTED: To table the matter at this time.

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COMMUNICATION (Matter ID #1247) and AN ORDER (Matter ID #1248), submitted by Mayor Mitchell, for the APPROPRIATION of \$750,000.00 from ORDINARY REVENUE AND MUNICIPAL RECEIPTS to HEALTH INSURANCE PURCHASE OF SERVICES. (Referred – July 17, 2025.)

The Chair recognized Robert Ekstrom, CFO, who explained that the appropriation request is to cover healthcare expenses. The figure is based on the City's new method of calculating healthcare claims; for FY25, they were based on working rates, e.g. the number of employees who use the City's health care program. This allows for a 25% employee contribution and a 75% City contribution. The projected \$21.2 million estimate is as accurate a figure as possible. He went on to explain that the \$3 million cut during the budget process has hampered their ability to adequately fund the program. As such, Mass DOR has flagged the shortage as a possible concern within the Medial Claims Trust Fund requirements they have in place.

Councillor Carney asked what percentage the current health care account was short. She was told 12.4%. She asked if the State was asking the City to take any type of action. She was told not yet, but they are monitoring the issue to see if it is corrected.

Councillor Morad asked for the total number of claims filed to date. Mr. Ekstrom answered that they still in the process of gathering that information and would look to provide the Council with that information when his office releases the first quarter numbers next week.

José Gouveia, Personnel Director, was recognized and stated that health-related claims continue to be an uncertain component, as you never know when or how many claims will be filed.

Councillor Morad asked if the City was looking at other providers which may possibly result in lower health care costs. Mr. Gouveia replied that Blue Cross Blue Shield (BCBS) is currently the most affordable. He added that the City uses a health insurance consultant, a firm called Lockton. They review other programs and have continuously recommended that BCBS is the best financial option for the City. He went on to say that the BCBS contract is up at the end of 2025, and they will be reviewing options, but according to their consultant it appears that BCBS will once again be the best provider.

Councillor Carney asked what the cost would be to the City to seek out other health care providers. She was told there would be no cost.

Councillor Lopes asked if the City was looking at a cash-out option for employees that choose not to accept the City's insurance. He was told that the City will explore that option this year. In short, an employee would be paid a certain amount for not taking the City insurance, and for the most part that amount would make up for the increased expense incurred through their partner's insurance carrier.

On motion by Councillor Lopes and seconded by Councillor Gomes, the Committee VOTED: To recommend to the City Council ADOPTION of the ORDER, for the APPROPRIATION of \$750,000.00 from ORDINARY REVENUE AND MUNICIPAL RECEIPTS to HEALTH INSURANCE PURCHASE OF SERVICES. This motion passed on a roll call vote of Yeas 6, Nays 1. (Councillor Morad OPPOSED.)

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WRITTEN MOTION, Councillors Lopes and Morad, requesting, that Derek Santos, Executive Director of the New Bedford Economic Development Council, provide to the Committee on Finance the annual program report detailing the status of the City of New Bedford Tax Increment Financing (TIF), Special Tax Assessments (STA) and Tax Increment Exemption (TIE) activity for all active certified projects. (Matter ID #0229) (Referred – February 27, 2025.) (May 12, 2025 – tabled w/ a RELATED MOTION that the Solicitor's Office provide the Committee with an updated SOP on how TIFs/STAs will be processed based on the changes made by the Commonwealth of Massachusetts and the Office of Business Development.) (September 18, 2025 – tabled 30 days)

On motion by Councillor Lopes and seconded by Councillor Giesta, the Committee VOTED: To remove from the table.

The Chair recognized Atty. Peter Winters, Associate City Solicitor, who explained that as a result of the State restructuring the TIF program and requirements, now when a TIF is requested, the application will first be submitted to the Economic Development Council (EDC), then reviewed by the Solicitors Office; if approved by Solicitors, it will be sent to the City Council for their approval. Once finalized, the contract requirements will be monitored by the Assessor's Office.

Derek Santos, EDC Executive Director, was recognized and stated the TIF process would remain the same as it relates to the City. The only change is that the State will no longer be responsible for overseeing the process.

Councillor Pereira asked if the policy had been published yet. He was told it had not, as it has not yet been approved. Councillor Pereira asked if the EDC would reach out to the TIF applicants who are awaiting a decision, once it has been approved. He was told they would.

Councillor Morad asked who would take over the compliance duties now that the State has been removed from the process. She was told this would fall to the Assessor's Office.

Councillor Lopes expressed concern that the Committee has yet to receive a draft of the policy, even though it was requested 28 days ago. Atty. Winters stated he would send it tomorrow via email.

Councillor Pereira asked Atty. Winters if he would be able to provide a copy of the new application as well. Atty. Winters stated he would. Councillor Pereira asked that the Committee receive a copy of the compliance form, and he was told that it would be delivered by email on Monday, October 20th.

Ramon Silva, EDC Senior Director, was recognized and asked what would happen to the TIFs that were previously approved prior to this new process. He replied that any TIFs in place prior to new process will continue to be handled by the State.

On motion by Councillor Lopes and seconded by Councillor Carney, the Committee VOTED: To table the matter at this time.

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The following items were taken up together, without objection:

WRITTEN MOTION, Councillors Burgo, Giesta, Gomes, Markey, Morad and Carney, requesting that within the next 30 days, the City Auditor, City Solicitor and Interim Chief Financial Officer provide a detailed accounting of all monies spent to date from the \$250,000 appropriated by the City Council in August 2019 to retain the Boston based municipal law firm KP Law, PC to fund legal expenses in conjunction with the City's opposition to the expansion of Parallel Products; and further that in addition to said detailed accounting the City Council Committee on Finance be provided with copies of all invoices from KP Law, PC, or any other companies, reflecting itemized explanations for services provided. (Matter ID #1383) (Referred – August 18, 2022.) (October 19, 2022 – tabled 90 days)

WRITTEN MOTION, Councillors Morad and Markey, requesting that City Solicitor Mikaela McDermott, Environmental Stewardship Director Michele Paul and Chief Financial Officer Ari Sky appear before the Committee on Finance to brief the Committee on the status of outside counsel representing the City of New Bedford in the proposed Parallel Products development in the New Bedford Business Park; and further the Committee on Finance be briefed on the City's plan of action with regard to Final Environmental Impact Report that Parallel Products recently filed with the Massachusetts Secretary of Energy and Environmental Affairs. (Matter ID #0142) (Referred – January 28, 2021.) (February 10, 2021 – tabled)

The Chair stated that she would prefer not to hear these motions at this time because Neil Mello, Chief of Staff from the Mayor's Office, was asked to attend the meeting and was unable to do so. The Chair suggested the items either remain on the table or be referred to the Audit Committee.

On motion by Councillor Pereira and seconded by Councillor Choquette, the Committee VOTED: To remove the items from the table and recommend that the City Council refer the matters to the Committee on Audit at this time.

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The following items were taken up together, without objection:

COMMUNICATION, Councillor Morad, submitting the previously requested report from Josh Amaral, Director of Housing and Community Development, providing a listing of all projects funded within the Community Development Block Grant Funding Budgets for FY2021 through FY2025. (Matter ID #0740) (Referred – May 08, 2025.)

WRITTEN MOTION, Councillor Morad, requesting that Joshua Amaral, Director of Housing and Community Development, provide the Committee on Finance a complete listing of all projects funded within the Community Development Block Grant Funding Budgets for FY2021, FY2022, FY2023, FY2024 and FY2025; said listing is intended to provide the reader with a comparative overview to determine the changes in projects funded and/or the amounts granted over the five (5) year period. (To be Referred to the Committee on Finance and the Director of Housing and Community Development.) (Matter ID #0536) (Referred – April 10, 2025.)

On motion by Councillor Lopes and seconded by Councillor Pereira, the Committee VOTED: To recommend that the City Council take “**NO FURTHER ACTION**” on the matters at this time.

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Councillor Giesta made a motion to adjourn, which was seconded by Councillor Choquette.

The meeting adjourned at 9:12 p.m.

ATTEST:

Denis Lawrence, Jr.
Clerk of Committees