

5

E/W
APR 3 - 2017
ACCEPTED AND FILED
SUSPENSION

Chelsea, Massachusetts, March 27, 2017

A Regular meeting of the Chelsea City Council was held. The meeting was held at the Chelsea City Hall located at 500 Broadway Chelsea, Massachusetts 02150. The following Councilors were present: Councilor Vidot, Avellaneda, Tejada, Rodriguez, Cortell, Murphy, Lopez, Robinson, Frank, and Garcia. Councilor Recupero was absent. Council President Robinson presided over the meeting. The meeting opened at 7:00 p.m.

Prior to the start of the meeting, Chelsea Police Department Promotional and Swearing-In Ceremony was conducted. The following were promoted to Sergeants: Sergeant Joe Fern Jr., and Sergeant Tony D'Alba. New Officers were Gertjan Hysa, Angelica Guerra, Jaime Roles, Gilberto Vargas, and Nicole McLaughlin.

Public Hearings:

The Public Hearing regarding the CIP FY'18-FY'22 was opened to the public at 7:25 p.m. The following came forward to speak:

City Manager Thomas G. Ambrosino, spoke in support of the proposed C.I.P.

The public hearing closed at 7:28 p.m.

Public Speaking:

The public speaking portion of the meeting opened at 7:29 p.m.

No one came forward to speak and it closed at 7:29 p.m.

The minutes of the City Council meeting dated March 13, 2017 were approved at the request of Councilor Lopez under suspension.

Communications from City Manager:

The following communication was read from City Manager Thomas G. Ambrosino. A motion from Councilor Cortell referred the communication to the Sub-Committee on Conference under suspension.

The Honorable Chelsea City Council
Chelsea City hall
500 Broadway
Chelsea, Massachusetts 02150

Re: Recycling

Dear Councilors:

I am writing to gauge the City Council's interest in a significant expansion of the City's recycling efforts. This is in response to various Council Orders and requests that have asked me to look into such an expansion, including the possibility of purchasing large recycling barrels for all residents and adding to the program all of the City's condominium owners.

I have discussed this matter at some length with our current solid waste disposal vendor Russell Disposal. After some negotiation, Russell and I have agreed that the following proposal is the most cost effective for the City. The proposal will require a significant municipal investment, and it will have fee ramifications for our residents. So, the decision to move forward, starting in Fiscal Year 2018 with the next budget, depends upon support from this Council.

The proposal is as follows.

First, working through Russell, the City has the opportunity to purchase 7,500 64-gallon recycle bins. This should accommodate all of our residents who wish to take part in the program. Russell would both purchase the bins and be fully responsible for distribution. In general terms, we would deliver one bin per unit in the City, although some large multi-family complexes might receive something less than one per unit depending upon recycling needs. The total cost of these bins is \$305,700.00. I would propose that if the Council wishes to proceed, we pay for the bins from Free Cash and not seek to recover this one-time expense from our trash fee.

With the increase in recycling that will necessarily occur following distribution of these bins, Russell will be required to acquire another new recycling trash vehicle for the City and add the necessary attendant manpower. As a result, if we pursue this course, Russell's annual contract will increase by \$352,700, plus the inflation factor, over the current contractual rate for each of the remaining four (4) years of the Russell contract. This is a roughly 33% increase in Russell's price, but it is due entirely to the need to purchase and staff this second recycling vehicle.

There is one significant benefit to having a second recycling vehicle in the City each day. It would mean that Russell will be able to add to its pickups, with no additional cost above the \$352,700, all of the City's condominium complexes, including the ones over eight (8) units that are not currently covered by our Trash Ordinance. In this scenario, all condominium owners would get the benefit of municipal recycling and avoid the need to secure and pay for services from a private recycling vendor. Of course, these owners would now be included within our trash fee system, although that system does provide free service to owner occupied units.

In addition, for this same \$352,700 annual price, Russell will be able to expend the recycling program to our Housing Authority buildings. Currently, those buildings do not have recycling services.

Obviously there are major environmental benefits to expansion of the recycling program. Further, over time, expansion of recycling may have a cost benefit. Each additional ton of recycling typically means one less ton of solid waste disposed at RESCO. We don't pay for recycling disposal - that is part of our contract with Russell. But, in FY18, we will pay \$67.90 per ton to dispose at RESCO. So, increasing our recycling tonnage should reduce our overall solid waste disposal costs.

The downside to this program is the additional cost to our residents in the form of increased trash fees. The City's trash fee program is attended to operate on a break even basis. So, the addition of a program that will add at least \$352,700 in costs each of the next four years (which represents a more than 25% increase in our total solid waste disposal costs) over and above the annual increases already built into the Russell and RESCO contracts will require annual trash increases.

Now, by no means would I seek to recover all of these costs in the first year. I would attempt to spread the price increases over the 4 remaining years of the Russell contract. Nonetheless, I would still anticipate that, if this program is adopted, our residents can expect trash fee increases in the vicinity of 8-10% annually for the next few years.

Weighing all of these benefits and costs, I recommend that we proceed. But, this requires Council support. You will have to: (1) vote the necessary one-time Free Cash expenditure for the bins; (2) support annual budgetary increases in the DPW Solid Waste budget; (3) take ownership of the resulting trash fee increases; and (4) change the current Solid Waste Ordinance to extend recycling services to condominiums with more than (8) units. I don't want to proceed with the work necessary to bring all this to fruition without a clear indication from this Council that it would support all of these efforts.

For this reason, I await your direction. I would be happy to meet you in Sub-committee to discuss all of this in more detail if you so desire. That may be the most appropriate next step.

Yours truly,
Thomas G. Ambrosino
City Manager

The following communication was read from City Manager Thomas G. Ambrosino. A motion from Councilor Murphy to accept and file was adopted under suspension.

The Honorable Chelsea City Council
Chelsea City Hall
500 Broadway
Chelsea, Massachusetts 02150

Re: Requests for Miscellaneous Financial Orders

Dear Councilors:

I am writing to request three different financial orders necessary to resolve certain outstanding issues. Explanations follow:

Approval of Payment of Prior Year Expense:

From time to time the City is unable to effectuate payment to a vendor in the year that the good or service is provided. When that occurs, City Council approval is required to disburse payment from the current year department budget for the prior year obligation. Two prior year bills from FY16 have been identified with the Department of Health & Human Services which require payment in 2017.

HHS-Division of Veteran Services-Chelsea Dental Associates-\$3,837.00

HHS-Division of Elder Affairs-Verizon-\$595.57

Because we have sufficient funds in our FY17 Budget to cover these costs, I ask for the City Council's approval to make the payments.

Grant Approval

The City, through the Department of Health and Human Services, acts as the fiscal conduit for funds awarded to the Healthy Chelsea-Mass in Motion program by Health Resources in Action ("Health Resources"). Since the inception of the program in 2012, Health Resources has extended funds to support the Health Chelsea initiative. Similar to prior years, Council approval is necessary to accept the grant of \$40,000 for the period September, 2016 to September, 2017.

Transfer of CIP Funds between Two Previously Approved School Projects

The City seeks to repurpose funds from one completed School Dept. capital project (the ELC Roof Replacement Project) which came in under budget to another School Dept. CIP project (the ELC Boiler Project) that is currently underfunded.

The ELC Roof Replacement Project was funded in last year's CIP at \$756,000. With the exception of some punch list items which will be completed in April/May, the project is complete and came in at a price of only \$481,213. The cost savings were due to a reduced scope based upon a detailed survey that determined the School Dept. could restore (instead of replace) some roof sections.

The ELC Boiler Project (CIP FY16) has been delayed due to a bid cost that exceeds the allocation of \$150,000. An additional \$125,000 is needed for this project. Funds saved from the Roof Replacement Project will allow for the Boiler Project to proceed.

Accordingly, I ask that the City Council approve a transfer of \$125,000 from the ELC Roof Project to the ELC Boiler Project.

I have attached the three Orders necessary to accomplish each of these requests. I ask for the Council's approval.

Sincerely,
Thomas G. Ambrosino
City Manager

Second Readings:

The following communication from City Manager Thomas Ambrosino was read for the second time. A motion from Councilor Avellaneda to affirm the appointment of Tiffany Johanna Managad to the Chelsea Affordable Housing Trust Fund Board by roll call passed 10-0-1-0. Voting yes were Councilors Vidot, Avellaneda, Tejada, Rodriguez, Cortell, Murphy, Lopez, Robinson, Frank, and Garcia. Councilor Recupero was absent.

The Honorable Chelsea City Council
Chelsea City Hall
500 Broadway
Chelsea, Massachusetts 02150

Re: Appointment to Affordable Housing Trust Fund Board

Dear Councilors:

Pursuant to Section 4-2 of the Charter of the City of Chelsea, I am writing to recommend for appointment to the Chelsea Affordable Housing Trust Fund Board, Ms. Tiffany Johanna Managad, 100 Pearl Street, #8, Chelsea, to fill the unexpired term of Laura McEachern, ending on June 19, 2018. Ms. McEachern is relocating to Maine and has resigned. A copy of Ms. Managad's resume is attached.

Sincerely,
Thomas G. Ambrosino
City Manager

New Business:

The following CIP Loan Order was received late and introduced by Councilor Murphy. No objections. A motion from Councilor Murphy moved the order to a second reading under suspension.

City of Chelsea, Massachusetts
Fiscal Year 2018
Capital Improvement Program Loan Order

BE IT ORDERED: That the various capital projects and equipment purchases shown under the heading of Grant Funding on the Schedule attached hereto (the "Schedule"), and consisting of: Miscellaneous Grants (\$3,346,000) and Chapter 90 (\$596,005), for a total of \$3,942,005, shall be undertaken and financed by grants or other funds as shown on the Schedule, such grants to be expended under the direction of the City Manager and that the City Manager or his designee is hereby authorized to apply for, accept and expend any state or federal grants that are or may become available for these purposes; and

That the total sum of \$10,261,000 be and hereby is appropriated to pay the costs of various capital projects and equipment purchases, shown on the Schedule under the headings; General Obligation Bonds, (\$8,456,000); Sewer Fund Borrowing (\$1,730,000); and Water Fund Borrowing (\$75,000), including the payment of any and all design, engineering, construction and installation costs associated therewith, and for the payment of all other costs incidental and related thereto; and that the Treasurer, with the approval of the City Manager, is hereby authorized to borrow the sum of \$10,261,000 under and pursuant to Chapter 44, Sections 7 and 8, of the General Laws, as amended, Chapter 44A of the General Laws, as amended or pursuant to any other enabling authority and to issue bonds or notes of the City therefor; and

That the sum of \$420,000, be and hereby is appropriated to pay costs of water system improvements eligible for financial assistance through the Massachusetts Water Resource Authority's Local Water System Assistance Program (LWSAP), including the payment of any and all other costs incidental and related thereto; and that the Treasurer, with the approval of the City Manager, is hereby authorized to borrow the sum of \$420,000 under and pursuant to Chapter 44, Sections 7 and 8, of the General Laws, as amended, Chapter 44A of the General Laws, as amended or pursuant to any other enabling authority and to issue bonds or notes of the City therefor; and

That the sum of \$2,831,187 be and hereby is appropriated from Free Cash to pay the costs of various capital projects purchases, shown on the Schedule under the heading, Free Cash (\$2,831,187); and

That the sum of \$850,000 be and hereby is appropriated from the School Capital Stabilization to pay the costs of various capital project purchases named as the Chelsea High School Veterans Field Project and the Mary C. Burke School Complex Roof Replacement Project on the Schedule under the heading, Miscellaneous Grants, with said funds to be available upon approval of the Loan Order; and

Any premium received by the City upon the sale of any bonds or notes approved by this order, or pursuant to any other loan order of the City approved prior to the date of this order, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount, and

ORDERED: That the Treasurer is authorized to file an application with the appropriate officials of The Commonwealth of Massachusetts (the "Commonwealth") to qualify under Chapter 44A of the General Laws any and all bonds of the City authorized pursuant to this Order, and to provide such information and execute such documents as such officials of the Commonwealth may require in connection therewith.

The following Resolve was introduced by Councilor Murphy. A motion from Councilor Murphy moved the Resolve to a second reading under suspension.

Whereas, the City of Chelsea City Council has supported the community effort toward healthier eating and active living initiatives as part of the comprehensive Healthy Chelsea Project;

Whereas, Health Resources in Action – in partnership with North Shore Medical Center Partners HealthCare and North Shore Medical Center in partnership and the Department of Public Health's Mass in Motion program has awarded a grant to the Chelsea Department of Health and Human Services to provide support to this ongoing project;

Whereas, the City Council on June 17, 2013 accepted the Health Resources in Action grant in the amount of \$240,000 to the City of Chelsea, such amount provided to the City in four (4) annual installments of \$60,000 for one-year durations beginning March 1, 2012 (previously approved), March 1, 2013, March 1, 2014, and March 1, 2015; March 1, 2016, then an additional \$30,000 for period March 2, 2016 to September 29, 2016;

Whereas, Health Resources in Action has offered to again extend the funding for this program for a specified period;

Be it hereby Resolved by the City Council of the City of Chelsea, as follows:

That the City Council hereby accepts and approves the Health Resources in Action grant in the amount of \$40,000 to the City of Chelsea for the period September 30, 2016 to September 29, 2017.

The following Order was co-sponsored by Councilors Vidot, Lopez, and Recuperero. A motion from Councilor Vidot to adopt under suspension was adopted.

ORDERED, that a subcommittee of Public Works be held with Russell trash company and the DPW Director to discuss residents' concerns of garbage disposal methods and practices.

The following order was introduced by Councilor Recupero. A motion from Councilor Lopez to adopt under suspension was adopted.

Ordered, that the City Manager instruct DPW to clean the sewer at 123 Hawthorn Street.

The following order was introduced by Councilor Murphy. A motion from Councilor Murphy referred the order to a second reading under suspension.

ORDERED, that in accordance with M.G.L. Ch. 44, Section 64, budget management procedures, whereby costs incurred in FY'16 were not paid and are owed to the vendors, and to meet this obligation funds are required from the current year FY'17 budget, that Council authorizes the expenditure of \$3,837.00 from the HHS-Veterans Services, and \$595.57 from HHS-Elder Affairs Department expenditure lines to satisfy the unpaid balance from the prior years.

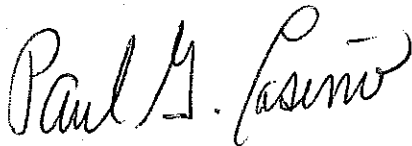
The following order was introduced by Councilor Murphy. A motion from Councilor Murphy referred the order to a second reading under suspension.

AN ORDER TRANSFERRING PROCEEDS OF A BORROWING THAT ARE NO LONGER NEEDED TO COMPLETE THE PROJECT FOR WHICH THEY ARE NO LONGER NEEDED TO COMPLETE THE PROJECT FOR WHICH THEY WERE ORIGINALLY BORROWED, TO PAY COSTS OF AN ALTERNATIVE CAPITAL PROJECT, AS AUTHORIZED BY CHAPTER 44, SECTION 20 OF THE GENERAL LAWS.

Ordered, That in accordance with Chapter 44, Section 20 of the general Laws, the sum of \$274,787.00 representing the unexpended portion of the \$756,000.00 raised under the Fiscal Year 2017 Capital Improvement Plan for the ELC Roof Replacement Project 55401708-583000 but which is no longer needed to complete that project, is hereby transferred in the amount of \$125,000.00 to the FY'16 ELC Boiler Replacement Project-Account 55401605-583000.

The meeting adjourned at 7:45 p.m.

Respectfully submitted,



Paul G. Casino
Clerk of the Chelsea City Council