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DEC 4 - 2017
SUSPENSION
ACCEPTED AND FILED

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Chelsea, Massachusetts, November 13, 2017

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

Public Hearing:

The public hearing regarding the FY'2018 Tax Rates opened at 7:08 p.m.

City Manager Thomas G. Ambrosino came forward to explain the new tax rate proposals.

The public hearing closed at 7:12 p.m.

Public speaking:

The public speaking portion of the meeting opened at 7:13 p.m.

The following came forward to speak:

Resident 37 Carrol Street, and Assistant Advisor to Explorer Post 109, spoke about the need for support for Explorer Post 109.

The public speaking portion closed at 7:15 p.m.

The minutes of the City Council meeting dated October 30, 2017 were approved at the request of Councilor Garcia under suspension.

Communications from 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: *Grant Acceptance*

Dear Councilors:

For the past several years, the City of Chelsea has been the recipient of a grant from a private entity known as Health Resources in Action. This entity collaborates with the Department of Public Health's Mass in Motion initiative to support healthier eating and active living in Chelsea. The City has utilized this grant to fund Healthy Chelsea initiatives at Mass. General Hospital.

Recently, Health Resources in Action notified the City that it was providing additional grant funds to cover the Mass in Motion programs for another year, from October 2017 through September of 2018. The total amount of the grant is \$40,000.00. Because this is a grant from a private entity, it must be formally accepted by the City Council pursuant to M.G.L. c. 44, §53A.

Accordingly, I respectfully request that the City Council vote to accept this grant. The funds will continue to be utilized to support the Healthy Chelsea initiative. Copies of the grant award letter, an anticipated budget for the grant, and the necessary Council Order are all attached.

Sincerely,
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: *Fiscal Year 2018 Tax Rates*

Dear Councilors:

In follow-up to my October 30, 2017 presentation, I have attached for your review the impact of the five options presented for the residential exemption. The options range from remaining at the current 25% to increasing the exemption to the maximum allowed 35%.

I recommend that, at its upcoming hearing on November 13, 2017, the City Council increase the residential exemption to 27.5%. In that case, and assuming adoption of the 175% commercial and industrial property tax shift, the residential tax rate will likely be \$14.17 (pending DOR approval), and the commercial rate will be approximately \$29.75. This will result in a *reduction* of the average tax bill for owner-occupied single family homes, and a modest tax increase to other owner-occupied parcels. By selecting the 27.5% residential exemption amount, the City Council will have the opportunity to spread the benefit of the 35% exemption limit over several additional fiscal years.

I have attached drafts of the appropriate Council Orders necessary to accomplish what I propose.

Sincerely,
Thomas G. Ambrosino
City Manager

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

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

Re: *Veterans Tax Work Off Proposal*

Dear Councilors:

I am writing to request that the City Council consider expanding our tax work-off program to military veterans. Currently, the tax work-off program is limited to senior residents. Favorable consideration of this proposal will require a local option acceptance of M.G.L. c. 59, §5N and approval of a new Ordinance (Section 26-3) to implement the change. Copies of both orders are attached.

The Massachusetts Legislature approved the local option to extend the tax work-off program to veterans several years ago, but the City has not yet taken advantage of this opportunity. I suggest we do so now. The program will provide a benefit to our home-owning veterans and at the same time increase the number of persons assisting our various municipal departments. The program also provides that the spouse of a veteran is entitled to take advantage of its benefits if the veteran is deceased or has a service connected disability.

Obviously, there will be some cost to the City for this program. At the proposed limit of 25 participants (same as the senior program) with a maximum statutory benefit of \$1,375 (\$125 less than the Legislature allows for seniors), the total cost if fully subscribed will be \$34,375 annually. The number will be added to our Overlay Reserve each year.

I believe this program imposes a relatively minor cost to our City in order to provide a benefit to persons who have sacrificed so much for both community and country. I urge your support.

Sincerely,
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: *Request for Approval of Union Contracts with Fire Department*

Dear Councilors:

Pursuant to Section 4-3(1) of the Chelsea City Charter, I am writing to request City Council approval for the cost items of the new collective bargaining agreements negotiated with the Fire Department Union, Local 937. This comprehensive deal encompasses four years, made up of two separate contracts: a one year deal for FY18; and then a subsequent deal for the three years of FY19-FY21. A copy of each Memorandum of Agreement is attached.

There is only one cost item to this entire deal – the annual percentage raises. Those percentages are 4% in the first three years, and then a total of 3% in the final year, of which 0.5% is effective on the last day, making it a cost item in FY22. The costs are approximately as follows:

FY18 – 4% -- \$364,600

FY19 – 4% -- \$379,100
FY20 – 4% -- \$394,300
FY21 -- 2.5% -- \$256,300
FY22 – 0.5% -- \$52,600

Obviously, these percentage increases are greater than what other unions have received and more than is currently typical for annual percentage raises. However, from the very beginning, the new Chief and I determined that, given the incredibly unfavorable language that existed in the Fire Union contract, at least from the perspective of management, we would need to pay if we wished to make substantive changes that would, in the long term, both save the City money and allow for greater managerial control. That is exactly what we accomplished by agreeing to these 4% annual increases.

There are numerous beneficial changes to the contract that are part of this agreement, all of which occur in the first year. But, four stand out in particular. First, the new Agreement eliminates entirely the concept of compensatory time in lieu of payment for working overtime. This compensation time provision was extremely problematic from the City's perspective because it allowed 3 members to be out on comp time on any given shift. Second, the Agreement reduces the number of firefighters who can take vacation on any given shift from five to four (except on Holidays, when the limit is five). In conjunction with the elimination of comp time, this reduces the total number of individuals who can be out on all but a few shifts from eight (8) down to (4), which will finally give the City the tools to control overtime. Third, it changes the 24 hour shift start time from 6:00 p.m. to 8:00 a.m., which is in line with the start time used by every other Fire Department in the Commonwealth that has the 24 hour shift. This is not a minor change. It makes it much more likely that individuals will arrive fresh for the start of work after a night of sleep rather than coming to work after being awake and active during the day and then working a full 24 hour shift. And finally, it changes both the compensation scheme and the limitations on training so as to make training more flexible and affordable for the City, a key goal of the Chief.

Please realize these were significant changes to the work environment for the Union. To achieve acceptance, the City needed to make the concessions financially attractive. The 4% raises did that. Both sides gave up a lot, and gained a lot, which is the essence of a good bargain. I strongly recommend your support. Copies of the necessary Orders approving the cost items and providing for the transfer from Salary Reserve to fund the FY18 cost are attached.

Sincerely,
Thomas G. Ambrosino
City Manager

Second Readings:

The following orders were all introduced by Councilor Murphy Chairman of the Finance and Accounts Committee. And read for the second time. A motion from Councilor Murphy to adopt all of the orders under one roll call unless there was an objection passed 11-0-0-0. Voting yes were Councillors Vidot, Avellaneda, Tejada, Rodriguez, Recupero, Cortell, Murphy, Lopez, Robinson, Frank, and Garcia.

ORDERED, that the Chelsea City Council authorize the appropriation of \$50,000.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2017 Department of Public Works – Streets and Sidewalks – Maintenance Citi-wide Account # 0142252-524600, for electrical underground wire repairs for streetlights.

ORDERED, that the Chelsea City Council authorize the appropriation of \$20,000.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2017 Department of Public Works – Streets and Sidewalks – Maintenance City-wide Account #

0142252-524600, for electrical work related to holiday light installations at select streetlight locations.

- ORDERED, that the Chelsea City Council authorize the appropriation of \$7,000.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2017 Department of Public Works – Streets and Sidewalks – Street Signs Account # 0142252-546500, for holiday decorations and installation on streetlights.
- ORDERED, that the Chelsea City Council authorize the appropriation of \$61,500.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2017 Department of Public Works – Streets and Sidewalks – Capital – Other Account # 0142258-587000, for the purchase and installation of street benches and related supplies.
- ORDERED, that the Chelsea City Council authorize the appropriation of \$155,000.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2017 Department of Public Works – Streets and Sidewalks - Trees Account # 0142252-543600, for the purchase and installation of trees and related supplies.
- ORDERED, that the Chelsea City Council authorize the appropriation of \$59,500.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2018 Capital Improvement Project, Building Improvements –City Hall, Account # 554018 58000 Capital series, for City Hall building façade repairs.
- ORDERED, that the Chelsea City Council authorize the appropriation of \$22,000.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2014 Capital Improvement Project, City Hall Marble Stair Replacement, Account # 55401404-583000.
- ORDERED, that the Chelsea City Council authorize the appropriation of \$55,000.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2017 Department of Public Works – Structures and Grounds - Building Maintenance Account # 0147052-524100, to provide supplemental funds for building maintenance operations.
- ORDERED, that the Chelsea City Council authorize the appropriation of \$10,470.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2017 Department of Public Works – Structures and Grounds - Maintenance/Grass Account # 0147052-524600, to provide supplemental funds for lawn service operations.
- ORDERED, that the Chelsea City Council authorize the appropriation of \$30,000.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2017 Department of Public Works – Structures and Grounds - Maintenance Equipment Account # 0147052-524700, to provide supplemental funds for park playground equipment replacement and fence repair services.
- ORDERED, that the Chelsea City Council authorize the appropriation of \$30,000.00 from Operating Stabilization Fund #7023 to the Fiscal Year 2017 Department of Public Works – Structures and Grounds - Repair Maintenance Supplies Account # 0147052-543000, to provide supplemental funds for general parts purchases, security and locks and guard rail replacement.

ORDERED, that in accordance with M.G.L. Ch. 44, Section 64, budget management procedures, whereby costs incurred in FY'17 were not paid and are owed to the vendors, and to meet this obligation funds are required from the current year FY'18 budget, that Council authorizes the expenditure of \$2,988.02 from the School Department expenditure lines to satisfy the unpaid balance from the prior year.

AN ORDER TRANSFERRING PROCEEDS OF A BORROWING THAT 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 \$70,864.00 representing an unexpended portion of the \$882,770.00 borrowed under the Fiscal Year 2010 Capital Improvement Plan for Fire Engine #3 Building Renovations Account 340910-582550 but which is no longer needed to complete that project, a portion of which is hereby transferred in the amount of \$25,000.00 for building improvements to the CIP FY'18 Building Interior Renovation - Central Fire Station— Account 554018-580000 Capital series; for office renovation, fit-out and furniture.

New Business:

The following ordinance proposal was introduced by Councilor Robinson. Councilor Murphy moved the proposal to a second reading under suspension.

WHEREAS, the Chelsea City Council has authority to adopt ordinances to protect the health, safety and welfare of all residents of the City of Chelsea;

WHEREAS, the City of Chelsea wishes to adopt a new Veterans Property Tax Work-off Program in order both to assist veterans facing larger property tax bills and to increase the participation of veterans in municipal government.

NOW, therefore be it Ordained, that the Revised Code of Ordinances of the City of Chelsea as amended, be further amended and adopted as follows:

AN ORDINANCE REVISING PART II CHAPTER 26 OF THE CHELSEA CODE OF ORDINANCES TO ADD A VETERANS PROPERTY TAX WORK-OFF PROGRAM

That Chapter 26 of the Code of Ordinances, City of Chelsea, Massachusetts is hereby amended by adding a new Section 26-3 which reads as follows:

Sec. 26-3 - Veterans property tax work-off program.

- (a) *Authority.* The City of Chelsea hereby accepts Massachusetts General Law Chapter 59, Section 5N, in order to authorize establishment of a program to allow veterans, as defined in clause Massachusetts General Law Chapter 4, Section 7, Clause 43, or a spouse of a veteran in the case where the veteran is deceased or has a service-connected disability, to volunteer to provide services in exchange for a reduction in the real estate property tax obligations of that veteran on the veteran's tax bills, which reduction shall be in addition to any exemption or abatement to which that person is otherwise entitled.
- (b) *Program goals.* The goals of this program are to assist veterans of the city with payment of residential property tax bills and to increase the involvement of veterans in municipal government.
- (c) *Eligibility requirements.* An applicant must meet or exceed all the following requirements in order to be eligible to participate in the program:

- (1) Must be a veteran, as defined in clause Massachusetts General Law Chapter 4, Section 7, Clause 43, or be the spouse of a veteran where the veteran is either deceased or has a service-connected disability.
 - (2) Must own and occupy the residential property for which real estate taxes are paid to the city by the applicant.
 - (3) Must be income eligible. Income limitations on eligibility shall be the same as those in place for Chelsea seniors pursuant to M.G.L. c. 59, Section 5, Clause 41D.
- (d) *Selection process.*
- (1) An applicant must meet eligibility requirements set forth in subsection (c) of this section.
 - (2) The Personnel Department shall administer the program and, working in conjunction with the Veterans Affairs Department, it shall have full discretion to assign applicants to appropriate work situations.
 - (3) The veteran's real property tax work-off program shall include no more than twenty five (25) individuals on an annual basis. In the event there are more applications than positions available, the selection shall occur by means of a public lottery.
- (e) *Reduction of real property tax bill guidelines.*
- (1) The hourly rate for services shall be set at the state's minimum wage.
 - (2) The maximum reimbursement credited to any individual during a program year shall be based upon 125 volunteer hours at the state's minimum wage, or the maximum allowed by M.G.L. Chapter 59, § 5N, whichever is greater.
 - (3) Upon completion of the hours of work service, or a fraction thereof, participants will be entitled to receive a reduction of their next real property tax bill. The Personnel Department shall maintain a record for each taxpayer including, but not limited to, the number of hours of service and the total amount by which the real property tax has been reduced and to provide a copy of that record to the assessor in order that the actual tax bill reflect the reduction of the real property taxes.
 - (4) Applicants shall be made aware that the city will issue a "W-2" form for federal income tax purposes only.

This change shall take effect as of January 1, 2018.

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

Request, that the City Council President establish a special Committee to look into how the Boston Affordable Housing Program operates.

The following order was introduced by Councilor Recupero. A motion from Councilor Recupero to adopt under suspension was adopted. Councilor Recupero also added that it be sent to the Sub-Committee on Conference and it was adopted without objection.

Request, that the City Council seek a change to the Section 5.23.4 of the Citywide Parking Regulations to limit the amount of permits issued to non-residents and businesses. This request is in response to residents having limited parking.

The following order was introduced by Councilor Murphy and all members of the City Council. A motion from Councilor Murphy to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Vidot, Avellaneda, Tejada, Rodriguez, Recupero, Cortell, Murphy, Lopez, Robinson, Frank, and Garcia.

ORDERED, that the Chelsea City Council adopt the Minimum Residential Tax Factor for Fiscal Year 2018, with a 1.75 commercial industrial and personal property (CIP) shift factor.

The following order was introduced by Councilor Murphy and all members of the City Council. A motion from Councilor Murphy to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Vidot, Avellaneda, Tejada, Rodriguez, Recupero, Cortell, Murphy, Lopez, Robinson, Frank, and Garcia.

ORDERED, that the Chelsea City Council adopt a 27.5% Residential Exemption for Fiscal Year 2018.

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

ORDERED: That the City of Chelsea accept the provisions of General Law Chapter 59, Section 5N which authorizes the City to establish a tax work-off program for veterans or for the spouse of a veteran where the veteran is deceased or has a service-connected disability, and that the City adjust the exemption by allowing the maximum reduction of the real property tax bill to be based on 125 volunteer hours at the minimum wage as opposed to \$1,000.

The following order was introduced by Councilor Murphy. A motion from Councilor Murphy moved the order to a second reading under suspension. Councilor Avellaneda recused himself from participating on the order and left the chambers.

ORDERED, that pursuant to Section 4-3(l) of the Chelsea City Charter, the Chelsea City Council approve the cost items set forth in the collective bargaining agreements negotiated with the Chelsea Fire Department Union, Local 937 memorialized in the one year Memorandum of Agreement for Fiscal Year 2018 executed on Oct. 27, 2017 and the three year Memorandum of Agreement for Fiscal Years 2019-2021 executed on Oct. 27, 2017.

The following order was introduced by Councilor Robinson. A motion from Councilor Murphy moved the order to a second reading under suspension. Councilor Avellaneda recused himself from participating on the order and left the chambers.

ORDERED, that, to fund the collective bargaining agreement negotiated with the Chelsea Fire Department Union, Local 937 for Fiscal Year 2018, the Chelsea City Council authorized the transfer of \$364,600 for the Salary Reserve Account #0199959-598000 to the FY 2018 Fire Department Salaries Account 0122051-510200.

The following order was introduced by Councilor Murphy. A motion from Councilor Murphy moved the order 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 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, 2012 through March, 2015; and \$70,000 from March, 2016 through September, 2017;

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 October 1, 2017 to September 29, 2018.

Councilor Frank objected to two late orders being read and they will come up at the next regular meeting.

The meeting adjourned at 7:50 p.m.

Respectfully submitted,



Paul G. Casino
Clerk of the Chelsea City Council