

ACCEPTED AND FILED
SUSPENSION

J/G

Chelsea, Massachusetts May 28, 2019

A Special 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: Councilors Vidot, Lopez, Brown, Robinson, Bishop, and Recuperero. Absent were Councilors Garcia, Avellaneda, Rodriguez, Perlatonda, and Tejada. President of the City Councilor Vidot presided over the meeting. The meeting opened at 6:00 p.m.

The following communication was read from City Clerk Jeannine Cintron White. A motion from Councilor Robinson to accept and file was adopted under suspension.

Honorable Chelsea City Council and School Committee
City Hall 500 Broadway
Chelsea, MA 02150

Dear Honorable Council Members:

Please be advised that Damali Vidot, President of the Chelsea City Council has called for a Special Meeting of the Chelsea City Council for Tuesday, May 28, 2019 at 6:00 p.m. in the City Council Chambers, 500 Broadway, Chelsea MA to address the following topics:

- Salute to the Flag
- Roll Call of Members
- All matters pertaining to the Capital Improvement Plan FY20-Fy24.

Sincerely yours,
Jeannette Cintron White
City Clerk

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

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

Re: Revised Order for Capital Improvement Plan FY20-FY24

Dear Councilors:

Enclosed you will find a revised Order for implementation of the proposed Capital Improvement Plan for Fiscal Years 2020-2024.

There are three changes to this Order.

First we have adjusted the Free Cash number, and added a new provision on Retained Earnings, to clarify that the requested \$300,000 for the Municipal Water Meter Project #11 to purchase new water meters will be paid from Retained Earnings in the Enterprise Systems, not Free Cash. This is part of our multi-year effort to replace aging meters in the City.

Second, we have adjusted the borrowing costs for the water and sewer utility work associated with the Upper Broadway Project #45. The sewer costs for that project are reduced from \$4,000,000 to \$3,000,000 to be financed through the MWRA Infill and Infiltration Project (25% Loan, 75% Grant). But the water utility costs have increased from \$2,000,000 to \$2,450,000, to be financed through a combination of MWRA water debt and City water debt.

Finally, we have changed the funding source for the Mary C. Burke Elementary School Roof and Envelope Repair Project #6 from the School Stabilization Fund to Free Cash. This project cost is \$825,000. The total amount of requested Free Cash for use with the FY20 CIP is now \$4,765,459.

I respectfully request that you adopt this Order for the FY20-FY24 CIP.

Sincerely,
Thomas G. Ambrosino
City Manager

The following Resolution was adopted on roll call 6-0-5-0. Voting yes were Councilors Vidot, Lopez, Brown, Robinson, Bishop, and Recupero. Absent were Councilors Garcia, Avellaneda, Rodriguez, Perlatonda, and Tejada.

- WHEREAS,** The City Charter requires the annual adoption of a five year Capital Improvement Program; and
- WHEREAS,** A Capital Improvement Program is an integral component of the City's financial planning and a cornerstone for our quality of life, both of which foster the economic development necessary to expand our tax base and sustain the life of the community; and
- WHEREAS,** A Capital Improvement Program is necessary for the maintenance and improvement of the City's infrastructure, possible only in conjunction with long term financial planning; and
- WHEREAS,** A Capital Improvement Program reduces on-going maintenance costs and the high cost of emergency repair work; and
- WHEREAS,** In this year, 2019, We, the City Council of the City of Chelsea, have now before us the twenty-second such capital improvement program, and hereby accept the submission of this capital improvements program as provided for in Section 5-4 of the City Charter, no other requirements being provided by ordinance; and

WHEREAS, Adoption of the Capital Improvement Program prior to submission of the operating budget assists the City Manager in carrying out his duties, as the impact of the capital budget expenditures for the on-coming fiscal year are reflected in the annual operating budget; and

WHEREAS, This Capital Improvements Program for fiscal years 2020-2024, includes projects for the maintenance and improvement of the City roadways, water, sewer and drainage systems, roadways and sidewalks, transportation, public buildings and facilities, parks and open space, public safety projects, and general equipment; and

WHEREAS, In accordance with section 5-4 C of the City Charter a public hearing was held on May 6, 2019, prior public notice having been properly given.

NOW THEREFORE,

BE IT RESOLVED, The City Council having reviewed the Chelsea's Capital Improvement Program, 2020-2024, recognizes the hard work and continuing effort put into this document by City Officials, and does hereby adopt this Program.

The CIP was removed from Conference by Councilor Robinson under suspension. The first amendment offered by Councilor Robinson was adopted 6-0-5-0. Voting yes on amendment #1 were Councilors Vidot, Lopez, Brown, Robinson, Bishop, and Recupero. Absent were Councilors Garcia, Avellaneda, Rodriguez, Perlatonda, and Tejada. The second amendment offered by Councilor Brown was adopted 6-0-5-0. Voting yes on #2 were Councilors Vidot, Lopez, Brown, Robinson, Bishop, and Recupero. Absent were Councilors Garcia, Avellaneda, Rodriguez, Perlatonda, and Tejada. The third amendment offered by Councilor Robinson was defeated 0-6-5-0. Voting no on #3 were Councilors Vidot, Lopez, Brown, Robinson, Bishop, and Recupero. Absent were Councilors Garcia, Avellaneda, Rodriguez, Perlatonda, and Tejada. The vote on the actual Loan Order was delayed until the next regular meeting to be held on June 3, 2019.

**City of Chelsea, Massachusetts
Fiscal Year 2020
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 (\$1,360,000), MWRA Sewer Grant (\$2,250,000) and Chapter 90 (\$596,000), for a total of \$4,206,000, 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 \$3,365,000 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, (\$1,165,000); Sewer Fund Borrowing (\$550,000), and Water Fund Borrowing (\$1,650,000) 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 \$3,365,000 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 \$2,000,000, 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 \$2,000,000 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 \$750,000, be and hereby is appropriated to pay costs of sewer system improvements eligible for financial assistance through the Massachusetts Water Resource Authority's Community Infiltration/Inflow Local Financial Assistance Program, 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 \$750,000 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 \$4,765,459 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; and

That the sum of \$150,000 be and hereby is appropriated from Retained Earnings in the Water Enterprise Fund to pay the costs of the municipal water replacement project, shown on the Schedule under the heading, Free Cash; and

That the sum of \$150,000 be and hereby is appropriated from Retained Earnings in the Sewer Enterprise Fund to pay the costs of the municipal sewer replacement project, shown on the Schedule under the heading, Free Cash; and

That the sum of \$2,350,000 be and hereby is appropriated from School Stabilization to pay the costs of two projects named as the Williams School Roof and Envelope Repairs Project and the MCB School Playground Project shown on the Schedule under the heading, School Stabilization, with said funds for the school projects to be available upon approval of the Loan Order; 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. Any premium received upon the sale of any bonds or notes approved by this Loan 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 Loan Order 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.

#1 amendment: (adopted) Relative to the FY'20 Capital Improvement Plan, Delete Project #40, Master Plan, \$450,000.

#2 amendment: (adopted) Project #45, Upper Broadway Water and Sewer Replacement

Decrease Sewer Utility Borrowing from \$4,000,000 to \$3,000,000 and change financing source to MMRA Infill and Infiltration Program (25% Loan 75% Grant).

Increase Water Utility Borrowing from \$2,000,000 to \$2,450,000 and change financing source to a combination of MWRA Water Debt and City Water Debt.

Project #11, Municipal Water Meter Project-\$300,000

Change financing source to Enterprise Retained Earnings from Free Cash

Water Enterprise Retained Earnings-\$150,000.

Sewer Enterprise Earnings-\$150,000.

Project #6, Mary C. Burke Elementary School Roof and Envelope Repair (Phase 2)-\$825,000

Change financing source to Free Cash from School Stabilization.

Amendment #3 (Defeated) Relative to the FY'20 Capital Improvement Plan, Reduce Project #21, Annual Park Project, by \$175,000.

The meeting adjourned at 6:20 p.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Paul G. Casino". The signature is written in a cursive, flowing style.

Paul G Casino
Clerk of the Chelsea City Council