

## FINANCE COMMITTEE MINUTES

The Standing Committee on Finance will meet on **Monday, October 15, 2018 at 7:00 PM** at the **Brockton High School in the *George M. Romm Little Theater, 470 Forest Ave.***, to consider the following with Councilor Sullivan presiding. Nine members present, Councilor Eaniri and Councilor Asack absent.

1. **APPOINTMENT:** of Sandra Knight as the Human Resources Director of the City of Brockton.  
In accordance with the provisions of section 2-131 of the Revised Ordinances, with approval of the City Council the authority to hire Ms. Knight at the top step of the present rate of ordinance salary for the title Director of Personnel; said rate is currently \$104,430. There are sufficient funds in the department's budget to support this action.

The Revised Ordinances do not currently contain a salary structure for the title "Director of Human Resources" which would reflect the level of duties and responsibilities now placed on the position. By separate communication, the Mayor filed an ordinance request to establish that salary.

Comments by Councilor Beauregard

(Congratulations. Making history, we have never had a Human Resources Director before. Looking forward to meeting with you to find out more; some people work really hard defining people's positions and reflect their title responsibility and contributions.)

Comments by Councilor Nicasastro

(Did not have the opportunity to see your Resume or Curriculum Vitae, have you been a Human Resources director before?)

Comments by Sandra Knight

(Yes, I am currently a Human Resources Director. That is project planning, policy development and strategic planning within UMass Boston.)

Comments by Councilor Nicasastro

(In that role, how many people do you supervise, govern/organize?)

Comments by Sandra Knight

(The department is composed of nineteen fulltime employees; benefits, recruitment, data services, labor employee relations. Indirectly would oversee the entire office in the absence of the Senior Director of Human Resources.)

Comments by Councilor Nicasastro

(How many years have you been at UMass Boston?)

Comments by Sandra Knight

(25 years)

Comments by Councilor Nicaastro

(Good for you, thank you)

Comments by Councilor Farwell

(Welcome to Brockton. Elected positions come and go. I think your position is one of the most important in the city. The question I have for you is; if you see something that is about to happen that is against commonly accepted human recourse practices or could end up in liability for the city, would you have any problem going toe to toe with the Mayor someday?)

Comments by Sandra Knight

(Not at all)

Comments by Councilor Farwell

(I thank you very much. The Council will be happy to hear from you and happy to support you and happy to see the changes that will be beneficial for Brockton. I commend the Mayor for finding a candidate of your caliber who is willing to tackle the issues before us.)

Comments by Councilor Derenoncourt

(Thank you for taking the time to come down. It speaks levels that you came back to Brockton. Someone like myself who campaigns on diversity, could not be happier. Hope you have the courage to occupy and oversee to make the best decision for all of us. You represent everyone and are the kind of person that follows integrity, decency and honesty. I speak my mind and could not be more proud to let you know that I would vote yes on your Appointment.)

Comments by Councilor Cruise

(Congratulations and good luck. We have never had a Human Resources Director before; the Ordinance setting up the prior office is a Personnel Department. Right now there are only 3 Personnel in that office, two of them are restricted as to what they can work on. How do you see the next steps and how do we get to where we need to be so we can make it a Human Resources Department?)

Comments by Sandra Knight

(The commitment that I have to make this a functioning Human Resources Department is a start. I am not sure of the whole staffing within the department at all, but once I get in I would definitely reevaluate it and look for more resources if there. It is going to take time but I am committed to do that.)

Comments by Councilor Cruise

(We are going to need that and its going to take some Ordinance changing. In the short time it's going to be very difficult. Mostly I am asking so that the people at home understand this isn't going to happen overnight. Many of the people who always thought we had a Human Resources Director we did not by the way it was set up. I know the amount of work that comes with the job and happy to put it at the higher rate. You are going to need a lot of help just getting the department to a Human Resources Department and we are going to have to act quickly on an Ordinance to establish that.

Months ago we established the title but we never established what that Human Resources Department is going to do and until we do her hands are going to be tied so we need to move quickly as a Council to fold on that and the Mayor is going to have to come up with some money to add some personnel to that department because you literally cannot do that job as a Human Resources Department with the staff you have. Happy to be part of that and hopefully you can help us in drafting the ordinance to move that forward.)

Comments by Councilor Rodrigues

(Welcome to the City Government. As you may know one of the heaviest burdens your department will have is the benefits package that comes along with city budget. We spend somewhere around fifty something plus million dollars on a yearly basis to provide benefits to the workers or the staff of city government. We often in this city tend not to think outside the box, we want to do things as business as usual and we haven't quit realized that this is 2018 going into '19 very soon and things have to change we can't continue to do the same exact thing expecting different results because it just doesn't work that way. I am hoping you come from an outside with an outside perspective to look into possibilities as a fresh person coming into the job might be easier for you to sell some of the ideas that you would need to sell to somehow reduce the cost associated with benefits in the city and to basically seek out whatever we need to seek out to reduce costs because if we have the ability to save a couple of millions of dollars here and there that we don't have to pay in benefits or at least to pay to private insurances and some of these other things those are funds that we can put somewhere else. We are willing to do this as a team working together.)

Comments by Councilor Lally

(Welcome to the city. I just wanted to know; what is the first step? What needs to happen first?)

Comments by Sandra Knight

(The first thing I would like to concentrate on is the hiring process.)

Comments by Councilor Lally

(That is something we have talked about and I do appreciate that.)

Comments by Councilor Sullivan

(Currently in your position at UMass do you meet on a regular basis and go over HR issues with the lawyers and the staff lawyers? How do you see that happening in the City of Brockton where we have a city solicitors office to try to stave off potential law suits and to with different employee potential litigations?

Comments by Sandra Knight

(We do not have an in-house lawyer. We do have a general counsel's office and do interact with them if we need to. I think the best approach is team work. I don't have a problem going down to the law office or running things by lawyers.)

Comments by Councilor Sullivan

(Have you had the experience where you sit at the table on negotiations?)

Comments by Sandra Knight

(Yes. Our negotiating team would be comprised of myself, we would have a member of the employees relations team, representatives from each collective bargaining agreement and some others from management as well.)

Comments by Councilor Sullivan

(What is before us right now is simply the Appointment of Ms. Knight within the actual order that was executed by Mr. Rodrigues. We also have to make an amendment relative to the City Council approval of the authority to hire her at the top step of the present ordinance salary for the title of Director of Personnel. Set rate is currently \$104,430.00. That has to be in form of a motion.)

Comments by Councilor Sullivan

(Motion to add after the first paragraph in accordance with the provisions of section 2-131 of the revised ordinances with approval of the City Council authority to hire Ms. Knight at the top step of the present rate of ordinance salary for the title Director of Personnel. Set rate is currently \$104,430.00. There are sufficient funds in the department's budget to support this action. The revised ordinances do not currently contain a salary structure for the Director of Human Resources which would reflect the level of duties and responsibilities now placed in a position. By separate communication the Mayor has filed an ordinance request to establish that salary.)

Having considered the same, Motion by Councilor Cruise to report FAVORABLE, 2nd by Councilor Lally. Motion carried by a hand vote.

Comments by Councilor Sullivan

(Quick question for the Mayor before he has to go. With some of the statements of the council there is a need for more staff for this department. Do you envision in this fiscal year of doing that or do you think it is going to be at the next fiscal year?

Comments by Honorable Mayor Bill Carpenter

(No, if you recall when we had the Collins Center come in and present their detailed analysis to review of the Personnel Department there were a number of recommendations in that report. One of her key recommendations was the creation of a number two position under the new Human Resources Director and I believe that position was described as a hiring specialist, someone that would really have some specific duties around compliance, serving as chief diversity office for the city wearing several hats. One of the conclusions of that Collins Center report was that the former position could not and should not be replaced by one person that it really should be divided amongst two positions and described the

second position. Reason why we did the search for the Human Resources Director first is we thought it was very important to bring in the new leadership to the department and then have the new leader of the department oversee and be intricately involved in the selection of that second position. I am committed to bringing that forward as soon as we can.)

Motion recommended FAVORABLE, motion on the floor are properly seconded by a hand vote.

2. APPROPRIATION:

Of additional grant funds in the amount of \$40,822.00

From: Executive Office of Public Safety and Security/State 911 Department- FY2019 Public Safety Answering Point and Regional Emergency Communication Center Support and Incentive Grants

To: City of Brockton Police Department- FY2019 Public Safety Answering Point and Regional Emergency Communication Center Support and Incentive Grant Fund.

Invited: John A Condon, Chief Financial Officer  
John Crowley, Chief, Police

Comments by John Crowley

(This is just a supplemental appropriation to a grant that was already passed by Council.

Having considered the same, Motion by Councilor Cruise to report FAVORABLE, 2<sup>nd</sup> by Councilor Monahan. Motion carried by a hand vote.

Comments by Councilor Farwell

(Attorney Resnick was not invited tonight and should be here and would like to postpone to second finance committee meeting in November.)

3. ORDERED: Within twenty (20) days of the approval of this Order, the City Solicitor shall transmit to Attorney Shannon Resnick, Legislative Counsel for the City Council, the following: A copy of all emails, agreements, or other documents in the possession of any city employee or official which constitute a purported legal amendment to the original water service agreement thereby reducing the required amount of capacity to 3.81 million gallons per day on a temporary or permanent basis. A copy of the statute, ordinance, court decision, or other legal basis for the singular authority by the Mayor or other city official to amend the original water service agreement without the approval of the City Council. A copy of all emails, agreements, or documents from any representatives of Aquaria Water, LLC, relating to the alleged amendment to the original water services agreement and received by any city official or employee. Within thirty (30) days of the

receipt of the documentation and information requested above, the Legislative Counsel to the City Council shall forward to the City Council a report as to whether any valid, binding amendment to the original water services agreement was properly executed by any person with authority to do so.

Having considered the same, Motion by Councilor Farwell to POSTPONE to the finance committee meeting in November, 2<sup>nd</sup> by Councilor Monahan.

4. ORDERED: That the sum of \$5,000,000 is appropriated to pay additional costs of developing a parking garage, and for making street and traffic improvements within the development district approved by the City and being undertaken in conjunction with Trinity Financial, and that to meet this appropriation, the Treasurer, with the approval of the Mayor, is authorized to borrow said amount under and pursuant to M.G.L. c. 40Q (the District Improvement Financing statute), M.G.L. c. 44 and/or any other enabling authority, and to issue bonds or notes of the City therefor; that such bonds or notes shall be general obligations of the City, although such bonds or notes shall be payable in the first instance from property tax revenue expected to be derived from new development within the development district. The amount authorized to be borrowed pursuant to this order shall be expended in addition to all amounts previously appropriated by the City for this project, as well as all other amounts received by the City from The Commonwealth of Massachusetts and from Trinity Financial to pay costs of the project.

Ordered: Any premium received by the City upon the sale of any bonds or notes approved by 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 order in accordance with M.G.L. c. 44, §20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

Ordered: That the City Treasurer is authorized to file an application with The Commonwealth of Massachusetts' Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any and all bonds or notes of the City authorized by this vote, and to provide such information and execute such documents as the Municipal Finance Oversight Board of The Commonwealth of Massachusetts may require.

Invited: Honorable Mayor, Bill Carpenter  
John A. Condon, Chief Financial Officer  
Martin S. Brophy, Treasurer/Collector

Comments by Councilor Sullivan  
(Motion to take items four and five collectively)

Having considered the same, Motion by Councilor Cruise to report FAVORABLE, 2<sup>nd</sup> by Councilor Monahan. Motion carried by a hand vote.

5. RESOLVED: That Chief Financial Officer John Condon and Director of Planning and Economic Development Rob May appear before a committee of the City Council to review the parking garage project, the reasons for the deficit, and strategies to ensure adequate funding for the construction of this facility.

Invited: John A. Condon, Chief Financial Officer

Robert May, Director of Planning & Economic Development

Comments by Mr. Jenkins

(Trinity is not part of this deal, other than being just an abutter in the fact that we are acquiring Lot Three from Trinity. We are 2 years behind going on this project. As a result of taking Trinity out of this deal and us doing a more public process, procurement process because 100% of the money in this now is public money and there should be a public process, we chose to go with MGL 149 A. We do have Alicia Tony from PINK here who is an expert which we hired as a project manager to negotiate with Trinity for the site. We did acquire that site for \$263,000; the plans, not the site. In order to get the site we had to get the plans with it. We were told that the plans were anywhere from 60-70% completed. My personal opinion they were more like 50-55%. After looking at the plans, needed a lot of work on this particular site, sent letters to the Councilors identifying what those issues were with that particular site. We then went through the procurement of also doing the CM at Risk construction manager at risk. Then negotiated with their architect for us to rehire an architect to take their stamp off of those plans would have set us back at least six months. We did negotiate with Icon; they are now working with the BRA. In order to get this municipal garage built by next September, next October the reality is, is that we are behind and schedule with the process and I understand the council has to go through their process, it's going to put us nine weeks behind. We won't start digging into the ground until we have the five million dollars until November 9<sup>th</sup> I believe. I have suggested to the Mayor, that Rob May and I have also conversed on this will apply for a Mass Works for that money (for the road) and also use CDBG Community Development Block. Hopefully the DPW Commissioner will waive the water and sewer connection since it is a Municipal Garage. We are also looking at security at a \$60,000 estimate came in at \$80,000. The survey will come in anywhere between \$3,500 and \$4,000. As well as the fees to the BRA of \$47,157 for our efforts in working and managing this process. Bob Malley's board voted last month that any money that the diff doesn't cover the parking authority will cover. That way none of this comes out of the taxpayer or general funds. We have a grant from the state of \$10 million dollars and we are asking for a total of \$7 million dollars from the city.)

Comments by councilor Farwell

(Mr. May, was it correct that in September of 2016, the city submitted a request to Mass Works, it was signed by you, dated September, 2<sup>nd</sup>, it wasn't Trinity's, it was ours correct? )

Comments by Rob May

(It was ours, correct. He did help prepare the application.)

Comments by Councilor Farwell

(At some point we found out we would be getting \$10 million instead of \$15 million which was originally requested. I take it that Trinity said we can build this if we modify the garage, we can get it down to \$12 million. Is that a fair statement?)

Comments by Rob May

(Correct)

Comments by Councilor Farwell

(When that happened, who verified their work? Did the city have an architect and engineer or did we simply take Trinity's word for it?)

Comments by Rob May

(At that time Trinity was the project manager they were going to be building the garage, they were the city's partner in procuring the garage and making that happen so we used Trinity's numbers.)

Comments by Councilor Farwell

(What happened between February 12<sup>th</sup> of 2018 and September 5<sup>th</sup> when suddenly we found out we were \$5 million under funded? Who contacted us or where did that information come from?)

Comments by Rob May

(When we submitted the material to council for the \$12 million project and to accept that grant that was the cost of the garage. After learning that we only had a \$10 million grant and not a \$15 million grant with the state we did sit with Trinity and their team to negotiate a downsizing of the garage, and that is how we got to the \$12.5 million that we brought to City Council.)

Comments by Councilor Farwell

(If we/they didn't have completed plans and we hadn't issued a single bid with any response how could anyone possibly arrive at \$12.5 million?)

Comments by Rob May

(Trinity as developer was comfortable and confident that they could deliver the garage with the \$12 million dollars in state and city assistance.)

Comments by Councilor Farwell

(It looks like there has been a litany of decisions made with a certain degree of trust and professionalism with Trinity that unfortunately for whatever reason, some factors not under their control and factors under their control that is when we found out between February and September that we were \$5 million underfunded. Is that an accurate statement?)

Comments by Mr. Jenkins

(That is a fair statement.)

Comments by Councilor Farwell

(My last question for Mr. Condon, I did read your certification, are you still uncomfortable with this or has anything happened that might materially change the conditions that you outlined in your certification letter.)

Comments by John Condon

(The certification was filed a few weeks ago when I was told we need \$5 million, it was in late August early September where I was told in the Mayor's office the amount that we need is an additional \$5 million and we wanted to get the borrowing authorization for that in front of the City Council as soon we could. After we did that we had the Parking Authority take a look at what they could contribute, we have a vote of the authority board saying they will contribute anything short on the tax revenues to close the gap and also the Board of Assessors has looked at the diff sum with a fresh set of eyes to see if there is additional revenue that could be attributed to it from tax growth and there is about \$400,000 almost \$500,000 in additional diff money beyond the 190 that they provided to us a couple of years ago. This borrowing if we do it would range in cost it would depend on whether we did 20 or 30 years, it depends on whether we sell the bonds with level principal payments which means declining interest like a mortgage loan level payments, but the cost annually would range from about \$325,000 to \$475,000. I will provide a new certification letter that is unconditional.)

Comments by Councilor Farwell

(What do you anticipate the interest to be?)

Comments by John Condon

(Well it depends on how we structured the borrowing and right now interest rates are going up, so there is a little risk in that. Approximately about 4% something like that.)

Comments by Councilor Cruise

(The negotiations with Trinity were for the plans?)

Comments by Mr. Jenkins

(They were for the plans and also the site. They would not negotiate the site until we bought the plans.)

Comments by Councilor Cruise

(The plans, they told you the plans were 70% done?)

Comments by Mr. Jenkins

(They told us, but they were not. I needed those plans)

Comments by Councilor Cruise

(Did we sign an agreement with them that we were getting 70% construction plans?)

Comments by Mr. Jenkins

(There was no agreement.)

Comments by Councilor Cruise

( There was nothing written, they told us we were getting 70% but we were getting 50-55% plans, which is a huge difference. We received those plans and the architect owns the stamp on those plans?)

Comments by Mr. Jenkins

(Correct.)

Comments by Councilor Cruise

(What were we buying if we weren't buying his stamped plans?)

Comments by Mr. Jenkins

(We did buy his stamped plans. That is the other hitch to this, in order for me not to go and hire another architect, it was much more time efficient to have Icon. So there was another negotiation.)

Comments by Councilor Cruise

(So Icon was able to double dip, they had already been paid for these plans.)

Comments by Mr. Jenkins

(We negotiated with them; it isn't necessarily double dipping but what I would call, let's be fair, 50% of the plans, you didn't pay twice as much but we paid more than I thought we would have paid.)

Comments by Councilor Cruise

(So they had already been paid by Trinity to get the 50% plans.)

Comments by Mr. Jenkins

(Yes, my personal opinion we paid more than what they got for the 50%. You can see that in the budget.)

Comments by Councilor Cruise

(My last question is for Ms. Tony; we are seeing right now due to the tariff situation, we are seeing 10-15% increases, this seems to be much higher.)

Comments by Ms. Tony

(One thing you have to take into consideration is that private construction is very different than public construction. Public construction is more stringent. One of the cons is that it can cost a little bit more. The industry standard, it's regionally based, I've heard \$20,000 per space versus \$25,000, if you do the calculation it's actually \$36,000 for 415 spaces. So if you factor in those things that have inflated that price because of time, are we in the ballpark? Yes.)

Comments by Councilor Cruise

(The fact that we needed to get Icon because they already were part of the process, but if they then brought in a whole different team, we didn't need to be with Icon, we would have had to go to a bidding process which would have added time. It seems like they are getting a pretty nice bite at the apple twice.)

Comments by Mr. Jenkins

(To be fair with Icon the transition from them to bring in their private team to their public team and then also understanding MGL 149A)

Comments by Councilor Rodrigues

(What is the projected gross revenue of this garage once it is built?)

Comments by Rob Malley

(In this first year about \$370,000 gross about \$240,000 in expenses. Our parking study came out in 2017; one of the major recommendations was to

add metered parking in the areas downtown that are now free parking. Rather than the tax payers fund all that space.)

Comments by John Condon

(When this new certification letter comes in you'll have the pro forma, but you will also have the assessment of individual properties within district improvement financing zone that came from the board of assessors and the estimated incremental revenues on each of those properties that nearly come to \$500,000. If you read the bond order first and foremost this project is supposed to be financed by diff revenues. If we are correct in that \$400,000 in diff revenue is realized the assessors have put their name to it then we won't be looking to the parking garage revenues to finance the bond payments to be paid for by the diff. If it is insufficient then we have a back up in the parking authority revenues. Both of those sources of information will be provided to you when the certification revision comes in.)

Councilor Sullivan motioned to a hand vote, all members voted FAVORABLE; 9 members present. Councilor Eaniri and Councilor Asack absent.

6. RESOLVED: that the Chief Financial Officer and the Mayor be invited to a meeting of the Council to discuss potential adjustments to any other employees or employee groups as a result of the consultant study, the financial impact upon the city, and that a copy of any report generated by the consultant be distributed to the Council.

Invited: Honorable Mayor, Bill Carpenter

John A. Condon, Chief Financial Officer

Comments by Councilor Farwell

(Do you know how much we spent on the consultant?)

Comments by John Condon

(Off the top of my head, I don't recall. Maybe \$20,000. Maybe even less than that. It was through the Personnel Department, it was in budget and I don't remember exactly how much it was it might have been closer to \$10,000. The reports have been concluded. The consultant interviewed employees asked for their job description and duties. Consulted with the department head to see if it was agreed on those job duties and descriptions. There was a market survey preformed for the compensation and there was a series of recommendations as to what a more equitable compensation structure looked like. In the report is that table and that is where we are at the bargaining table at the moment. The Library Union also agreed to engage the same consultant. We are meeting with them sometime in early November. We probably will be done with the first two unions soon.)

Comments by Councilor Farwell

(I don't want the rank and file people who come into City Hall or our other city offices everyday and do an outstanding job and we are actually woefully understaffed in many different departments. I don't want them to think they are forgotten. I am happy to hear that you are actively bargaining that you do think you will have this wrapped up soon. Because the message should be we support all of our employees.)

Comments by John Condon

(I agree with you, and we don't have an obligation to fund the study and so our obligation to come to an agreement as to how much money we will pay. The study showed in fact that many, many, many of these titles are not underpaid. We did agree that if we could find a way to fund the recommendations to get a person closer to that market equity salary. That is where we are still talking.)

Councilor Sullivan recommended that we postpone.

Having considered the same Councilor Farwell reported FAVORABLE, 2<sup>nd</sup> by Councilor Beaugard. Motion carried to POSTPONE to January Finance Committee Meeting.

Comments by Councilor Beaugard

(This shopping cart thing is a bit out of control.)

Comments by Councilor Sullivan

(When you see these shopping carts are you calling Pat Sullivan's Group?)

Comments by Councilor Beaugard

(I was doing that, and I was told that by someone in that department, that I was to call the store.)

Comments by Councilor Sullivan

(Absolutely not. I drafted the Ordinance. Call Mr. Sullivan's Office.)

Comments by Councilor Beaugard

(This is where there is a disconnect. That is why I wanted to revisit this and think about how we can tighten it up. My other discussion was the homeless situation. I believe this is something we need to look at closely.

Comments by Councilor Sullivan

(Relative to the shopping cart ordinance, suggestion be would if you are not getting any satisfaction, file a Resolve, invite the store managers of the all the respective supermarkets in the city of Brockton to appear before the Finance Committee. Under the enacted ordinance they have a duty it is their personal property it's valued at about \$400 per shopping cart and it is specific on how they have to label it how long it takes them to retrieve it, there is all parameters with that.)

Meeting adjourned 8:31PM