

## **FINANCE CONTROL BOARD, May 21, 2008**

Present: Chairman Christopher Gabrieli, Mayor Domenic Sarno, Robert Nunes, James Morton, City Council President Bud Williams, City Clerk Wayman Lee

### **Public Comment**

City Clerk Wayman Lee: We'll start with the public speak-out comment portion of the meeting. Our first speaker is Mary Ann Papelodapis. Mary Ann? [No one responds.] We'll move on to Russell Seelig.

Russell Seelig: [Advocates allocating federal tax credits to the Winn Development Corporation for their proposal for renovating Longhill Gardens.]

WL: Our next speaker is going to be William Malloy.

William Malloy: [Advocates allocating federal tax credits to the Winn Development Corporation for their proposal for renovating Longhill Gardens.]

WL: Our next speaker will be Sheila McElwaine.

Sheila McElwaine: Good morning. [Advocates allocating federal tax credits to the Winn Development Corporation for their proposal for renovating Longhill Gardens.] I'm here this morning as a Springfield library commissioner to ask that the hiring process for a library public relations professional be made a priority.

With ten branches, Springfield's library system is the second largest in Massachusetts. Our majestic central library and nine fiercely defended neighborhood branches are key to solving some of the city's toughest problems including illiteracy, after school activities, school readiness, civic pride and participation, bridging the "digital divide," and un- and under-employment.

Library staff has secured a wide range of library and information services suitable for every Springfield resident, from people with terminal professional degrees to adult learners, to pre-schoolers, job-seekers, and senior citizens. We have resources for English language learners from among the 24% of our neighbors whose household language is Spanish as well as the other 7.5% whose household language might be French, Vietnamese, Somali or even a tribal language from some remote part of the world.

Without a full-time public relations person, it is impossible to tell the community about the resources in our libraries. We cannot produce promotional posters featuring local celebrities. We are unable to post ads on PVTA buses or air promotional tv or radio spots or place feature articles in local papers. We cannot implement the customer service feedback system purchased in response to the ULI recommendation that city government upgrade customer service. We cannot enhance *esprit de corps* and morale among hard-

working library staff through the staff newsletter and employee recognition programs that are just waiting for Ms. or Mr. Right to implement.

Money for this position is in the library budget. Approval to advertise and interview was given some time ago. Promising candidates came forward and were interviewed, but the city's hiring machinery seems to have broken down somewhere so the position remains vacant. Good public relations professionals are in high demand, and our candidates will not always be available.

Library Director Emily Bader says these and other public relations initiatives will make people feel "they will absolutely want a library card." Let's give her the help she needs to tell Springfield what the library has to offer.

WL: Ms. Patricia Triggs.

Patricia Triggs: [Advocates allocating federal tax credits to the Winn Development Corporation for their proposal for renovating Longhill Gardens.]

WL: Mr. Timothy Collins.

Timothy Collins: [Advocates renegotiating a general wage increase for teachers in their first 12 years of service as allowed by the current contract; such a raise would allow Springfield schools to retain experienced teachers; would fund these raises by increasing municipal matching funds. Challenges the control board to make good on the high priority they set, coming into office for education so that children will leave the Springfield public schools prepared to "survive and thrive in this economy."]

James Morton: Mr. Chair? May I ask a question? Mr. Collins, you've asserted a number of different facts in your presentation orally. Can you provide us with some of these facts in writing? The...in particular, I'm interested in the city's contribution vs. the contribution of other cities in Hampden County toward the educational system.

TC: I retrieved that information from the DoE website. It is easily retrievable. It's usually a year behind, because they're not very quick on getting up-to-date data...

JM: But if you have up-to-date data, I'd like to see the most current data.

TC: As a matter of fact, I did at your public hearings at STCC had out to each and every one of you a copy of that information. I can try to retrieve it again for you.

JM: OK. And the other thing that I'm interested in is information regarding the teachers on waiver, unqualified with us being among the highest in the Commonwealth. I'd like to get that data.

TC: Again, that is information that I gleaned from the DoE's website, and I'd be more than happy to retrieve that again. I believe the district has it as well, and if I'm not

mistaken, members of the school committee subcommittee have brought to the attention of the Mayor the actual picture of the twelve communities that surround us, what their teacher salaries look like now, what they're going to look like next year as compared to ours, and you can see... If they haven't, I can get that information from you as well. But you can see over the years that we are moving steadily in the wrong direction, and other surrounding communities that have been giving average raises of 3.5%, 3%, 2.75% to their beginning teachers in addition to their step raise. And we have just given our beginning teachers step raises, so we are falling critically behind and it's making it very difficult for us to attract licensed, highly qualified teachers and to maintain them in the district. And the figures that I looked at yesterday with the director of personnel...in some years, 20% of our teachers are leaving as they become, you know, more competent and more attractive. Quite frankly, if you talk to superintendents in surrounding communities during the crisis that existed before you came into these positions, they were telling their directors of personnel, "I don't want you interviewing anybody until you interview the Springfield teachers." So our teachers have an excellent reputation, because of the professional development that we've done. And any teacher coming out of Springfield with great recommendations is a valuable commodity in surrounding districts.

CG: If I may make a quick comment...we don't normally do this, but I think this is an important issue and, you know, I have received a couple of calls from school committee members, and have had a chance to briefly discuss with the Mayor.... I mean, first off, let me say the issue's important.. And I want to speak to process a bit though as separate from the issue.

From a process point of view, you know, this control board, as urged by many people, has taken an approach of trying to put the budget development process in the hands of the school committee, the city council, and, you know, first and foremost the Mayor in setting the first draft. We're going to talk about where that budget process is later today, and I'm certainly pleased by what I've seen about the city being so highly re-engaged in setting its own budget. So one of my comments has been I think the control board needs to be...this is a *very* important transition for the city, you know, that is got to be part of this picture as well.

I do think the question about...you know, I've had a chance to talk to the incoming secretary of education who is also aware of issues in Springfield, not only because of his time, Paul Reville, not only because of his time working with you and Superintendent Burke directly, but also because the Board of Education is involved directly in schools that are a priority one or whatever the term is that the states you know getting involved in. So I think the underlying deep questions you here of "Where are we under that contract? What were the downsides? What are the implications of that?" I think is a really important question. I think it's one that can't go away. I'm sure it's one that Dr. Ingram is going to be drawn right away into and the school committee as well whether or not in the totality of the budget process where do we stand today, you know, this issue can be fully addressed to anybody's satisfaction is very unclear to me. I do

want to point out the dilemma in all of this is” How many of those communities are laying off teachers this year?

TC: There are some communities and quite frankly, I’ve been reacting out to the presidents in those communities letting them know that we would certainly welcome licensed teachers to apply for us. We’re doing the best that we can to recruit them.

CG: And I think that’s...

TC: And over the last three years we have hired 300 and 400 teachers every single year. Now there aren’t that many of them out there.

CG: I respect that. All I’m emphasizing is the balance here, from a, you know, just to be honest now from an outside point of view, as someone who doesn’t have to run for office here and doesn’t represent any one group is: on the one hand, if one agrees to contracts that cause costs to escalate faster than what the state’s providing in reimbursement and the Proposition 2 ½ limits, then one ends up where many of these communities are, including the community I live in, Boston, laying off people. And if, on the other hand, one aims too low, one ends up losing teachers and finding some kind of satisfactory middle ground is, I think, the great dilemma. being you know without knowing any of the specific data you know and I look forward to that as does obviously Member Morton. I think it is a really difficult challenge for everybody in the state. I’m not arguing against what you’re saying. From the perspective I look at it as neither of those works over the long haul. Trying to find some darn successful middle ground is what we’ve got to do, I think. I shouldn’t say “we” what Springfield needs to do and if we can help support that, we will.

TC: I really appreciate that evidence and the weight emotion of this. It was clearly present at the last school committee meeting, but I don’t want to see the children get lost in the mix. And, quite frankly, they deserve to have licensed, highly qualified teachers in every classroom. And we need to make every effort possible if you want this city to be attractive to people so that they want to buy homes here and live here, we need to pump up the reputation of the Springfield Public Schools. And I’m willing to go anywhere, talk to anyone, and work with anyone to improve our schools, and I’m asking, I’m imploring you. We need help in this endeavor. We need to have...you know, the previous control board...the money was in our budget, but...I know that’s past, but we’re dealing with the problems that were created by that.

CG: Look, I wanted to give some feedback, because I think it’s important and deserves, but I don’t want to put you in a bad place either, but I don’t...

TC: Well, I feel it’s my job to advocate for the children as well as the teachers, but the children really don’t have the kind of voice in this community that they need. I go to churches, I go everywhere to try and get people to come up and speak up on that, but, quite frankly, with the economic situation, you hear people working two or three jobs just to keep a roof over their head...

CG: I understand.

TC: ...clothes on their back.

CG: I understand. Case made. Just...I wanted to be, you know...

TC: Well, you get me started, it's hard...

CG: Passion and beard length you don't lack for, Mr. Collins. And I share your passion as well.

WL: Lorenzo Gaines.

Lorenzo Gaines: Good afternoon, gentlemen, Chairman Gabrieli. My name's Lorenzo Gaines. I'm a committed...I live on Northampton Avenue in Springfield, Massachusetts. I'm a committed and active member of the 11<sup>th</sup> Hampden District, and I'm here for two reasons. One to echo what Mr. Collins said about teachers, being a former teacher in the district and a card-carrying member of the union, I definitely understand what he's talking about first hand. But, more importantly, I'm here today to encourage you gentlemen to support the Mayor during the budget process. Recently, we had a tragic killing in Mason Square and it's causing alarm in my heart and in my community. And I know the Mayor and Mr. Williams were out there firsthand at the rally where there were over 300 students who were concerned about what's going on in our community. And one of the things I'd like to encourage you to consider as number 3 on your agenda item is the park and police department grant expenditures to make sure the in those expenditures you have funding for pro-active things for teens to save their lives, whether it's teen pregnancy prevention, whether that's conflict resolution (and I say "conflict resolution" or "conflict transformation," because I think the kids need these very real skills to transform this violence, the violence that's going on in the community. So I want to encourage that and also externships and career-to-work. I think that's just really important, because I feel that idle hands are tools of the devil. And these kids really have nothing to do, and it's causing great problems in our community. So I'm here for that reason.

And then secondly I'm here to congratulate the financial control board and the superintendent search committee along with the mayor for their leadership for an efficient and effective process that allowed us to get the best superintendent. And I know that everyone has a wait and see attitude with the superintendent, but I think he's the right man for the job. And I think that Springfield's going to be headed in the right direction.

This is important for me for two reasons. Most kids in the school system are not getting the service that they desperately need. By example of what Mr. Collins is talked about and by example of my own first-hand experience being a high school drop-out. A lot of the problems haven't changed. And I just think it's really important, and I really want to encourage there be, you know, public affirmation of this superintendent and he

gets all the resources and the attention that he needs to stem the drop-out rate, to stop the truancy rate and to get more parents involved. I think this is a pressing issue, particularly where I live, and I'm here to say that today. So thank you for your time. I appreciate the opportunity to speak, and good luck.

City Council President Bud Williams: Mr. Gaines, through the chair, when he said he was a high school drop-out, he went further than our school system. Just tell so the control board really understands what you did after.

LG: Well, after...I consider being forced out not necessarily drop out...I use the term that you guys probably understand best, but I feel I was forced out of the Springfield public school system and there was an opportunity provided to me by Arthur Sorota and the Learning Tree which was a non-profit grass roots organization to help black and Latino men go to college. They form collaborations with Hampshire College, Springfield College, and a couple other colleges where you can go to college for free and come back and become a teacher in your community. That program no longer exists. However, from that program, I went to Hampshire College and after attending Hampshire College, I entered Columbia University where I graduated in the class of 2005. And I came back to teach at the High School of Commerce. Well, I worked at Massachusetts Career Development Institute with their "at risk" program for about a summer or so with Mr. Morton.

And from there, I went to the High School of Commerce (which was the same school that forced me out) and was able to work with the students myself. And it was a very cathartic experience, because I was that person in the desk on the other side, and then to stand in front of the classroom and be able to share my first hand experience about the challenging obstacles that I overcame, I think was very good for the students, because they knew I was an ally and not the enemy. I know some of the things that are going on at home. I know some of the challenges that they face trying to resist gangs, and I know how hard it is to have a lack of confidence and low self-esteem where you have problems trying to learn how to read and write on a very proficient level. So those are things that I had to find within myself and build myself back up to experience Hampshire College and Columbia University and graduate at the top of my class at both of those institutions. So I thank you for the opportunity, Mr. Williams, to share this with the control board, and the listening audience.

BW: Thank you, Sir. [Applause]

WL: Matt Szafranski.

Matt Szafranski: Good Morning. Before I get to the meat of what I wish to discuss today, I would like to express my gratitude for the recent, albeit temporary repairs, made to the Campanile. Although I many my of my peers are not as concerned with its stability as I, on their behalf I thank you for undertaking the first steps to ensure its survival for future generations.

According to the Internet Movie Database, it has been 33 years since Springfield has been the setting or a major venue for principal photography for a substantial part of a Hollywood Production. That film, the cult classic *The Reincarnation of Peter Proud*, featured many scenes throughout our city and the greater Springfield area.

Taking advantage of opportunities in Boston, where I attend school, I have had the opportunity to be an extra in a recently released big-budget film—just one of many shot in Boston over the last year. Tax credits passed over the last few years have made filming in Massachusetts more economical and indeed desirable for many Hollywood studios. Boston has been the locale for the lion’s share for many of these productions, but has not been the exclusive locale. I urge the Control Board and the Mayor’s Office to direct the Economic Development Department to explore ways in which Springfield may benefit from these tax credits.

The influx of actors, technicians, cameramen, directors, and countless of the people who make movie magic provides revenue for merchants, hotels, restaurants, and not insignificantly, prospective extras. Our city has much to offer filmmakers from beautiful parks to quaint suburban-esque neighborhoods to urban grit to industrial artifice to elegant historic homes and inspiring civic edifice.

Springfield is ready for its close-up. To be on the silver screen, is among one of America’s most coveted dreams. As extras, however background, our fellow citizens may find that they can have that dream if only for a few hours. That boost in morale alone is priceless. And once the productions have packed up, those who participated can sit back and muse that they are in “this biz.” Showbiz of course. Thank you.

S: Matt, Matt, What movie?

MS: It was “21” with Kevin Spacy.

WL: Our last speaker for today is Tim Rooke.

City Councilor Tim Rooke: Mr. Chairman, Mr. Mayor, Councilor Williams, good morning. I’m here and I’ll be quick. My intention is really to speak really of a concern that I have probably more so, because it’s a personal issue. It has to do with the budget and the responsibility that the city council has and shares with the Mayor this time. And we have not received the budget as of today and I know we may receive it at the end of this week. If we were to receive it on Friday and you factored in the holiday and the 48 hour notice that we have to post for the hearings, it leaves us about three days to discuss \$528.8million budget which is just...can’t be done in a responsible manner, so I’m asking along with the Mayor and I believe Councilor Williams for the board’s indulgence and maybe request that if you could push your date back, that would allow us a little more time. I don’t know what a realistic date would be, but certainly June 16 or June 20. that would give us about three weeks to review the budget and certainly look at any areas that we would be cutting from or any new proposed budget proposals. And that’s the intent

of the meeting and would also mention and I heard some of the discussions earlier about the budget and the police.

When Springfield had 100 additional police officers through the grant with the Clinton administration, the crime rate in Springfield decreased by three percent. So as we move forward, I would want everybody to be aware of those numbers and the cost associated with it which was about \$5million once the grant dried up. So we're all in favor of more police, but if we're going to hire more police, we have to cut from other areas, I would hope, and not dip into our reserves. Because I think 2010, as we all know or starting to learn, is going to be a very, very dire year for a lot of the cities and towns. And the state has already spent half of their rainy day reserve fund, and it's election year, so next year you know that they won't be spending it. And we're going to be taking a pretty big hit, so we need as much as we can get in those reserves.

So thank you for your time and any further date that we can get on that, I would truly appreciate it.

BW: This is through the chair, and I had planned to ask the control board for additional time in terms of...so the council can do its due diligence in terms...

CG: I think there's going to be a discussion around that in the budget section.

TR: Thank you.

CG: Not to cut you off.

BW: Thanks, Councilor Rooke.

CG: Going to take a two minute break and then go to the general session. Thank you.

### **Approval of Minutes**

CG: ...recommence...if that's the term I'm looking for in Robert's Rules of Orders?  
Good morning, Mr. Lisauskas.

Control Board Executive Director Steve Lisauskas: Good morning, Mr. Chairman. How are you?

CG: Good, thank you.

SL: The first item on the agenda, Item II is approval of the minutes.

**\*\*MINUTES APPROVED UNANIMOUSLY.**

## **Vote on Acceptance and Expenditure of Grant Funds**

### **A. Parks Department**

SL: Thank you. The next item on the agenda comes in three parts, Part A, B and C. All three parts relate to acceptance and expenditure of grants. The first order, A which is with regard to parks' grants. This is an order to accept and expend without further appropriation (so this would conduct the appropriation at the same time) \$250,000. from the Massachusetts Highway Department grant for the Forest Park, for paving in Forest Park in Springfield. This is the second phase of a three-phase project. The city was successful in receiving a paving grant for three years in Forest Park, so this is the second phase. The third phase, which would occur next year, would focus on some of the major roads in Forest Park. This grant and others...and it's interesting to note one of the many successes of the parks department is they have strategic, they can conduct long-term and short-term strategic planning. And so when the Commonwealth has additional capital available for parks, recreation or other investments, the parks department actually frequently gets a call from the Commonwealth to say "We're looking to make an investment. Can you...what can you use it for?" And the parks department is ready, willing and, of course, able to answer that, because it has those plans sitting waiting, and they are actively used. So this is consistent with the long-term plans of the parks department and would be a, as I mentioned, a \$250,000. paving order.

BW: We taking those all together or are we going separately? Just on...just on... I just want to speak on the and I think that's a very important grant to Forest Park for the bikeways and the walkways and the...it's very important to the vitality of a city. If we ride...I don't know if members of the control board have driven around the city lately, but I just want to commend Pat Sullivan. Our parks look in great shape, from Magazine to Adams to Forest Park, Blunt Park, Van Horn. No matter where you are in the city, they look very in very good shape, and we have some of the best parks in New England, probably on the East Coast. And I mean you would attest to that coming out of the Boston area, you can understand we have. So I think it's always important to enhance and make it user friendly.

And bike pathways and walkways are very important to cities. I think Springfield needs to understand that, and I just hope that those walkways that eventually we can have walkways over here on the Connecticut River. It's the vitality of the city. It might...it sounds corny to a lot of people, but there are a lot of folks that like to walk. And with the gas prices now, it would be nice to connect Forest Park up right to downtown, to Connecticut River, come on down go back down almost to Chicopee. So I just want to encourage us. We can always get those grants and make those parks user friendly. Thank you.

SL: Thank you.

CG: Should we vote separately?

SL: I think that would be cleanest.

CG: Any other discussion on this item?

**\*\*MOTION PASES UNANIMOUSLY.**

## **B. Police Department**

SL: Thank you very much. Item B is a grant, actually it's two grants, for the police department. The first grant is a state grant from the statewide emergency telecommunications board. It's a training grant primarily for dispatchers although it is available for other members of the police department. It comes in...it's a five course training for public safety, how to deal with stressful situations. Obviously, if you're in dispatch and you're receiving 91 calls all day, it is a very stressful, difficult environment and how you manage yourself and how you manage stress in that environment is important. So it is a \$101,000 grant for that purpose to be expended for the aforementioned purpose.

The second grant is a Mason Square "Weed and Seed Community Coalition." The Mason Square neighborhood receives a "Weed and Seed" grant, and this is a...essentially subcontracting (for lack of a better term) to the police department to conduct targeted deployments, deployments specific to Mason Square. So this grant would provide funding for public safety deployments in Mason Square to be discussed with the geographic commander for that, for the Mason Square neighborhood. So it's a cooperative working relationship with the Mason Square neighborhood and the police department to provide targeted public safety patrols to obviously increase safety and security in the Mason Square neighborhood.

BW: What, what...through the chair...this is...what year is this with the Mason Square "Weed and Seed" community grant? Is this the third year, second year?

SL: You know, I don't know. Maybe...

[voice from the audience] This is the third year.

BW: Third year. Is this the last year, or...?

[unknown speaker from the audience] That was the third year, 2007. We don't know if it's the last year or not. The Mason Square coalition goes out on a yearly basis and applies for it and clues us in [unintelligible].

BW: OK, well I want to say, Mr. Chairman, this is a very important grant that targets... The Mayor was along with myself up at the scene or at the scene of and to the rally for the young man that was slain on the other evening. And this is, I think, critical to the Mason Square community in terms of deployment. And I was very happy at a press conference yesterday we had with the Mayor and some community leaders that

Commissioner Fitchet said on this particular case this is the most cooperation that he's ever had in terms of people coming forward with information. So I want to thank that barrier, that the friction that exists between some communities and the police department, I really feel that the command of Commissioner Fitchet and the Mayor that that wall is coming down. I was very encouraged by those words of the Commissioner. The phones...that means people are being cooperative with the situation. So I think this is a very important grant as we continue to fight the violence in the city of Springfield.

**\*\*MOTION APPROVED UNANIMOUSLY.**

### **C. Fire Department**

SL: Thank you. The last of the three grant orders is an executive order to accept a fire safety grant from the state, \$10,200. and to expend it for fire educational purposes.

**\*\*MOTION APPROVED UNANIMOUSLY.**

### **Affirmation of Vote of Superintendent Hiring**

SL: Thank you, the next item on the agenda, Item IV, Affirmation of Vote of Superintendent Hiring. As the board is well aware, we have recently concluded, actually on May 6, a process, a five month process, to select a new superintendent of schools, Dr. Alan Ingram. The committee...the school committee and control board met jointly in a joint session on May 6 to conduct interviews of the four finalist candidates. The unanimous recommendation of the two groups was to select Dr. Ingram. The vote before you, the executive order before you, is required to confirm that vote. The two...the control board and school committee, voting together, was the selection. This is the legal affirmation of that vote of the...for the control board of acting to ensure that that is indeed...the appointment does happen. Contract negotiations are on-going with Dr. Ingram, assuming that this executive order is passed, and we hope to have something for you in the very near future on that.

BW: On the motion, just a comment. I just want to commend the chair, Chris Gabrieli, for making this happen in a...not only in a swift manner, but in a very detailed manner. It was fast, but very detailed. And I was one of the doubters in the beginning of this: big community board, all these people involved in the process. Not that I didn't think it could work, I just think it might have gotten bogged down. It would have been extended; that was my only fear, not to not have citizen participation. Just that I didn't think that it would, it would go so smoothly. So I just want to commend you. I think this is the process to use nationwide which was a very good process. I mean the community was very involved; they were very excited; they were very happy that they feel some ownership to this process. So I think sometimes you have ownership, it makes it a lot easier for the...for Dr. Ingram coming in as a new superintendent to try and make a difference. And we know he's not a knight on a white horse riding into town and when he gets here everything's going to go away. But we do know that he's a very qualified individual, a very dedicated individual, but this control board really did some due

diligence. And I think the public relations that you did in terms of opening the process to the community will go a long way in healing the school department and the community.

Mayor Domenic Sarno: Mr. Chairman, if I may, just to echo the sentiments of City Council President Bud Williams and commending you, commending the control board and the staff, and the consultant, Jim Huges. We hit it off very well. And we were very cognizant of how important the community panel was to this search and to every member which upwards of 40 that we...I think we almost had everybody from all walks of life were able to accommodate all, to every member how they are impressed they were about the inclusion in this effort, the way things were weighted out and the information and the presentations. So, as Council President Williams indicates, sometimes when you open these things up, whether pro or con, sometimes it could be a tedious process. This actually was the exact opposite, and we look very much forward to working with incoming superintendent, Dr. Ingram. Again like with any of us in leadership, we, you know, we like to come in on the...galloping in on the cavalries here, but there's only so much you can do in a certain time frame, so it was a very good process. And to all those involved, thank you.

BW: Good job. Nice job.

CG: Thank you. That's kind of you. I'm just pleased that there was such strong consensus between the school committee and the control board. You know, Mayor, very much appreciate your introducing the motion to select Dr. Ingram and, you know, I think we all agree no one person's going to solve the issues. As Mr. Collins has pointed out, there are really significant challenges, but it's exciting to have consensus around a strong candidate and I'll be happy to move this motion to authorize you to complete the legal process of his contract.

**\*\*MOTION PASSES UNANIMOUSLY.**

### **Appropriation for Management Training Project**

SL: Thank you. The next item on the agenda, Number V, the appropriation for the Management Training Project. The...we've brought before the control board last month or the month before perhaps a proposal to conduct management training for middle and upper managers in Springfield and we're joined with...by Patricia Vinchesi, the deputy executive director of the control board.

Deputy Executive Director of the Control Board Patricia Vinchesi: Good morning. I'm pleased to be back here again before the board to sort of come full circle with your approval for the appropriation for the management training program. The amount requested is \$90,000. with a transfer into the auditing department. What this appropriation represents is running the core workshops. And let me stop here and sort of refresh where we were.

The SMART program for managers (that is the Springfield Management and Resource Training Program) is to run six core workshops for cabinet heads, department heads, and middle management staff. Those areas involve finance and budgeting, supervisory skills, motivation and team work, working in an ethical environment. Then there's another series of six intermittent workshops that will be offered at periods throughout the next 12 to 16 months for *all* employees, but initially department heads and cabinet heads: customer service delivery, time management, procurement, workshops of that nature.

The \$90,000. represents running those core workshops, those six workshops, two to three times through with the consultant. And also the intermittent workshops one, perhaps two, times. It also includes all materials and it also includes funds to train the trainers in our H[uman] R[esources] department to bring that program in-house, so we can do it in an on-going, institutionalized basis here in the city. So we believe the appropriation order before you will cover the roll-out of that program for two or three times as well as funds and all the materials that are distributed at the trainings to become the city's. And so we can have an on-going series of succession planning, executive leadership training, and really train our middle managers and ultimately all staff in some local government management functions and give them some tools and resources to manage better.

DS: Mr. Chairman, as I stated last control meeting or prior making the analogy of major league baseball and a minor league, a farm system: to be able to promote from within is a goal of the city and this establishes a pattern on how to prepare people for mid-management to move up to upper level management. And on a tangible or an intangible aspect, morale, that you're recognized for doing a good job and that you're able to move up in your department and/or any other department. But many a times you meet some of the different strategies or training, thought processes, and we have a lot of talented people in the city of Springfield, a lot of talented people within city government, and we need to highlight that and be able to utilize our valuable farm system and cultivate the next level of leadership.

BW: Through the chair, just a couple comments on what...I'm going to piggy-back on what our illustrious Chairperson who said, I think, this last meeting in terms of being able to do this on our own at some point in time that we train people to train people, to train people...

Because at the end of the day, we are in the customer service business, customer service business. And sometimes, we don't run it like it's a professional business. I mean not casting any aspersions on the city, but there's certain times you get phone calls from citizens who are just not happy, not because of the outcome of the decision, but just the treatment and the professionalism that goes along with treating taxpayers. Customer service business. We just have to raise the bar and raise the level just as if you were dealing with IBM or Starbucks when they're going for a coffee. That's, that's the kind of service that I'm looking for. I'm just happy that we're beginning to train people, but I'm just very happy to be able to do this on our own at some point in time. There's going to

be a program that'll be rolled out to *all* of our workers, because every city worker at some point in time interacts with some citizen in some kind of way. And I think training is very, very important, and sometimes in government, we don't realize that, but it really is. You can be pennywise and pound foolish or pay me now or pay me later, as they used to say. But I'd rather pay up front which will hopefully eliminate problems down the road, so just want to commend you on the foresight for this.

SL: Thank you.

**\*\*MOTION PASSES UNANIMOUSLY.**

### **Prior Year Bill Approval**

SL: The next item on the agenda, Item VI, is Payment of Bills of a Prior Year. The item is a request. It must be adopted by a 4/5 majority for a transfer of \$1401.07 to pay an advertising bill from the Springfield *Republican* for job ads that occurred in FY2007. We're presently in FY 2008, so we're allowed with a 4/5 majority to be able to pay that bill, and it would take \$1400. from the auditor's account to pay those prior bills.

**\*\*MOTION PASSES UNANIMOUSLY.**

### **Chapman Valve Project**

SL: Thank you. The next item on the agenda, Item VII, is a presentation, and I believe VII and VIII will sort of be somewhat taken together: Chapman Valve and the South End Project. Joined by Chief Development Officer, Dave Panagore.

CG: You know, let me just comment as a prelude to these presentations and the subsequent one from the gentleman from UMass Dartmouth and MassINC....this is former mayor's day, by the way. Welcome Mayor, former Mayor Ed Lambert of Fall River and, of course, Member Nunes is former Mayor of Taunton. I'm excited to get a chance to look at a slate of activities from a control board point of view that speak to the long-term econ-...short-term and long-term economic growth and development. And those are obviously priorities of the Mayor, but they're also priorities of the control board in the sense that, you know, from the point of view of fiscal strength here, not to mention opportunity for individuals here, we need strong, healthy, vital economy. There's no other solution that will allow Springfield to rise other than a really strong private sector, so I appreciate the hard work both of you and others put in, and, Mayor, I know worked very closely with you on all of this to have a good slate that we can bring forward not only just individual projects, but a whole approach consistent with what we've been doing, but you know, taking this economic long-term growth and short-term opportunity to continue the momentum. So thank you very much. I just kind of wanted to frame it as more than any one item. This is about putting together the right portfolio of approaches.

DS: Mr. Chairman, David, I must say when you're feeling creative, you have the bow tie on. You do not have the bow tie on today.

Chief Development Officer, Dave Panagore: I also am, if I may say so, Mayor, I wear the bow tie when I want folks to remember me. And I think maybe you've seen too much of me, so I sort of downplay it.

DS: Thank you, Mr. Chairman.

DP: Good morning, Mr. Chairman, Mayor, Members. This morning through a brief presentation on our next steps in economic development, and, as the chairman indicated, as part of our on-going program, we have of short-term actions. And we also want to be doing long-term planning, and we know that to execute this we really have to have effective public/private partnerships. The components this morning I wanted to go over were first, the short-term action on some new ULI initiatives. These are the ULI priorities (we have a number of them under way), but Chapman Valve and the South End.

Then, second, in terms of our ability to execute. While the city needs, as the Mayor has indicated, a "Springfield First" organization, a private sector partner that the city can hand projects off to. The city can assemble projects and assemble sites through its Redevelopment Authority, its community development department in the city. But when it really comes to actually being a developer, cities that are successful have essentially a not-for-profit development entity that they partner with to carry out the projects.

Third, the long-term planning for economic growth and this, of course, is, as the chairman referred to, working with MassINC. and UMass Dartmouth and doing that in more detail in a moment...of upgrading a community base of public/private partnership as well there.

Right now, of course, through our departments (Housing, Neighborhoods, Code Enforcement, Economic Development, Community Development and Planning), we have a lot of projects going on in the city. The work...the housing rehab of Worthington Commons, 31 Elm, the York Street Jail site is now clear, the Smith and Wesson Industrial Park, the final finishes on the intersection were put on just the other day, and we're continuing to look for development opportunities there. State Street: you know, the contract has been awarded on State Street, and we expect to have a ground breaking within the next 60 to 90 days. And, beyond that, we'll be releasing this summer a market based redevelopment program for the State Street through the State Street Alliance.

Currently right now out in the community, we're looking at the existing zoning, the modernization of the city's zoning (we're doing public process there), revitalizing our neighborhood services department and we're in the middle of procuring comprehensive permitting software for the city that will bring all of our permitting on line in a gis basis.

There are two projects that we want to go over today, both the programming and present information on the initial funding that we'll be bringing back before the board. ULI identified that the Chapman Valve site in Indian Orchard was one of the last

remaining industrial areas in the city that needed revitalization. It was underutilized. It's a "gray field" if not a "brown field." And the South End was identified as the number one neighborhood plan..

On the Chapman Valve project, as indicated, this was indicated as a mid-term ULI project, meaning this will take years to accomplish. It's 52 acres of industrially zoned land. A portion of it is owned by the city, portion in third party hands. We would perceive this to be very similar to the Smith and Wesson, the Springfield Smith and Wesson Industrial Park. It would be an urban renewal project. We current estimate...and again, this is a current estimate and based upon the economy, based upon cost...I frankly do not see this number going down...but this is our *current* estimate of \$6.3million to prepare that for development. We would be seeking grants right now of at least \$2.2million, loans (brownfield loans) of \$1.9million, and aggregate city of Springfield funding of \$2.2million overall.

We will be coming back before the board (hopefully, at the June board meeting) looking for an initial funding request of at least \$1.7million (or less depending) for site assembly, permitting and engineering. This would be for acquisition of the site, engineering, and, of course, contingency. These would be the funds for us to be able to put together an urban renewal plan and to assemble the site, and to start preparing for development. But the real cost of development including engineering specifications and road work would come later.

This[PowerPoint image] is the Chapman Valve site itself. As you can see, in the left-hand corner there's a small parcel 1.7 acres. That actually is a Pinevale tax title building that I would humbly suggest is engaged in self-demolition at the moment. It's crumbling. It's a brick building. We anticipate using brownfields loan money through the P[ioneer] V[alley] P[lanning] C[ommission] to demolish that building. Approximate cost for that would be \$1million, and we anticipate being able to move forward with that next spring. There are two...there's a center parcel of 11.9 acres that's owned by the city of Springfield currently, where we're just completing the demolition of the Chapman Valve main factory foundry type building, and that is proceeding well, and environmental remediation and tank removal is going right on apace. And it's being finalized now.

So the north and south are some third party parcels. I won't today...you know, if there's questions I'll obviously respond to it, but go into too much detail in the interest of time. But these would be parcels that we could be seeking to acquire in an urban renewal plan.

The process formally is that to do an urban renewal: plan adoption by the Springfield Redevelopment Authority; then plan adoption by the city council, control board after a public hearing. One might expect that in terms of the public perception that this would come back before the board, but essentially this is a city council action with a public hearing. The planning...I want to say "the planning commission" (that's what's in the statute), but the planning board would review it for compliance with the city plans.

And we'd have to approve...we'd have to submit it to the state, the DHCD, the Department of Housing and Community Development for their approval.

Although that's the required process, there's additional process that is important. Securing the fundings so that we can undertake this project (as indicted we'd like to be before the board in June). We need to go to the neighborhood for...not only an initial meeting with the neighborhood about the plan. There's been much work done before, but times have changed. But to continue periodic meetings with the neighborhood and businesses in Indian Orchard on this project and its impact. And also, we have begun meeting and would continue to meet with the third party owners in responsible party. By responsible party, there are Crane and Company is "on the hook" as they'd say for environmental contamination and we've began initial conversations with Crane and Company. And certainly we would seek their resources to help mitigate any remediation costs as this goes forward. And we also expect to be meeting with the DEP and DEP compliance, because this is, of course, a brownfields site.

### **South End Project**

Second project to mention this morning is the South End revitalization. This was identified as the number one neighborhood project by the Urban Land Institute. Currently we're working with stakeholders in community and by "community" I mean not only the South End, but across the city: businesses, Mercy, Baystate and others, the colleges on a public realm plan for the South End. The ULI, both the national and the Boston chapter identified that not only is the South End a neighborhood issue, it's a citywide issue of citywide concern. And the participation by the larger stakeholders in the city is important for its success. We've continued to meet on a public realm improvements plan, and we expect to be able to bring that before the city officials this summer to present that.

We look at it as a three-phase of activity. One is phase one which is code, public safety and property management. Working with the Citistat program right now and Neighborhoodstat, we've begun an interdepartmental review of the calls and impacts in the South End. We expect to expand this out to the rest of the city, but we're starting with the South End. And using CDBG funding that we hope to have available on July 1, we hope to have a systematic enforcement the...with down in the South End so that we can take an initial hit. But as the police department has continually indicated to me, they can be a frontline, but over the course of time, you need to back it up with real redevelopment. And so that is phase one; it would be code, public safety, and property management, working with existing large owners down in the South End to be able to have better property management.

Phase two would be the public realm improvements. On a best track scenario, we hope to begin construction of those second quarter 2008. And then third phase would be the private sector improvements. It's listed a TBD (a to be determined), but on all of these projects, it's essentially about whether the private sector believes the public sector is for real, whether we're actually getting something done. (We see it now on State

Street. As we begin to put shovels in the ground, momentum begins to build and people begin to believe that change will happen, and they begin to make private sector investments.)

On an estimated budget right now, it's an estimated...it currently for the public realm improvements of approximately \$9.2million: \$3million in state and federal grants, \$6.2million of the city. The current funding request would be \$6.2million: that's \$3.2million to continue the Main Street improvements that we have from the arch all the way down to the Christopher...this would now go from Union Street down to the Christopher Columbus statue. And then \$3million for parks, streets and sidewalk improvements. This would be in addition to the CDBG funding that we'd be put...that is already in place. We hope to seek a bond issue approval at the June meeting of the control board.

These two projects would be new initiatives identified in the Urban Land Institute we'd like to be able to begin. This [PowerPoint image] is the South End, and I might just mention in terms of its layout that the colored parcels are either essentially owned by the city or the SRA. They represent 1/3 of the property in the South End, and so therefore our ability to have an impact on real estate development is significant. We will be focusing on the park to the southern end of the slide and be able to focus on reconnecting the streets through the neighborhood, the details of which are still being worked out in cooperation with the neighborhood. But the idea is to improve traffic flow, improve access, and over the course of time improve the quality of life and the housing in the neighborhood and also to focus on Main Street and the businesses there.

In order to carry out projects in the city ( I switch now in particular to State Street, for example), the city has and needs to revitalize a catalyzing development entity. Working with the Mayor's office, working with economic development council, working with the business community, we are working right now on putting together what is tentatively called a proposal for a Springfield Development Corporation which we would bring back before the Mayor and the control board to create a Springfield First organization. Essentially, it would replace the Springfield Business Development Corporation. It is modeled on such entities as the STCC Assistance Corporation, WestMass, and other development entities found across the state and particularly one in Plymouth we've used as a good example.

Working with the law department, working with local attorneys, we've crafted legislation that would need to be put in place and we would be seeking working with the delegation on this. What it would do: it would strengthen it's partnership with the city of Springfield; it would create, in particular, mayoral appointees and bring the state in with a state appointee so the state would remain actively involved in development in Springfield. It would correct structural limitations. One of the most difficult issues in the past and in the ongoing has been the ability for the city to dedicate both real estate and funding to the SBDC or other organizations. It's one of the difficulties that we ran into when we were sorting things out two or three years ago...was the hoops that folks had to jump through using CDBG funding. Through an entity such as this, we'd be able to

dedicate funding, real estate, other matters on a direct basis, because there'd be now a direct relationship.

This would create a development corporation with statutory authority. It would become a vehicle with flexibility. The city is able to redevelopment authority, through it's community development department to do so much. Traditionally, cities are good at assembling sites, relocating tenants, and help in putting programs in place. But when it comes to actually doing development work, when it comes to partnering with the private sector, you need a catalyzing...and by that I also mean a non-profit. The difference between an entity such as this that has no profit margin (essentially all the money gets rolled back in). If it's between 8% and 10%, that could be the difference between a go-forward project, a make or break project, and it not happening at all. And so an entity like this could be able to take on projects the private sector could not. It would also be more tightly focused and again, Springfield First on Springfield, on revitalization and development and redevelopment. Again as we go forward through the State Street Alliance that the SBDC has been working on, we've identified what we...we'll be identifying six to eight projects along State Street. And we need to be able to have an entity that can come forward and if no private sector partner will to be able to take on those projects, just as one example. This also through this entity as a sort of a quasi-public would be able to secure resources from the private sector and secure resources from the public sector. It would complement the existing development organizations (the BID, the SRA and city departments). And again it would ensure a *long* term organizational viability. So that the ebbs and flows of time and funding would stop buffeting the Springfield Business Development Corporation and be able to build consistent projects over the course of time. That would be our public/private partner on the outside.

Last point for this morning is where do we go in the long range.

CG: May I ask a question [unintelligible]

DP: Yes.

CG: Do you have a schedule for when you would expect to bring this forward?

DP: We would expect to be able to bring...we hope to be able to bring this forward within the next 30 days. Working with the city law department, working with the current board of the SBDC, we hope to be able to bring it back before...I serve on the board of the SBDC. We've had a sub-committee working on this for several months, six or eight months really over all, but several months is in on the cases in the last two or three. And we'd expect bring this back before the Mayor and the control board within the next 30 days to be able to help secure legislative backing for this organization which is very similar to other organizations that have been created in Western Mass. and across the state to be able to help drive development forward.

SL: With regard to funding for the first two items, the South End and the Chapman Valve, we propose to bring that to the control board at the next meeting, June 9.

CG: And this [unintelligible] I, I obviously the sensitivities about getting this right with regard to the existing public entities and private entities and I'm sure you're highly engaged with the Mayor and others, city council, on those issues. I will say from my perspective, I think making sure we have this right and that, you know, your priority of a Springfield First entity with public and private that is you know in a position to continue what I think has been a very welcome momentum in the last year or two of really getting projects through that have to happen in order for this city to be effectively revitalized. I really commend and am eager to see you know us support that in any way we can, recognizing the primary players are really going to be the city and the state. But, you know, from my perspective, anything we can do to catalyze that so that you know five years from now you've got the right structure, not just the *convenience* of a control board that can sometimes cut through some of that, but make that, you know, that *permanent* public private partnership, I think, is very important.

DS: Mr. Chairman, just a...when I first...and thank you...when I first, administration first took office, and I would *ad nauseum* to Dave saying "We have an alphabet soup of economic development, but yet I see...I don't see any Springfield First focus, and I think that was...Springfield was sort of put on "Well, if we can do something there, we'll think about it." So we reassessed, we started to look and, Mr. Chairman, you're right about bringing up all the individuals and identities on it, and speaking to all the people involved, this was the right way to do it number one, the Springfield First drive but two, helps really give you an entity that can facilitate and really move projects. "Here's things that we want to do" and so it's just a rebirth of it. And we just wanted to redefine what parameters are and what more can be done with the SBDC, so it's just...so we've engaged everybody, and we're in the point in time when everybody's in agreement, and a whole catalyzing thing has been as far as Springfield First and that, this agency just deals with moving—we have a lot of momentum, you're right. That can only take us so far. Bricks and mortar. Assembling projects that" "This is what we'd like to do. Now you assemble it on the private or non-profit, we can work with you cooperatively on the governmental side, and get it done." So I guess it's more be about a more efficient, more focus and less jumping through hoops where a developer and/or somebody coming "You know what? I just...I'm going to walk away from the project." So, we're hopeful that it can be...we're very hopeful that it will succeed. Thank you, Mr. Chairman.

BW: Through the chair, just very excited the Mayor advanced this, because I was something I've been trying to do behind the scenes for years, because in my estimation really Springfield has become the step-child in this region, in the Pioneer Valley, and we have started a lot of initiatives, Mr. Chairman, that say "the region." When we start talking "region;" I understand what "region" means. Over the last ten years, "region" really means taking money out of the urban—I'm not trying to set a battle between the urban and the suburban, but the...but the challenge has been "How do you coexist?" But lately the debate has been "We're going to regionalize our efforts." So regionalization means that money is taken out of the urban community and somehow ends up outside the

urban community. I'm just excited that this will focus on Springfield, because Springfield really has not been focused on. We've been focusing—most of those efforts have been focused on the region, not on Springfield. I mean you have to be able to come sit down at the table and negotiate from a position of strength, and I think this puts us at the table in a position of strength, whereas all the other efforts have been a combination of all the other cities and towns of whoever make that coalition up. And somehow Springfield has, in my opinion, become the step-child. Most of the projects that are going on and the jobs and all the new businesses are leaving the city. Because I really feel that if you don't live in the city and you live outside the city, but yet you're representing the Pioneer Valley---that's the region. If I have to make a decision, it's going to be in the best interest of probably where I live. I mean that's just a practical human emotion; it's nothing wrong with that; that's perfectly OK.

So if we make Springfield First, now we have someone at the table that's really focusing on the best interests of Springfield. And it all can end up being the same, but at least you're at the table, there's discussion, there's debate, there's dialogue. So you get a complete understanding, because I really want to commend the Mayor. I think that this will send a powerful message and signal that we plan to be players in the Valley; we should be. We're the largest employer in the Valley, the largest city in the Valley, and somehow, I don't think people get it. That's like why someone down in Boston trying to do something going [unintelligible] Boston. It would never happen. It would never, ever happen. And people have to understand that. So I just wanted to make the Mayor and Dave Panagore and everybody for really understanding. And I think it means, it means a lot. It means a lot to the citizens, a lot to developers and I know it means a lot to me.

SL: I wonder if I might just amplify something just for two minutes focusing on the Springfield First, the public private partnership. In discussions with the Mayor and Council President Williams, one thing we've also taken on at a staff level is reviewing the structure of economic development for the city as a whole and looking at how we can leverage the successes we've seen in the recent past, the decades old projects such as the York Street Jail that are more than now, *finally* moving. (I mean the York Street Jail is down.) We're looking at Chapman Valve; we're looking at changes to zoning; we're looking at a whole host of structural changes.

And one of the things that we've done at a staff level is look at those successes and to see what other communities are doing that's successful. What is their structure? And if we look at, for instance, Boston is a very successful and a meaningful example. They have a...an economic, consolidated economic development entity like we have here with the control board with strong executive control, strong executive leadership, but it allows a consolidated, coordinated approach to economic development that then can work with a Springfield First organization and the private businesses. So we've been looking at that, looking at the current model that we have which integrates planning and permitting and zoning and many other areas into a, into a successful model. So I just wanted to highlight that. That's something that we should...we will plan to discuss with you individually and potentially bring to the board is "What is the best structure *internally* for economic development moving forward as that interface to a Springfield

First, as that interface to a business community?" Preliminary work has shown that there's a Chapter 43C Section 12 which is a consolidated planning and economic development department under General Law. It would need some modification, but that's similar to what Boston's doing, Salem, Peabody, other successful communities. Similar to what we have here and similar to the way things have worked in previous years successfully in Springfield. So that's some work that we're doing at a staff level, wanted to make you aware of it, because sort of integrates into what we're talking about here.

CG: Great.

DP: And then it would be remiss of me if I didn't mention the leadership of the entire SBDC board and Maureen Hayes, their [unintelligible] director, in putting together the Springfield Development Corporation. This really has been an excellent working partnership: talking with all of them, working through the issues. And they've been very focused on Springfield mirroring the comments that Council President Williams was mentioning.

### **Presentation by MassINC; Appropriation Request**

The last piece in terms of the presentation this morning is really the "Where do we go from here?" Again, the Urban Land Institute was very particularly focused on a three to five year short-term plan, but, moving forward, what is our long-range plan for growth? Led by Chairman Gabrieli, we've been looking at a public private partnership to develop a longer economic development growth strategy. What is the 10 to 15 year plan? Or as the Mayor has said, "What's our next Armory?" Where do we go from here?

And with us today John Schneider of MassINC and Mayor Ed Lambert(ex) of Fall River [unintelligible] finance control board to engage them, UMass Dartmouth and MassINC, to facilitate a data driven community engaged, and I focus on that, because again what we're looking for here in the work that we've done is that we are given on the facts that were data driven and that were community-engaged that there's a broad consensus. We saw through the ULI...that we did a ULI a decent job of engaging the community, but that we, in point of fact, need to do better than that and we need to do a broader engagement process, so that we can work together with over the course of the next several years to create a economic development strategy. And I turn the presentation now over to MassINC and UMass Dartmouth.

SL: And actually just before...just to intro just a little bit further. Much as David indicated, much as ULI focused on the immediate term, the three to five years, the Chapman Valves and the South Ends, the question does remain too "What is the next Armory?" What is the next economic industry, for instance, that the...that will present a large number of good jobs over the long term for the city of Springfield?

The control board has been approached by the Massachusetts Institute for New Commonwealth, known as MassINC; it's a non-partisan think tank which develops innovative ideas for economic growth as well as, importantly, (and I'll get back to this in

just a second) civic participation. And they're looking to partner with University of Massachusetts through the Urban Initiative run by Mayor Ed Lambert as well as the Brookings Institution and the Federal Reserve Bank. I think the overall goal of the study, as they've outlined it to us, is to deeply examine the city's job, industry, and company trends to develop a strategy for economic growth for the next 10 to 15 years—again, finding that next Armory.

With phase one being data collection, data analysis, putting Springfield in the context of other similar cities that have struggled with economic development issues to determine what has been successful, what has not worked, and where should Springfield look? If 15 out of 18 communities have pursued one strategy and it's failed, well, it's probably Springfield would like to know that before it goes down that path to determine, you know, "Is that an appropriate course of action for us or not?" So to improve the efficiency and the efficacy of what Springfield wishes to pursue as a locally driven economic development strategy, that first phase would provide that important information.

With the second phase being a deep community involvement, deep civic participation in determining what that economic strategy should be over the next 10 to 15 years. What are the community strengths? What are the community's opportunities? Where do we go and how do we get there?

So the proposed study follows the ULI model in that there is strong community participation, strong civic engagement as is consistent with MassINC's mission, but also one that is driven by research and application of that research to a strong economic development strategy. The first phase of the study would which...we'll be talking about both phases today, but the first phase of the study, similar to the ULI model, is proposed as a \$125,000. public contribution to be followed by a second phase of the project which would be more expensive, but funded through private sector, non-profit grants and other external supports, similar to the ULI which had city money and external money. We're following the same model here for public funding as well as private funding to conduct what really is the independent study, an independent review, relying on the expertise of and independence of MassINC., UMass, the Brookings Institution, the Federal Reserve Bank. So I wanted to provide that brief introduction and at this point, as David indicated, hand it off to Mayor Lambert and John Schneider as well.

BW: On this Chapman Valve project which I think it's been a long time coming, Mr. Chairman. we've been dealing with it as long as I've been on the city council. It's been almost 13,14 years. And just so the general public understands and the control board understands, this is something that the Indian Orchard community has adopted. The citizens want this plan. And they've worked, they've been at the table, they've been part of the process. And they're a very tough council, because they care about Indian Orchard. And one day I'd like to take folks out there to Indian Orchard, really to see. It's a beautiful community. You know, it's a beautiful community. But just letting us know that citizens have signed off, have approved this. They're eager and they're ready

to go, and I have received phone calls on this to make sure this gets the ultimate priority and they just want something to happen out there. So thank you, gentlemen.

SL: Thank you. All right. Mayor and Mr. Schneider.

John Schneider: Mr. Chairman and Mr. Mayor, members of the board, it's a pleasure to be here this morning. My name is John Schneider, and I'm executive vice-president of MassINC. You've heard a little bit about MassINC in Steve's introduction. We'll talk more about our work in a moment. Let me introduce Ed Lambert who is director of the UMass Dartmouth Urban Initiative and also the former mayor of Fall River, Massachusetts. MassINC and UMass Dartmouth have formed a partnership to work on a number of urban issues with the idea of developing an urban agenda for Massachusetts, particularly for cities that we call "gateway cities," those cities located outside of the urban Boston core, cities like Springfield that have often been neglected by state leaders in Boston.

I'm also joined this morning by two associates at MassINC, part of our project team: Ben Foreman, who's our research associate and Eric McLean-Shinaman, programs and policy associate of MassINC. I'm pleased to say that Eric has some great Springfield roots. He grew up in this area, spent a lot of time in Springfield. And also, for the record, I'm actually from Western Mass. I grew up in Pittsfield, Massachusetts, and as a youngster growing up, Springfield was the big city, and I remember coming into the city on many occasions for Pittsfield High School sports to see our teams defeated by the great sports' teams here in Springfield, so...

BW: We had some great teams.

JS: You had some great teams. This was in the 70s and...we did. We had some good baseball teams, absolutely.

BW: Pittsfield Generals.

JS: That's right. Pittsfield Generals, Pittsfield High School Generals. So I love this area, love this region of the state and we're pleased to be here today. I'm going to talk a bit about...give you an overview of what we're doing...(Steve gave a very nice introduction)...and also answer any questions you may have, but the first thing I want to do is talk a little bit about our Gateway Cities Research Project that MassINC undertook with the Brookings Institution to give you some context of this work and why we're here this morning. We'll also talk a little bit about the MassINC UMass partnership and then lay out for you the steps in terms of the economic growth and development proposal that we're going to be talking about this morning.

In February of 2007, MassINC teamed up with the Brookings Institution to really take a look at growth and development here in Massachusetts and the role of what we call "gateway cities," regional cities outside of sort of the urban core around Boston, cities that shared an industrial past, these are mill cities, these are cities that were significant,

significant contributors to the state's economy. And we identified 11 gateway cities: Haverhill, Lawrence, Lowell, Brockton, New Bedford, Fall River, Worcester, Fitchburg, Pittsfield, Holyoke and Springfield. It was important to us that the study look at communities across Massachusetts and looked at cities that had significant population, but also cities where there was high levels of poverty and a number of challenges in terms of private sector job loss, etc.

And one of the things that we were trying to understand in this research project is in a state like ours that has such high educational attainment levels and high per capita income, why is there such a discrepancy between what's happening in Greater Boston and the rest of the state? Massachusetts is a national leader in per capita income, educational attainment and yet we have sections of Massachusetts or regions of Massachusetts that are struggling. We wanted to understand this better and to see if there were some recommendations that we might be able to bring on a state level to better understand the issue. Well, the report has a lot of data and information. I'm going to be just presenting a highlight and some findings. We can certainly provide you with a copy of the Gateway Cities Report if you'd like to have one. There's a lot of good data and analysis in here.

But one of the things that I wanted to point out today was we took a look at the location of knowledge sector firms across the state of Massachusetts, trying to sort of understand where these firms are located, firms with high wage jobs, firms that were really representing the growth of our state. And in 1991, 53% of these knowledge driven industries were located in and around Greater Boston. They were clustered near the city. In the so-called "gateway cities," they had 8.1% of these firms, and in the regions around gateway cities, 28.6% of these firms were located.

Jumping ahead to 2004, one of the things that we see is an explosion of the concentration of these tech industries. Although across the state there was growth, in Boston the concentration now was 60%. So we went from 52% to 60% during that period of time, whereas the gateway cities lost ground down to 6.3%, and the regions lost ground as well. So in essence, Boston was becoming even more of a concentrated area for the location of these knowledge sector industries and firms. And we believe there's some consequences to that concentration, consequences to the quality of life in Massachusetts, consequences to the ability of people outside the Greater Boston region to earn a living, and consequences to the state's own competitiveness as some of the issues around kind of urban sprawl affect the Greater Boston region.

Research also took a look at some of the divergence of the state's economy comparing Springfield and some of the other gateway cities to Boston and to the Greater Boston region. You know, this is certainly data that you're well aware of: the loss of manufacturing jobs, private sector job loss in Springfield, the loss of high tech firms—I'm sorry, there was *growth* of high tech firms, but when we look at Greater Boston, 1600 new tech firms between 1991 and 2004, and, although there was some slight gain in per capita income, it was really the Greater Boston region that was seeing the significant increase in per capita income that was sort of driving some of the state data. And, in

essence, what we were seeing is what was sort of talked about earlier that the central cities, these core cities, these historic cities were being hollowed out. There was regional growth, there was a lack of an urban agenda, there was a lack of a vision for these particular communities, and we thought it was important that we use some of the influence that MassINC has to engage the community in a discussion about “what is the role of these historic places in the knowledge economy?” And I’m pleased to say we have been across the state; we have been to cities across Massachusetts to talk about this particular work. We have been working closely with economic development directors from all the gateway cities. On Monday we had an historic meeting at the Old State House in Boston where the mayors and the chief executives of these 11 cities agreed to work together to forge a new urban agenda. Lieutenant Governor was there and a number of legislators, so we think there’s some momentum building around this issue of the role of gateway cities in the economy.

Let me talk a little bit about our partnership. Steve mentioned a little bit about MassINC. We’re an independent non-partisan non-profit organization. Our mission is to really to look at the growth and vitality of the state’s middle class. We do research. We publish the magazine called *Commonwealth* magazine with a number of stories of Springfield in *Commonwealth* as well as the region. And we organize and sponsor civic events across the state. We’re a small organization, about (depending on how we count it) about 12 to 13 of us, and...but we’re entrepreneurial, and we’re looking always to kind of advance the state’s agenda. This is an area that we’re fully committed to and intend to be working on over the next several years.

We’ll let the Mayor talk a little bit about the UMass Dartmouth Urban Initiative.

Mayor Ed Lambert: Well, certainly, the Urban Initiative is a growth of...an outgrowth of directly of the Gateway Cities Report by Chancellor Jean MacCormack at UMass Dartmouth who throughout her career in higher education has been very committed to urban areas, wanting to try to have the university play a greater role and also follow up on a very specific recommendation made in the Gateway Cities Report about the role that higher education can play, both the private...public and private higher education institutions, in helping revitalize the urban areas outside of Greater Boston. So as a result of that, she created this Urban Initiative. We also have some research capacity and project development capacity, and it’s a great pleasure for us to be in partnership with MassINC.

JS: We’re also excited about having UMass Dartmouth involved. That university is a great example of the role that a public university can play into the state’s gateway cities: the location of the advanced manufacturing technology center in Fall River, a brownfields site facility that we’ve used for a number of events, that’s an incubator for new businesses and opportunities, and then the school of performing arts in New Bedford. both facilities complement the strengths of those two great cities.

So one of the things that we raise in this report, specifically, is a discussion about UMass Amherst’s role in Western Mass., and we’re pleased to see that the chancellor has

also indicated an interest in also working with the city, and we think that's important. So it's terrific having Ed involved.

Let me now talk a little bit about the two phases that we envision. First going to talk about the goal for each phase and some of the key research questions, and then I'm going to present a time line. We really see this as a long-term strategy around economic growth and development, a 10 to 15 year plan that would complement some of the terrific work that's happening now here under your leadership, Mayor Sarno. The ULI effort, I think, has led to some terrific ideas and energy around some real estate and physical improvements in the city. This would look at what are the next steps? What's the next vision for the community? And it would be a plan that we would want and work with the city to own and be able to implement. It's very important to us that the city owns this plan and works with us on some strategies for implementation. That being said, I think the plan is also important for the Commonwealth of Massachusetts. I think the state has invested in the city, and having an economic development strategy, a growth strategy, is something that I also think is important to the state, and we've had some discussions with Secretary O'Connell and his staff about this work. They're very interested and need to be brought into the discussion as well and that's the value of having an organization like MassINC involved in this. We have the ...both the relationships and the reputation as an independent expert to help in terms of bringing to the table state leaders that can help both with the implementation and development of this strategy as well as having a partner like UMass.

In the first phase, we plan on doing an initial survey of the city's economic setting and identifying opportunities and challenges to growth. One of the key things here is to really look at "How does Springfield connect with 60 to 70 or so other cities across the country that have similar characteristics, similar circumstances?" and to work with the community to develop some benchmarks around progress. And let me talk a little bit about our effort to bring some national partners to the table. We still may have a very close relationship with the Brookings Institution. We hope that they will work with us on this effort going forward. Brookings is launching in June an initiative called the "Blueprint for American Prosperity" which is an effort to look at what's happened to our urban areas (our cities) over the last 20 years and the role that they play in the economy. We'd like to be able to use our relationship with Brookings to make sure that Springfield and the other gateway cities are connected to this particular effort. But Brookings also has some unique research capacity that we would want to tap into as well, and we've already initiated some discussions with Brookings about a role they could play.

We're also going to be talking to the Federal Reserve Bank of Boston. As you know, the Federal Reserve Bank has had an interest in the city, and they've expressed an interest in working with us and collaborating with us on this project. And so we've begun discussions about the role that they could play.

And a third organization is a group called the American Assembly. They're based out of Columbia University; was an organization that was founded by President Eisenhower. And the American Assembly is also a non-partisan organization that

focuses on a number of social challenges that this country faces. They have taken on this issue of urban economic development and urban renewal as a major project. They've just published a book called *Retooling for Growth* which explores a number of these issues. We're going to be talking to them about also being involved in this. So during this first phase in addition to working closely with the community and trying to develop a process for community input, we'll also be looking to secure a number of national partners who would bring both some research capacity and some status, additional status, to this project.

But there are a number of key questions that we're trying to identify in this first phase. Social and economic trends that are most significant to the city's future. How does Springfield compare to other cities undertaking renewal? I think it's important to understand (and I'm sure you do) that Springfield is not alone, and the nation, frankly, has done a lousy job of helping cities like Springfield transition from the manufacturing economy to an economy that's more based on knowledge sector jobs. And we think with our relationships on a national level, Springfield can be part of that discussion. And what works and doesn't work in terms of cities that face similar circumstances? Springfield is not alone; there are examples of cities that have made a transition. We'd like to bring some of that information to you, present that to you. That may be something that you're interested in. You may decide that you want to go in another direction. Or are there some elements in how that was organized that you find interesting?

So we think that there's a lot that we can learn from cities like Springfield across the country: the good, the bad and the ugly. We would also work with the community, with the city, to identify some aspirational cities, stretch cities, cities that you would like to be like this. How might we be able to reach that particular goal?

In the second phase, here we're really going to be engaged...engaging stakeholders with the idea of creating a long term economic growth plan for the city, based on our research and local and state input. And again, what have we learned from other cities short or long term challenges to economic development? What are the short and long-term opportunities? How can the city move ahead to address and leverage some of the assets and opportunities that the city has? This city, as we all know, has assets that can be leveraged to help capture economic growth, and that's part of what we want to be able to work with you on over the next couple of years.

Let me talk specifically then about our collaborative process, because I think one of the things that we've learned over the last several months in talking to David and others about this effort is the need to engage the community and the stakeholders in this project, and so we're going to be establishing an advisory committee of local leaders, sort of learning what we can from the ULI process, trying to do that maybe one step better. We'll talk to you more about that. Community input is incredibly important as stakeholder groups and doing the outreach to the community groups as well. And then, you know, we will work together to develop a consensus around a strategy that can be carried forward and, you know, really owned by the city as this process evolves.

Let me talk a little bit about the timetable. Phase 1 we envision running from June until 2008 [sic]. Phase 2 would run from January through 2009. Key components of Phase 1 including collecting and analyzing data that is something that we're already doing. (We've already done some preliminary research here.) Forming an advisory committee: one of the things that we'd like to do is before the 4<sup>th</sup> of July organize with the city a public forum about this project and talk to people about what we have in mind to get some ideas about how...what's the best way to utilize public input into this process. That would then help us develop a consensus about the community process as we go forward. Do some background interviews with local civic, business and political leaders in the community. Think Steve mentioned that this is an effort that is seeking not only public funds, but it's...we think it's important, like the ULI process, to secure private dollars, so we'll be looking to raise that funding during the first phase. And then provide for the city a report at the end of this year with our findings.

Like Ed to talk a little bit about the public process and, you know, some of the ideas that we have for that, because we think that that's important.

EL: Well, John, thank you and I want to commend this board for the work that it's done here in Springfield and certainly want to commend Mayor Sarno for the passion and enthusiasm he has for his city. You know, as a former mayor, you have a real appreciation for the challenges that exist in Fall River and Springfield and other places, but you also have a great appreciation for the opportunities, the vision as to what your city can be. And I think that's vitally important, because there's no doubt that Springfield, while it is very similar to the gateway cities, as they've been described, is a city with great potential, and hopefully is not only just part of a national discussion about what ought to happen with these cities, but has the potential to be a model for what can happen in the urban core.

But also as a former mayor, I recognize probably three other things that are important to this process. First of all, the uniqueness of a great city. Springfield's a great city. You don't want a plan produced long-term that is simply a cookie cutter approach to what other cities might aspire to in terms of models. You want something that's practical. And as a mayor we also have...and city council president and others who hold office, I have a great appreciation for understanding that things need to happen. And so, we really hope to be able to work with the city to provide...or to try to clear up what the road map ought to be going forward, while at the same time great things such as were presented here before us are taking place. And third, and I appreciated some of the discussion that took place here before, that you cannot have good, strong regional development unless your city in that region is strong. That if Springfield prospers, the region prospers, that the region cannot advance itself without Springfield being a healthy community economically and otherwise. And so certainly that will be part of this research and process going forward.

My role is really to complement the great work that MassINC has done and will do in research, helping to try to connect that work to the city, to ensure that there are solid communications back and forth and that the community outreach is *significant* in

informing the research that MassINC does. I think...and I'm very comfortable that there is an understanding on the part of MassINC that, while we will take a look at other communities and best practices and research, that there is just as much information to be gleaned about where the road to Springfield's future success lies from the community itself, from its hopes, from its aspirations. Not in a sense of presenting a menu of potential options and having people choose by majority vote where we ought to go, but really to try to ensure and recognize that the plan is one that meshes with where the community wants to be in 10 to 15 years. And that it's consistent.

I also have a great appreciation for what the council president said as it related to the superintendent search process, that there is a sense of ownership of that process, that no one from outside this community is looking to come in and impose a plan or to create a plan that simply is left for the community's adoption. If there isn't buy-in from the start, then it isn't a good or productive process. And so we will be very attentive to that as well. But this project is very much within the mission of MassINC, as John described it relative to the concern about gateway cities, and the Urban Initiative at UMass Dartmouth, and very much something we want to do, and we believe, longer term, will have good application in other gateway cities as well.

So we will be looking for your advice as a board, individually and collectively, on who needs to be part of the process, who we need to speak to. As John mentioned, the formation of the advisory committee, I think, will ensure that there is some connection there. The intent to have a public hearing or meeting before July 4, but to expand beyond that, in a list that's not exclusive, to stakeholder interviews, face-to-face surveys, meetings with neighborhood leaders, the use of technology, potentially, even the internet, to ensure that people are connected, but to find a variety of ways in which there can be a community engagement plan that people are supportive of. So that is in part my goal in partnership with MassINC, and I look forward to...to working with all of you.

JS: Phase 2 would begin in January 2009, and here, you know really, it's the synergy of the research that we've done, the analysis that we've done, the benchmarking work that we've done connecting with the community information that we develop or that we hear and the idea that out of this work a strategy for growth will emerge that the city feels good about, that the state is committed to, and there's a process for implementing this vision going forward.

So, in summary, let me just conclude that the city...we believe the city would develop from...benefit from this economic growth strategy in three ways. One, having better understanding of what works through our analysis of similar cities across the country and establish some benchmarks to measure progress, a long-term economic strategy that, as Ed mentioned, can be developed as the Mayor and other community leaders are implementing, important plans to improve the city like we heard today. There's good work happening here, and we want this effort to complement that work. And a process that will engage community leaders and to develop consensus around the city's future.

So we appreciate the opportunity to be here and be willing to answer any questions that you might have about this work.

DS: Mr. Chairman, thank you first of all, Mr. Chairman, I want to thank you for bringing this entity for consideration to this city. And in our meetings, and the board's meetings and meeting with Mayor Lambert and Mr. Schneider...I know your reputation Lieutenant Governor Murray, and I've all been one about saying, as we talked about, you know, consultants, studies, etc. momentum only takes you so far. We need bricks and mortar, and the ULI, which we're doing, is more of a short-term plan (two to three years) moving that. And this is the further vision down the road. We're after we...not band-aid...but we stop the bleeding...where're we going 10 to 15 years from now with the quantitative data and the "new Armory," as I've said before, whether it's green or the arts or etc. Where is it? So we don't fall in this problem. The other aspect that...which was important, and I'm glad that you put across, Council President Williams and the rest of the board members, about inclusion and the community input, the buy-in, which is key. And the other aspect that I saw and I couldn't make it to Boston, but my Chief of Staff, Denise Jordan and Darryl Moss and Brian Connors was there from Economic Development part Department as a lobbying group. It's 11 cities now, good-sized, well-known cities that we start to tell our urban story and rally together and say, "Listen, mandates, always take, take, take, take. We're going to stand together with numbers, indicating what we need whether it's on the state level which has been very open to help us whether the administration or legislature delegation, but to the federal level. We're the front lines, as you...we're the gateway cities. We get everything and anything. And many times we have to deal with it, there's no cash to deal with it." So it's another strategic...you know, being methodical...as we move...where do we stand 10 to 15 years from now. Thanks, Mr. Chairman.

BW: Thank you, Mr. Chairman. And I guess there is life after being a mayor.

EL: Yes there is. [laughter] After a long tenure.

BW: Just a...just a couple of points I'd like to hit on. First of all, that *Commonwealth* magazine is an excellent magazine. We get it all the time, and I really read as much as I can of it; it's an excellent document and I want to tell you that. Number two, as Springfield goes, so does the region. That's the motto...Springfield...it used to be the model...As Springfield goes, so goes the region. And we've understood the...this...you know, this is a national problem, urban areas, not just unique to Massachusetts. And there's been a...a will of people in high places to abandon the urban community. And I just think it's ...it's a good sign that forces are rallying together, coming together to focus back on the urban synergy that's so important to this country. But I think this makes sense. To me, it just makes good sense, long-range planning and maybe we will land that "20,000, 30,000, 50,000, 10,000 (I told somebody the other day, I'd take 5000) job facility," because of the efforts of...your efforts of pulling people together. I just think the ULI...they did a commendable in...in a way. And, in another way, I don't think so, and I've been very public about it, so I'm not just bringing it up now. I don't think that they went far enough in terms of inclusion. And I'll go back to the process that the

mayor alluded to that Chairman Gabrieli established on the superintendent search. If people don't feel a real ownership, then we know from the outset what the outcome will be, and I don't think it would be favorable to what we're looking for.

So I think inclusion is very, very good. And I think the one reason why I'll vote for that \$125,000. is that the *city* is putting the effort up. So if the city's putting the effort up, then you're going to deal with the people who live in the city. And I think the ULI was just driven by people who really funded it, and I was very critical of the process, because I realize that if I have put something up, then I'm going to have a little more...everybody have a lot to say, but my vote's going to carry a little more weight. And that happens; that's just reality. That's nothing wrong with that. That's the process.

So I think this is a good investment up-front. Pay you now and then, hopefully, as the Mayor said, the next cavalry or the next army or the navy or what have you. But I do think this...(marines)...but I do think that this will...that advisory panel is correct, and you really do the due diligence...and I'll tell you, you have a lot of citizens that have a lot of good ideas in this city. And they're very dedicated to this city. They care about this city. As you see, they come down to control board meetings: they just care about Springfield as evident in the superintendent search. You had 40 people...I think everyone showed up from all walks of life. They showed up; they're involved in the process. It makes a difference if people really feel that they're *part* of the solution, and they're not just part of the problem. I think that's going to be critical for me that that process is wide-open, that you just get a whole wealth of thoughts and ideas and discussion and debate. Talk to everyone, you know, and then, hopefully, we'll get an ownership. And with these initiatives today, Mr. Chairman, I think Springfield is really, really...we've been on the right track...we're really, we're starting to pick up a lot of steam and a lot of momentum. And the Mayor knows, and you know, Mayor, and Mayor Nunes knows that in elected office, sometimes you have to see the end result, the bricks and the mortars, as the Mayor likes to allude to, when you need to see the shovels in the ground and some activity, because you can only talk so long. And after the talk, you got to walk the walk. And I think it's time for the city to really walk the walk now.

I think that this initiative will help begin to foster that...that creativity that I know exists in the city. You have a lot of talent, as you know, in Pittsfield, you have a lot of talent in cities and New Bedford, a lot of talent in the cities. Sometimes, people don't think so, and they just think all the thinkers outside the city, but they're not, and we realize that. But it's up to us as a city to drive ourselves, to push ourselves, become our own cheerleaders. We can't wait for Boston to become our cheerleaders. We got to cheerlead ourselves, create the synergy and the initiative and the energy, and we can...we can go a long way. So, thank you for, you know, picking Springfield as one of the cities.

JS: Thank you.

CG: Mr. Morton.

JM: Mr. Chairman, I would like to echo Mr. Williams's comments, Councilor Williams's comments, around the issue of community involvement and civic engagement in this process. Where we've been able to do that in recent years, we've seen tremendous ownership for whatever the results have been, and I would also caution you against pursuing the same old "usual suspects," because the same old "usual suspects," while they might be viewed as "community leaders," they are not necessarily those folks who might have the energy and excitement and...around the community. That is not to say that they're *not* committed. It is to say that they're other people who are excited about being involved and engaged in the betterment of the city of Springfield, and we need to begin to use their energy, their thoughts, and their commitments. So I would really encourage you to pursue civic engagement from, you know, a different set of individuals.

EL: We have some ideas on that, but, certainly, your input would be very helpful, and I'll be contacting each of you individually to gather some additional information from you as to how we can accomplish that. I think we agree.

JM: Thanks.

CG: I think in that regard if I could add, I think this phrasing, you know, when I look at...I don't know if you can go back, John, to that...the data slide, not the images. I think that part of this, too, is to get, and in this regard, that I think having the broadest set of members of the community, really as a learning community. I mean I think if you got people together in Springfield today and said "What should we do?" you'd get 100 people, you know, you'd get 50 to 100 answers. And, you know, before you can decide what to do, you got to make sure you understand what's going on. And, to me, when you look at data like this...when you look at, you know, this is, I assume, inflation-not-adjusted, right? These are nominal dollars at the bottom, do you think, John, or real dollars?

JS: In terms of the income growth?

CG: Yeah.

JS: Those are real dollars.

CG: Real dollars, inflation-deflated.

JS: Yeah.

CG: OK, so when you look at, in 20 years, gaining, you know, what, a quarter of the rate of growth for Springfield as a city, of Greater Boston. As I recall in the survey, I think the per capita income went from about \$.75 on the \$1.00 to Greater Boston to \$.57 in Springfield during this time. And, yes, the region did somewhat better, as we've discussed earlier, but the region didn't do as well as Greater Boston either. And when you say "Well, where's all that coming from?" You look at the top line: everybody's losing manufacturing jobs, but we're losing them even faster here than Greater Boston.

And you look at “Why isn’t Greater Boston in such great trouble then?” Well, because, you know, their high tech firm growth: 1600 new high tech firms in Greater Boston at a time when Springfield as a city gained six.

Now, we can’t get out of the...I think this is the kind of thing this community has to get their head around in my view to say...OK, this is not a knock on Springfield. This is data the same in Pittsfield. I think it’d be similar in Fall River; it’d be the same in Buffalo where I grew up. This is why the Brookings Institution involvement is so important in my mind, you know. This is not to self-flagellate. This is an economy that’s shifting from manufacturing to something else. The question is, you know, once we understand that problem in common, and I think the more people in this community take the time to look at the data. Don’t start with your solutions, start with...make sure you understand the problem, the more likely we’re going to come out of this with a determination as a city and, importantly, a collaboration with the state, that has the greater resources to address this about what would be a path forward.

And so to me that’s the...the Mayor [Lambert] and I were talking this morning on the phone. You know, having been a candidate for office statewide level, I’ve listened to the Mayor and others in Fall River, New Bedford who’ve had a very, very unified voice about wanting a railroad connection there. And they’ve had a sound argument even as to why it’s particularly crucial for their area. In the end, that’ll only ever happen, no matter how unified they are...and, boy, Fall River and New Bedford, if you’re running for statewide office, you can’t get off the train without getting, you know...out of your car, without getting pounded on the train. And yet, it’ll only happen when the state of Massachusetts, the Commonwealth, decides that this is economically important for the *state*.

EL: We’d like statewide candidates to get off the train. [laughter]

CG: Yeah. As I say, I got my...you know, I think in the same way, we need to have clarity as to what actions of the state would be crucial economically for us and why. And then we got to get the commonwealth to believe it enough to take the action, even though they also have limited resources. So I’m excited about that. I think, James, your point, you know, City Council President, you know, Mayor, about getting as many people of a wide variety of groups together to learn and shape...but I think both those are critical. So we have a lot to learn about this very challenging problem. Sorry for my passionate feeling on this.

JS: Well, what’s terrific to us is the passion about this city, and about cities in general, you know, cities that have been left behind. And I think we’re at a time now, both within the state, but also nationally, where there’s going to be some efforts to focus attention and try to change things. And we look forward to being part of that.

CG: You can even learn a little bit from Myles Standish. Worked out pretty well for you, hasn’t it? Any other discussion? If not, I’ll seek a motion for...so it would be a motion for Phase 1 costs of \$125,000.

**\*\*MOTION PASSES UNANIMOUSLY.**

### **Budget Discussion**

CG: Final item, Mr. Lisauskas?

SL: Thank you, Mr. Chairman. The final item is just a discussion of a couple of points on the budget. “Just” the budget, yes.

One of the items referenced by, certainly, the Mayor and Council President Williams and, previously, Councilor Rooke was the possibility of extending the deadline. As the board members know, at the February board meeting, the control board passed by a vote a number of assumptions and requirements for the budget, one of which was that the budget shall be presented to the control board in final form on June 1, 2008. With the due diligence that has been done and the additional research that the Mayor has been working very, very hard on the budget with his senior staff, it is...he’s not been able to provide the budget to the city council with a time period that he wanted to be able to do. Again, some significant additional research and work with the school department has been in the intervening period.

So thought it was prudent to...obviously, we’re looking for a locally driven process with the Mayor proposing, the city council reviewing, deliberating. And in order to make that a meaningful process, obviously, the city council has to have time to do that. That said, the control board meeting to review and approve the budget is June 23. So to provide control board staff sufficient time to be able to review the budget, do whatever analysis board members require would require at least a week. So, if we were to go to June...extend to June 16, provide an additional two weeks for city council review. That is on the outside, I think, of what control board staff will be able to handle in terms of doing the analysis and the review that...of the city council’s actions and the city council budget. So, going to...my recommendation, is to go to the 16<sup>th</sup>. It will place some challenges on the staff. I’m sure we will be able to meet them, working closely with, as we have in the past, with the Mayor, with Councilor Williams (President Williams) and other members of the city council.

So my recommendation to you is to amend that prior requirement for the June 1 submission to June 16 to provide the council sufficient time to conduct its review.

CG: Just to clarify, Steve, we have a meeting scheduled for early in June as well, right?

SL: That’s correct, yes.

CG: Which we would have...the city council would not, in this plan have, have completed its review process and so forth, but we would be able to get—we, the control board members who are not directly involved—which is really the three of us, because

the two of you [DS and BW] are directly involved in many senses, we would get a chance to get an overview briefing of the critical issues at that meeting.

SL: Yes.

CG: And then we get this final approval on June 23.

SL: Yes.

CG: Yeah, I do think that I'm going to recommend that we support that. I think that's judicious. I do feel like it has been very constructive, and I believe feel you feel so, too, Mayor, to work to really draw a sharp line this year, and give, you know, the city the chance...this administration that's new and a city council, you know, that has not had independent hearings in recent years, you know, to begin to flex all of those muscles so that there would be the appropriate local decision making with regard to priorities and the development of the habit of developing appropriate budgets. Since we'll be gone after the end of the next budget, and I...we do want to retain, obviously, our duty to keep the fiscal, you know, balance and so forth, so I think we need that time. But I think that, you know, far more important to us is that the city do that (between the Mayor and the city council) than ourselves. I think, preliminarily, my sense is from conversations with you, Mayor, and you, Steve, that that budget is coming along in a shape that's pretty consistent with what guidelines we set down. So I think, you know, that schedule allowed for perhaps harder discussions than I hope that we'll have to have about these things, since they're all hard decisions whether they're made by you, Mayor, or made by the city council or made by us. None of them...they're never easy, and...but they're better if they're locally decided, so I would support that schedule.

Any thoughts and other members or questions about just the schedule? I know there's other issues you want to bring up. Mayor, do you want to comment? Yeah, of course.

DS: Yeah. Thank you very much, and I want to thank Steve for bringing it up. this is something we broached to Steve to broach to the control board a couple weeks ago. We've been working daily on this budget, and we're very proud of it. And matter of fact, we're going to roll it out to the city council tomorrow at 4:00pm in the city council chambers, pertaining to the budget. We have balanced the budget on...within the financial requirements of constricted under the laws of the...the new laws we have now, the control board, staying within the reserve amount. Some things have been out of our control, and we wanted to move along in a very methodical fashion. But we're ready to go, and we're going to roll it out tomorrow at 4:00pm before the city council. So they have their due diligence to do. And I appreciate you doing the...giving us an extension for the council to do the budget. But I have to tell you, sitting on the other side of the desk now, and I'll go into our next agenda item...this is a very conservative budget.

The storm clouds are gathering. The signs on the national, the federal level and on the state level are not good. And I am not going to, for short-term political victories,

mortgage the city's financial future. We're going to make...we've made prudent decisions on where we want to take our priorities. I mean you've heard here with Tim Collins, the school department and the needs for teachers, needs for cops, youth development aspects. So we've made some difficult decisions, but we're looking forward to rolling out this budget with more of the specifics tomorrow at 4:00pm to the city council, and I want to appreciate everybody in the financial team that has been involved with TJ Plante, the control board, Auditor Ianello, the law department, etc. But we have gone through this with a fine tooth comb. And some things have been out of our control. And we've given bottom line numbers to those certain entities, and we've had to perform within our bottom line numbers, and we expect those entities to perform within their bottom line numbers. So that's where I'll elaborate on that point. I look very, very forward to issuing the budget. I want to thank all the department heads who have been very cooperative in this process. So it's been, you know, it's been excruciating detail that we've gone over, and I look forward to releasing it tomorrow at 4:00pm.

BW: Mr. Chairman, through the chair. In releasing it, I don't know if we worked it out, what does that mean, "releasing"... to the council? Is it just coming to the council?

DS: We're doing to do a presentation.

BW: Going to do a presentation, department heads are going to be there....

DS: We're going to do a presentation, we're going to submit the budget with the financial team and then you will have the due diligence to call your subcommittee meetings and have your department heads come in. And at that point in time, you can ask he or she questions. So we're going to give you a general presentation of the budget 4:00pm with the financial team and control board. And then, you can call your proper meetings, so that's....

BW: That's not a question and answer period, a comment period.

DS: We'll be there to entertain some general questions, but we want to give you.... Besides giving you the budget, we're going to give you a general presentation of the budget, the highlights of budgets, the difficult decisions that have been made, and the directions in incremental steps that we're going to move the city forward in, and things that are important to my administration, the Sarno administration on it. So tomorrow at...

BW: I just want to be clear so that when I convey the message back to the body, the council as a body, they understand that it's a presentation, not a question and answer period, not a comment period, but just a listening period. And then we'll do our due diligence after tomorrow.

DS: Well, sure we'll entertain [unintelligible] there's always a discussion [unintelligible] presentation to you instead of just handing it to you, which has been done before prior to control board. We're going to make a presentation to you, and give you the hard copy.

And then you, the council as done before during my past tenure, can do your due diligence calling subcommittee meetings. Department heads have informed me there will be there. And they will answer any questions that you have on the reasoning that you have as you move forward on what seems to be about a \$531,900,000. budget [unintelligible].

BW: Steve, the...I'm sorry, Mr. Chairman, and the role of the council: at that point all we can do is cut.

SL: Under General Law, Massachusetts General law, Chapter 44, the council can cut and can work with the Mayor, obviously, in making overall policy decisions. But the formal role of the council is to reduce budget items.

BW: To reduce the budget items, and that become the official document?

SL: In a normal...in..

BW: I mean other...does that become normal to the control board understand. Ultimately it's the control board. That becomes the budget that's presented to the control board. I'm trying to understand the process.

SL: The process that exists is that there are to develop it...this year is the first true full local process. So I think (not to speak for members of the board) I think that's an issue for all the board members, but I think the control board is going to take into consideration all forms of the, all the local feedback: certainly from the mayor whose budget it is, as well as from the city council as it does its deliberations...

BW: That's not my question. My question is that: What is the...is that...when that leaves that council office after we've done it, is that the document that's presented to the control board?

SL: What I'm trying to tell you, Mr. President, is that that's a discussion for the board. As to say: Is that the final document that is the...

BW: I don't mean.... The control board can do what it would like; I understand that. They have the right to go up, go down, go level, whatever. I understand that. I'm just saying that: What becomes the official document? Let me rephrase the question. Then again, does that mean that the Mayor's budget is then...I'm not saying the council's going to cut. I don't know. Then does that...then is the Mayor's budget presented in his fashion and the council is presented in its fashion, do both documents go to the control board? I guess I'll reframe the question.

SL: And allow me to go through my thought process here which is: The control board is a local process. So the control board, I think, is going to take the actual document, whether it has the cuts in it or not (I'm not exactly sure what form that actual document will take). I'm very confident that, not having discussed this with the board members,

but I'm very confident the board will say "We want to know what the Mayor says, we want to know what the control board[sic] says, and then we'll adopt a budget." (Excuse me, I'm sorry, thank you, *the city council*.) "[We want to know] what the Mayor says, what the city council says and we'll adopt a budget based on that."

Whether it's the document that has the Mayor's original, whether it's the Mayor's original with the red line for the city council changes, whether it's the city council budget (that budget that's adopted by the city council), I don't know that that has been decided at this point.

BW: So then, the real official document is going to be generated by the control board.

SL: Under Chapter 169.

CG: Let me just say, because I understand, I think, some of the questions you're getting at. And to be honest, I don't know that we as the control board at the time we discussed this did not particularly set such guidelines.

My personal preference would be for two things: one, that, as has happened already, as much as possible the city go through the same process it will go through in FY 2011, which is to say, where there'll be no control board process at all, so the control board present such that the Mayor drafts, the city council has rights under you know public law. I think that is a healthy thing for the city to get to. In the instance where the control board is still here, if...you now, if in the end there are disputes that can't be resolved or if that budget is determined by us to be in some sense outside the guidelines we discussed, we reserve the right collectively, recognizing you're two out of the five of us, to make, you know, to pick a city council version of something, a mayoral version of something or a third version of something.

But I will also say I'm very optimistic and hopeful that the city council and the Mayor will work together should there be any, you know, differences of policy within them that, you know, with the healthy way [unintelligible] happens in cities, and I realize that, during in Boston, I know that there's one of those [unintelligible] and I know Mayor Nunes dealt with this, and you know, not everyone always agrees on everything. So that's...we're not...you know, as a control board, I'm not interested in sort of stepping into whatever that normal and healthy process is except at the end product. But I think for the good of *Springfield*, I'd encourage all to say you know, not only do we need fiscal discipline, but we got to be in the habit of reaching good consensuses. So I would implore all involved, you know, to do that.

And that's part of the reason I think I'm for extending our time line, so that you as a city council, you know, I think it's been important for the Mayor to have that time (a new administration, first time back in the business of drafting from scratch the budget) to do it. I think it's important you have the time possible and, you know, I think June 16 about puts us up to where there'd be enough room to make it, you know, by our statutory requirement, basically, of June 30.

So, is that...?

BW: That, that...I'm just asking questions so I have clarity on the issue, so when the questions are asked to me, I'll have a thorough understanding of exactly how it is. That's all, just... And I have all the optimism in the world.

CG: So I think my preference as chair, that a single unitary document comes up to us.

BW: The old saying "In time of peace, you prepare for war."

CG: I would hope on June 16 that we, you know, we get one document that has gone through this process and is what it is, but I think I'm prepared to deal with the possibility that there is a mayoral draft and the city council voted changes and, you know, then we'll all have to figure out how to make music out of that, so...

RN: Mayor and Steve, are you planning to make a presentation on the 9<sup>th</sup>?

DS: Yes, well, we can make the presentation, and at that point in time, if the council's not prepared, we can do highlight some [unintelligible].

RN: You can present your budget...

DS: Yes.

RN: ...and then you [BW] can present your [city council] budget.

DS: We're, I mean, we've been ready. Some things are out of our control that...

RN: Yes.

CG: I think on the 9<sup>th</sup> it would be good to get something [unintelligible] from the presentation that you're going to give as well as any early analysis from the control board staff in regard to any issues or...

RN: And, Steve, can you give us a copy of the guidelines that we voted back in February?

SL: Yes. Do you want one right now?

RN: Well, for the budget, June 9<sup>th</sup> would be.

SL: Absolutely, yes.

JM: And through you, Mr. Chair, do we have a sense that June 16 is the date by which Mayor and the city council can complete their process?

DS: I...I would hope so. I mean my process is pretty much complete.

BW: As alluded to by Councilor Rooke, I mean that'll give us a little more than two weeks to deliberate. Hopefully, we can do it in a timely manner and meet the time table that's set. But I know it's going to be...it's going to be tough. It's going to be tough, because I mean you're dealing with a budget of almost \$532million, and you just don't want to run through it and rush through it, so I'm sure that we're going to try to meet the timetable that's set on June 16.

DS: I must say, Mr. Chairman, in past times prior to the control board (Buddy, Council President Williams, can attest to this), we've had budgets given to us literally the last week or six days before the next fiscal year comes about. So you know, everybody involved in this has worked very, very, very hard. And I think myself and the financial team involved wanted to be ready to release it in very early May, but you can't rush decisions. You have to be very methodical, especially when information has been difficult forthcoming.

RN: The past three years with the control board, did the council view the budget and make cuts or was just...?

BW: No.

RN: No?

BW: No

RN: No review at all, not even on...

BW: No participation whatsoever.

RN: Not a preliminary discussio, nothing.

SL: In the budget hearing in the prior...at least the prior fiscal year, if not before (I'm not sure before)...

BW: Last, under Mayor Ryan, we were involved; we could sit in on the process of the department heads. It had a clear understanding of some of the numbers up front. Now, I mean that made it a big...would have made it a big difference. Now, you're getting all numbers, you know, all at one time.

JM: It looks to me that there's 24 days involved here. You'll get it tomorrow, and you'll have from that point 23 days to consider it. It is possible that by the time we have our meeting on the 9<sup>th</sup>, you will have gone through the process. And so if we vote to extend it to the 16<sup>th</sup>, I'd like to reserve the option of reviewing it on the 9<sup>th</sup> if it's available, just so we have as much time as we need.

CG: Absolutely...we are scheduling two meetings, and, you know, trying very hard as a control board, I think, to bend over backwards to optimize the opportunity for the city to get local control increasingly, you know, driving the process, so...

SL: As the assumptions and requirements were adopted by, I believe, a voice vote of the control board, if the control board would consider a motion to extend it to the 16<sup>th</sup>, understanding the control board may consider the budget earlier on the 9<sup>th</sup> if prepared.

CG: I would move to allow up to June 16<sup>th</sup> for the final submission to us so that we can make our determination, if not earlier at the June 23<sup>rd</sup> scheduled meeting.

RN: We don't have a meeting scheduled for the 16<sup>th</sup>.

CG: No. This would be the date by which it would be the date by which it would be submitted such that the staff could give us the analyses we would need to deliberate on the 23<sup>rd</sup>. Correct?

DS: Just Mr. Chairman, to let you know, this administration has lived within those guidelines as you will see when the budget is presented to you which is presumably it's today or tomorrow or the next day or over the week-end. And I thank you again, Steve for passing along the suggestion to Chairman Gabrieli to give my colleagues and friends on the city council the opportunity for more time to review the budget.

BW: Just a, just a question on the budget, in terms of the council's due diligence, who will be assisting the council?

DS: You will have the complete financial team there.

SL: And certainly if...resources as well.

DS: And the control board is more than willing to give their administrative back-up, too, but you'll have the complete finan—my complete financial team and your complete disposal of department heads being at your...

BW: I'm just saying...financial people, people who will make the money decisions. We need them.

DS: Buddy, they will,...Mr. President, they will be there...with bells on.

BW: They might not leave with bells on. [laughter]

**\*\*MOTION PASSES UNANIMOUSLY.**

### **Moving toward Pay-as-You-Throw Trash Disposal**

SL: Thank you, and there was just, Mayor, did you want to say something on the executive order or...?

DS: Yes, I'd like to, and piggy-backing on what I had said earlier, and with the storm clouds that are gathering right now on the national and the state level and as I stated before, I am not going to mortgage the city's financial future for short-term political gains. So, as we continue to review the situations, whether it pertains to public safety, education or the being able to properly manage, as we have, the increases in health and insurance costs, energy costs and our ESCO programs, we need to better manage our disposal of solid waste and trash.

At this point in time, it is going to be very difficult for my administration to consider completely alleviating the trash fee. So what I've requested (and I have an order before the financial control board) is I've requested...a letter has gone out by Attorney Tom Walsh for the public, and the press has a complete press package on the letter, and a press release. I've requested...the letter has gone out to D[epartment of] E[nvironmental] P[rotection], Mike Gorski, and Al Chwalek to work together to apply for every...any and all technical and financial assistance pertaining to the trash fee. And I want to thank Trish Vinchesi and Steve and Al and Mike Triggs as we work toward this pay-as-you-throw system.

The key here is that we're looking to make sure that this program is rolled out correctly with a very aggressive marketing and educational campaign. Right now, we are subsidizing the budget for trash. Just on the solid waste side, I believe it's about \$7million. We're able to generate a certain amount of that money, about \$3.8million. As we continue to move toward we're green, this is the right environmental way to go. We're now very hotly negotiations on our landfill issues. I...liabilities there of \$7.3million on capping of the cells that we have to go through. This is also a fairer type technique to the individual or the resident that gives you the ability to control what you throw out. And we're going to be very cognizant harping away on recycling. Overall, as the ever-escalating fees going tippage and tonnage, this will cut down the tonnage fee that we put across to the landfills, one. Two, it would also encourage individuals to properly recycle which will cut down what they have to properly put in their container.

So what we're going to do is make sure that we have a committee. We're going to roll this out in a proper fashion, and we're going to make sure that we show to individuals that Springfield's going to become cutting edge with the situation. We're also going to, with the new superintendent coming in, some incentives there for him to deal with the school department and maybe some of that non-discretionary money can go back to the schools, but at this point in time with the difficult decisions that have to be made as far as on the public safety front, as far as on the educational front, and youth development front, this is the correct way to go as many as 120 communities have gone. And this will be fairer if it's done the right way. It's going to...should be a cost-savings to the residents and we'll be able to back up the gaps that we have with lessening the tippage and tonnage, increasing the recycling rate. But my whole key is that, unlike what occurred a couple of July firsts ago (and this is prior to this control board) that it is

*properly* explained, marketed and a proper education program goes out, whether we “dog and pony shows” to neighborhood councils, to associations, etc., how this is going to work. And in the overall scheme, it’s going to be much fairer, it’s much more cost-efficient and effective and, to the person, it’s the right thing to do as far as the environment. And but we want to make sure...and that’s why I want DEP, the Mass. state Environmental Protection agency, they’re going to be involved in this. Because there are...there’s much technical assistance that is available. There’s also financial assistance that is available and can be relief to the tax payers as I move forward to continue to give the taxpayers relief on this situation.

But at this point in time, again, I am not going to mortgage the city’s financial future for short-term political gains, because I’m not going to be in the situation where you get everything you want whether it’s department heads and/or the residents, and then turn around and have to lay off people and turn around and have to give you a doubling of a fee. This is prudent. It’s the right way to go.

If we continue on the fee schedule, fees always go up. And they’re going to say, “What are you doing about this?” And this builds into as we move toward the green development businesswise and we’re going to have to be very cognizant on the city side of this. But that’s we’re going to move to is pay-as-you-throw. Further details will be rolling out very shortly. We look to implement this in the...as quickly as possible in the FY09 year, and this will also be able to put across a budget that is fiscally responsible. It’s fairer to the residents and to the environment. It’s the right move to make and will put Springfield cutting edge in being able to control *ever-escalating costs* in getting rid of solid waste.

So it was a...it wasn’t a difficult decision for me to make. It was the right, this was the right decision for me to make. When you sit on the other side of the desk, and you see the figures that roll in, and you see the fiscal challenges and day-to-day challenges that come across this city of Springfield, you have to not think of yourself. You have to think of the good of the city. So I’m very confident with Al (director Al Chwalek) and Mike Triggs, Trish Vinchesi (who has done this before), the financial control, DEP with Mr. Ellis, Mr. Gorski and involving community people that this is done the right way on educational...full educational campaign is out there, full marketing campaign is out there, and it’s to give relief, give the relief to people on this trash fee. So now you fairly, as you pay your other bills, you’re going to be able to control. If you recycle, it’s going to be much more beneficial to you; it’s going to be much more beneficial to the city; it’s going to increase our recycling money coming back to the city, and it’s also going to freeze our tippage and tonnage fee and, again, the city right now has two cells, and if we are to cap both those cells, one is ...which is almost immediate, and the other one is just a few years down the road, that’s \$7.3million in liability that the city has to face, which now means you get into some very, very serious cuts as far as man and woman power and as far as basic services.

So, again, Attorney Tom Walsh in the back of the room, has a press package, a public package, that letter to Mr. Gorski, and the press release indicating some more

specifics. And then we will continue to engage the community *fully*, because that's the key to get this program rolled out.

I thank you for your consideration and your indulgence on this matter, Mr. Chairman and control board members.

CG: To clarify [unintelligible] for us, as I understand, is to allow the development of the regulations and so on that will be necessary for such a program.

SL: That's correct, yes.

CG: We're not considering the tech...the financial or other considerations that go with that. That's part of the budget discussion.

SL: That's correct, and those financial...that financial information will be presented with the budget, but, in terms of pay-as-you-throw as a system, the required DPW...the city is required to promulgate rules and regulations. And the executive order would authorize DPW, with the approval of the Mayor, to promulgate those rules and regulations, just as was done with the trash fee, for instance, where an executive order promulgated rules and regulations for the trash fee.

BW: Thank you, Mr. Chairman. So...so, we're not...OK, you're not eliminating the...I'm trying to break the line so people will understand. You're not eliminating the trash fee. What we're doing is "pay-as-you-go."

SL: The...the proposal that would be included in the budget would eliminate the trash *fee*. So instead of...

BW: That's going to be part of the presentation of the budget coming up when we see it.

SL: ...would be to eliminate...when pay-as-you-throw is implemented.

BW: \$4.3million or...?

SL: What happens in pay-as-you-throw is pay-as-you-throw is a fixed fee. Excuse me, the *trash fee* is a fixed fee. Pay-as-you-throw is per unit, in this instance, a trash bag. Residents buy trash bags centrally. So whether it's at the grocery store, or a hardware store or some other location. And so that...they have control over their waste stream, because they can recycle more or less and therefore effect how much they pay. So the trash fee itself, you go from \$4.whatever million and whatever millions in trash *fee* revenue to some other amount of revenue for pay-as-you-throw. And on the expenditure side, your expenses drop, because people are presumably recycling more, because they have to pay for the cost of their trash.

So right now, the city's recycling rate is 9%. The average for cities and towns across Massachusetts is 23%. The average for cities and towns that have pay-as-you-

throw is 41%. So there's going to be some...in that neighborhood, some change that creates direct savings.

SL: To add to your point, Mr. Lisauskas, as I understand it, President Williams, the goal here today is to allow the process of rule regulation and so on to develop separate from the whole budget discussion that's going to happen so that (because it takes a period of months) so that be in a position, when all that's all set, to actually convert (if...sort of if we get all the way there)...but that if we don't do this, the problem is you can't start down the regulatory road I'm told. So, you know, I realize it might be...it feels probably a little bit reverse in order to start with the executive order...I know, I know, but...

BW: I was going to say it's like in reversing the process to me. I mean it just...

CG: I know, I know. But I don't think we're irreversibly casting the decision in that sense. We're allowing, you know, what seems like a common sense approach to begin, and supporting the Mayor's desire to do that, you know, in the recognizing that we'll now, again, we'll know shortly what the budgetary consequences of that are and so on and how that all plays out and look to you, the Mayor, you, the city council, and others to provide that feedback forward.

BW: It certainly would have helped to have had this in advance, and my colleagues going to read this in the press conference. They're going to read in the newspaper tomorrow morning. That's just...I know it's the Mayor's doing the best he can do, and it's very tough, but now that becomes more like a firestorm.

JM: [unintelligible] ...couple questions for clarity? So, so we're not moving today to eliminate the trash fee. Basically, what we're saying is "We agree to allow you, Mayor Sarno, to pursue this pay-as-you-go option, and at some point down the road, you will come back to us and you will present to us the economic benefits of the, you know, the pay-as-you-throw approach. And we'll consider whether that's more economically viable than the trash fee that we currently have." Is that what we...

DS: We're trying to be very...

JM: That's the last [unintelligible]

DS: We're trying to be very methodical on this issue, that everything's reviewed and all the proper assistance is done on it.

JM: So in that regard, if that's...those three things are true, in that regard, I commend you for looking into this as a option.

DS: James, the easy...the easy way for me would have been just to say that...I'll be very frank...that it's gone. And at that point in time, without the proper...staying within the guidelines that we have to keep fiscal stability here, without the proper revenue to cover that gap, I'd have to cut more. So instead of holding the line which is going to increase,

I, you know,...Steve and Trish will tell you, we looked up and down for every type of option available. We feel this is a viable option, but not going to be rushed. We want to make sure methodical, all entities are engaged and how we roll it out is very, very important.

JM: And the economics work.

DS: ..and the economics works. Here is to, obviously, give relief, number one, to the residents and taxpayers. And number two, it also could give financial relief, a better control of ever escalating solid waste costs, because that again is a budget buster as is health insurance cost as is energy costs. And we've moved with the energy cost or ESCO program which has been very successful (we just signed some utility agreements yesterday). Health care costs with the state Group Insurance Commission. I mean these are things now, as a chief executive, that, whether it's myself or someone else, has to look at. And, at this point in time, this is the prudent move. You know, you hope down the road to continue to try to pursue that goal as we're pursuing other goals in incremental steps to see what can be done in that situation. But I'd rather get it out now, and that's what we're going to do.

CG: So I just would expect us to move in three steps from a control board point of view on this. Subject to the discussion and the ultimate vote if we approve this, it allows the city to go into the regulatory process it needs to do. I would expect that, starting tomorrow and through the budgetary process, we'll understand the financial aspect alone of that. And then I would just emphasize: I would expect us, although it's not technically part of this executive order, to get a presentation at the point in time when those regulations you know, separate from the budgetary...when those regulations are fully developed, you know. So that we have a final...recognizing this is...there's implications here beyond the financial.

RN: But I see you have the revenue numbers in the budget...

DS: Yes.

RN: ...for the pay-as-you-throw. So we would have to hear it at the budget time.

CG: We'll hear the financial issues starting tomorrow, and so that this is allowing the beginning of a potential of substitution of pay-as-you-throw...

DS: ...when the, when the program is...and I know you've, Mayor Nunes, in Taunton and in Worcester (Worcester has a very successful model), so when we do if we feel we're going to initiate and go this...we want to...we'll make a notice that this is the initiation. Meantime, we'll continue on as we're going right now. And then we're going to move forward, rolling out the program after it is properly vented [sic], educated, marketing program, and weighing the pros and cons. And this, again, is the fiscally prudent move to make, and it's also...it's fairer. And as far as the environment's concerned, it's the right move to make with the environment. So those are the factors

that I had to take as we entertain this decision. Again, Attorney Tom Walsh has the letter and the press package and more details will follow with Director Chwalek and Ms. Vinchesi as we, this committee, and DEP, as this committee continues to move forward. So I appreciate your consideration in this matter.

**\*\*MOTION PASSES UNANIMOUSLY.**

**New Business and Adjournment to Executive Session**

SL: Thank you. Assuming there's no new business, a very brief executive session for purposes of value of real estate.

**\*\*\*MEETING ADJOURNED.**