

FINANCE CONTROL BOARD, June 28, 2007

Present: Chairman Christopher Gabrieli, Mayor Charles V. Ryan, Robert Nunes, James Morton, City Council President Kateri Walsh, City Clerk Wayman Lee.

Public Comment

Chairman Christopher Gabrieli: I have no idea what I'm doing, I'm assuming you [clerk Wayman Lee] do, sir, to start the speak-out on.

City Clerk Wayman Lee: [inaudible]...one minute, thirty seconds, and ten seconds. Please adhere to the three minute time rule. We have nine speakers today. The first speaker will be Miss Lois Smith.

Lois Smith: First I want to tell you that hope is with Springfield as this well-balanced and experienced board takes over. I...it was with great thought that you five were chosen, and I'm so pleased that you're here. My subject today is return on investment. I want to talk about ROI in our school district. I appeal to this board to look at the situation from a different perspective and make a dramatic change. Are the microphones on?

WL: Yes.

LS: Can you hear me?

CG: Yes.

LS: Thank you. We need to reevaluate the huge expenditure Springfield taxpayers are supporting and what we expect as a return on this huge investment. If it were a business, we would likely be reporting to banks and stockholders. Banks and stockholders don't have to know how to make a widget, design a computer or determine new product potential. People make mistakes in selecting leaders. Shame on us if we make the same mistake twice. We look for leadership by seeking past history, experience and character. Banks and stockholders expect the CEO to be the expert, and he's the one held accountable. Poor performance demands a replacement at the top. when performance in the kids poor investment, the CEO is given an opportunity to resign or be fired. It's time for no more excuses, no more smoke screens, no more manipulated numbers, no more promises in our failing school system. The time for excuses is over. Springfield's school system has failed to perform, and it shows our failing return on investment. I might we've been overly generous to allow this to go on for five years.

This is the simple criteria for which we should be evaluating our return on investment. Very simple. Five points: proficiency, drop-outs, SATs for college-bound students, preparation for jobs for non college-bound, providing students' safety and health requirements, teacher retention. In each of these areas, we have failed. We simply have to assume that the bottom line is what we respond to with no more excuses.

We need an immediate nationwide search for a CEO of our school district. We need a new superintendent. We need to appoint an independent search committee. The search committee should be comprised of community leaders, educators not employed in this district, students, parents and advocates. We need about eight or ten strong, wise people. The attachments within the school district are such that they gave eight out of ten points to the superintendent. You, at the previous board, authorized an SQ Johnson study that gave him two points out of ten. How can we have...

WL: You have ten seconds.

LS: ...eight points from the school committee and two from an independent study? I want to discuss this further with you. I will hand you out the following portions of my speech which you have not heard. I have also this, this speech.

CG: We have the whole thing.

LS: These are hand-outs and I additionally have the speech to give to each of you.

CG: Thank you very much.

LS: Thank you very much for listening.

CG: You've clearly traveled at great challenge to yourself to make these points. Thank you very much.

WL: Next speaker: Donna Calawa. Donna? Rose LaMatta? Rose LaMotta? David Gaby?

David Gaby: Good afternoon. My name is David Gaby. I'm living at 21 Clarendon Street in the city. I'd like to join many of my other...citizens I'm sure in welcoming you that are new to the city to this effort of the control board.

And I'd like to take a few minutes to bring to your attention some of our concerns in the McKnight neighborhood about housing and demolition. We have tried to make those concerns manifest through our purported citizen participation procedures. It has not been working. So I'm going to share with you two brief points. We would like to propose that instead of focusing on demolition funds—and I understand that there's a bond in the offing or in the process of being made for demolition funds in a large amount of money, over \$2million—that we instead revive what used to be called the Historic Preservation Program which assisted people to renov—to restore houses that had become “vacant and vandalized” was the term and was successful in restoring many of them. These included, in some cases, houses where new buyers were interested in buying and restoring them and in other cases where the neighborhood association had to move forward that take possession of the house in place of owners who had passed on and where estates had not been probated, and we had to have the time to work the legal process through to the point where the house could be restored. I'd note two addresses:

124 Yale Street and 294 Bay Street are houses that are examples that are...of properties where the demolition had been ordered by the city, where all hope had been given up at city hall, but the neighborhood made it happen. And those houses are on the tax roles and shining examples of restoration today. I'm going to provide the city clerk with a copy of my proposal which is just a 1½ page preliminary proposal, and I'm going to suggest that I'd like to come back at a future point in time, perhaps in a month and let you know how we're making out, trying to find some cooperation. In addition, I'm going to provide you with a brochure on a youth program we're working on. That concludes my remarks. I think I would urge you to look at alternatives to demolition. They're oftentimes more feasible for the city than receiving taxes from an empty lot. Thank you.

CG: Thank you.

WL: The next speaker is City Councilor Domenic J. Sarno.

City Councilor Domenic J. Sarno: Good afternoon. And I want to welcome you, being an original member of the financial control board, Mayor Nunes, James, Chairman Gabrieli, Mayor Ryan, City Council President Kateri Walsh. I just wanted to welcome you, and I really appreciate your spirit of cooperation, your openness, your transparency in reaching out to communicate with *all* segments of our community. I look forward to working toward a smooth transition to get Springfield back on its own two feet. Thank you, and we appreciate the effort.

CG: Thank you very much.

WL: The next speaker: School Committeeperson Antonette Pepe.

School Committee Member Antonette Pepe: Welcome, glad to see you all here. I have the highest respect for two of you that I know. You, sir, I don't know yet [Robert Nunes] but I'm sure I'll respect you also.

Robert Nunes: Thank you.

AP: Count on it.

RN: Not everyone in Taunton does.

AP: What I wanted to talk about—I know you're going to have this in your possession, I had already given it to Mr. Morton, but I don't want you to be caught up in the rhetoric that you're going to be hearing about our students in the Twilight School program. We have students, we have 247 students, and we're...it's costing us \$569,000 for 14 teachers to teach 247 students that have been truant 8,000 times in 133 days—it hasn't even been the school year when I figured out this information and received this data. They've been tardy 2,591 times. And my problem is is this: we have classrooms that have students in there that are 35 and 40, 41 students. They're sitting on radiators; they don't have enough desks; they're sharing seats. And I know; I visit the schools. I take the time out

to visit these classrooms. So when these students are sitting there, and they don't have enough teachers to work with them, then I find this ludicrous and an awful waste of our money.

And don't believe that your going to see these kids out on the street. Well, where do you think the are when they're truant? They're on the street. And we're allowing these students to start school at 2:00 in the afternoon; that doesn't set a good example for the work force, because I don't know too many jobs that say "OK, you can come in when you feel like it, and you can come in if *you* feel like it." So what we're not doing is preparing them for the workforce properly, because they are coming in, they are only performing 4 ½ hours a day; they come in with cell phones, wear hoods, do what they want. They don't conform to the daytime rules, and, to me, this is a travesty when we have students—and you don't have to be an A student, all you have to be is a student that wants to learn (I don't care what grade they have if they really try)—then why are we taking away from them to keep giving to the students that don't want it? And if they want to continue this Twilight Program, please do not believe the rhetoric that the kids are on the streets, because we're allowing them to be on the streets after 6:30 at night. And I'm sure they're not going home every one of them reading books.

So I really hope that you're going to look at something like this and stop it so that we can better educate our kids in the high schools that don't have enough desks and enough teachers. Thank you and welcome.

WL: Next speaker is Heriberto Flores.

Heriberto Flores: Mr. Chairman, good to see you again. My name is Heriberto Flores. I am a resident of the city of Springfield, live at 933 Chestnut Street. I'm speaking not in a negative, in a positive way. I'd like to thank you for opening this process so the citizens of Springfield can [unintelligible] their input. A few years ago, the councilmens [sic] were here, people were concerned because we are citizens, we didn't feel we had the right to speak, so thank you. As a Vietnam veteran, I feel that people in Vietnam died for citizens to have the right to speak and give input, so thank you. And also, I'm speaking as a taxpayer in the city of Springfield, and thank you for volunteering and doing this work, and also, speaking as an investor, this is a great city, and Mr. [unintelligible] you understand that,. We hope with your knowledge, you can help us bring some of the investments to the city. And I'd like to thank you for taking this wonderful job, task force, because we need citizens, and Mr. Morton, thank you for your leadership, so we need people like you that can see this clearly, and we need help in the city, but all of us are willing really to roll our sleeve in the Puerto Rican community, the minority community and everybody else to work with you. Thank you very much and welcome to Springfield.

CG: Thank you, Mr. Flores.

WL: Our next speaker is [Ann Schielke].

Ann Schielke: [from the audience] I have a loud enough voice if you want me to speak from here.

WL: To the podium.

AS: All right. Good afternoon. It's an opportunity I wish to address to the *Eastern* half of our state, because when you're elected, you represent *all* the people. I've called members of the city council. I have called numerous police departments, etc. I have been violated in the worst possible way. A piece of property I own in Springfield was entered three different times. They took all the plumbing, all the electrical wires, attachments to the boilers, the hot water heaters. They ripped down ceilings to get to steam piping. They took every bit of furniture that my son, who came from the Midwest to be with his father because he had a horrible stroke, and we thought it was too dangerous for him to stay there, but he left his belongings there, and nothing is left of any value. They then attempted to go into the little annex. They got into the barn the following week-end. They are now attempting to get into the annex. They put a hole through the walls, and the only thing that's stopped them was the radiator—temporarily.

I spoke to the police department and they have been most cooperative, at least Deputy Chief Fitchet and one of the lieutenants and some of the patrolmen who helped me secure the property as best as we could. I have spent *dollars* now, and it's going to be *thousands of dollars*. [Shouting] Where is the police protection in this city? Where is the monies to pay them? We talk about schools—we need safety on the street!

There's a property across the way where young people congregate smoking and just eyeing anybody who comes to my property. I hired a gutter man to hang some gutters, and two boys from across the street came over and they said, "What are you white guys doing in our neighborhood?" They didn't do the work; they got in their truck, and they said, "Lady, we don't want the job."

What are we going to do in Springfield? They knock down fences. I had as many as three locks on every door and four doors to get into the property and they demolished everything. Did anybody see it? No. The property across the street is supposed to be closed up at 9:00. I go by each day—10:00 they're still open, 10:30, 11:30. After 11:30, they finally close. [Shouting] Their permit is for 9:00 in the evening. Where are the rules and laws of our city? And why isn't the Eastern Massachusetts government protecting the people here who voluntarily stay behind when there was a giant exodus to leave Springfield? I was patriotic with my family; I stayed behind, and now I'm being "whooped." I'm going to leave the rest up to you, because you are intelligent gentlemen and I'm sure you can find a solution, perhaps a fund to fund people like me who, in their retirement years, are faced with thousands of dollars worth of repairs. Not only that, people don't want to rent in the neighborhood any more because its gone down so far. It's a pity. Thank you.

WL: And our last speaker, Matthew [Szafranski.]

Matthew Szafranski: It's actually Szfranski, but that couldn't possibly matter less. Mr. Mayor, President Walsh, distinguished freshman members of the Springfield Finance Control Board, good afternoon. Mr. Gabrieli, Mr. Morton, Mr. Nunes, on behalf of the citizens of Springfield, if I may, I welcome you to our city and to our civic conversation. There is an old proverb that says that "One must wait until the evening to see how splendid the day has been." Therefore...I...my concern is that you may...and these...after the successes of the...so far with the control board, we may feel that it's time to move too quickly back, and that we may find ourselves sliding back into a position that was not...that led us to where we are today.

I do not rise today to whine about the control board, obviously, and I don't necessarily defend all of their previous decisions, but I still do caution against any sudden action that may be too much to cow to populist anger and second-guess positive steps. Nor is it a time to use the city just as it is leaning back from the dark side to pay off political debts to whomever they may be going. The challenges that we face in the city, of course, are beyond this board. In many cases, they're beyond the legislature, and, perhaps, maybe they're even beyond Washington, but we have to, of course, try our best to see to it that we can meet them and try to allow our city to thrive and be relevant in the modern civilization. But, of course, it is not easy. There will be hard decisions. There will be people who will be upset. Certainly, if you look at a national front, exactly half the time people are going to disagree with you and half the people are going to agree with you. That's why we have deadlocks in our legislatures, or at least Congress. I'd like to thank you for listening to the ramblings of this youth—I know it may seem like that—I doubt this is the first time you have heard what I have said, and I am sure it will not be the last. In closing, I would like to say this: Decisions are made by those who show up. I'm here, and I've decided that we're not...and *I'm* not going to allow this city to fall back into decay and ruin. And I hope that, certainly, this large showing here is any sign of that--that there are many other people who agree with me and that, like I said, there will be decisions that we will not like. But, hopefully, history will vindicate those decisions and show that they were the *right* decisions. The sting in the short term will be more than acceptable when the reward, a stronger, stabler city that can deliver and deliver without the pity of Beacon Hill, is here in Springfield. Thank you.

Donna Calawa: My name is Donna Calawa. My name is on the list.

WL: OK.

DC: Mayor Ryan, Council President Kateri Walsh, control board, I'm here to speak-out about Miss Pina-Council at Sumner Avenue School. She is the principal of my children's school. My children are here, Elena and Paul Calawa. They are nine and ten years old. They're going into the fourth grade. I am very concerned that Superintendent Burke wants to move Miss Pina-Council to Rebecca Johnson School. I understand that Rebecca Johnson has needs for her skills, and I'm sure that she could definitely improve the condition of that school, and I'm sure the students there need her.

But we need her at Sumner Avenue School. She has turned Sumner Avenue School from an underperforming school to a performing school. She's done that in a few short years, and I have come to respect her. I know her. She is been readily accessible to myself and *many* parents, not only...both physically...responsive to our concerns. Both of my children have special needs of different sorts, and she has extended herself way beyond what I consider the role of a principal or any principal that I have ever met. And it is my desire, and I will keep pushing, for her to remain at Sumner Avenue School.

My heart goes out to the children at Rebecca Johnson School, and I care about them as well, but I feel that "Why should Sumner Avenue School, since it's not broken, don't fix it." And anyways, please I would implore you to put pressure on Superintendent Burke, whatever you can do to keep Miss Pina-Council there. She only has a few years left of being a superintendent [sic]. It does not make sense to move her and then the children at Rebecca Johnson will *again* have to get *another* principal. And so, you're going to disrupt children at Sumner Avenue School and teachers and the whole set-up there, and then also at Rebecca Johnson. So I would ask you to use whatever leverage, power and influence that you have to make this happen. And I...in the city of Springfield, there are many talented people, and I can't understand why there isn't *another* person that could do a good job at Rebecca Johnson School. Thank you.

WL: That concludes our public comment part of one minute. Do you want to take a one minute break or we could go directly into the business part of the meeting.

CG: All right, let's...I don't think that we're so tuckered out that we need the break.

WL: OK.

Election of Finance Control Board Chairman

[Council President Walsh's chair is empty.]

Control Board Executive Director Phil Puccia: Good afternoon. I think the first order of business, Mr. Mayor, would be the election of a new chairman.

CG: Good afternoon.

Mayor Charles V. Ryan: Right. I just want to say that I think that we're extraordinarily fortunate that Governor Patrick cared so much about the City of Springfield that he worked hard and long to find three outstanding people to become members of this control board, because the control board is just so critically important to the future of our community. And, really, with Mayor Nunes and James Morton and Chris Gabrieli, I don't think we could have done any better, and I'm so optimistic as to where we're going in the next two years. But we do have to have a chairman, and I would like to nominate Chris Gabrieli as chairman of this board. Do we need a roll call?

Robert Nunes: Second.

WL: Just a voice vote.

CG: I can't call that vote. I think I'll abstain for obvious reasons...even ambivalence.

CVR: Why don't I call for the vote? All in favor? Indicate by saying "aye." The motion carries. Congratulations.

**MOTION PASSES with three yes votes, CG abstaining and KW absent.

[Applause}

CG: I know it's not on the agenda, but if I could just say I've had a great challenge and privilege over this recent period of working in particular with my two new colleagues. I think probably all appreciate if the young man is still here who spoke out, but we, anytime you want to call us freshmen, we're in. [laughter] We don't get that opportunity much.

We're very motivated by it. I think it's an honor. I think all three of us really feel that to try to provide this kind of public service. We think it's a challenge. The things that you're taking on are issues that are far broader than just for the city of Springfield. They're representative of every city like that, including the city I grew up in, Buffalo, New York, a city that as I may mention has *two* control boards. The city *and* the county are under control boards.

We go into this with great humility. Three people (two of us driving from other parts of the state, as volunteer members of the committee from time to time) despite the great powers of this control board as set by the legislation are not going to solve the problems that no one else has solved, you know, in short periods of time. There's a lot we can achieve, and we're humble about what we as individuals or what any group can do. But we go in with great enthusiasm, because we actually believe in Springfield very strongly.

We really believe there's a lot to build on here. We believe that Mayor Ryan and other elected officials here have done a lot to move the city ahead, that the previous members of the control board discharged their duty of focusing on the fiscal health of this city with great skill and intensity. We know that sacrifices have been made by a lot of people to bring the city back to fiscal balance.

I want to emphasize that we've tried to listen to the voices of Springfield. We've met with, before we've even joined this board, with more than 200 people in a number of separate meetings from one-on-one meetings with, I believe, every city councilor and school committee member to larger group meetings with representatives of a wide variety of organizations. We intend to continue that work, both to hear from the voices of individuals as we did today and groups, but also because we're very aware that in two years, it'll be yours to carry on. Our job is to do a good job supporting the work that's

happened, building upon it and bridging to a future—and we haven't voted that two years, I might mention, but I *believe* it will be in two years, subject to that vote, it will be yours to do. So we need to work in conjunction with people in Springfield from the mayor and city council president who are obviously members of this group directly, but to all of the constituents of Springfield.

We also need to the rest of Massachusetts pay attention, and Mayor Nunes and I in particular, being in the eastern part of the state and having a fair number of ties, plan to try to make sure that the rest of the state realizes how important the renaissance of Springfield is for the good of the people here, but also for the good of the state. It's not an unselfish act. Massachusetts would benefit a lot from Western Massachusetts's, you know, capital advancing so strongly.

So I do want to mention that one of the things we've committed to as a group is that we will have on regularly scheduled basis—we're not quite sure what the frequency will be—meetings that we will hold that will be open to the entire community where the five of us will go to a large public venue. Anybody in Springfield can come and, in addition to the opportunity that speak-out provides for people to comment, to answer questions, to get into dialogue, to do things it's not possible in speak-out.

We have scheduled already the first one of those for—tell me if I'm right on this, Blair Brown—on September 20 at Scibelli Hall (Is that the right word for it?) at 5:30. (Thank you very much. I didn't write that down). So we will be making that public, but...more widely, but we did want to schedule that so that the commitment to do it just didn't seem like a commitment, but a reality. And that will be not a regularly scheduled meeting of the control board to do the business of the control board but really an opportunity to hear and to get as broad a dialogue as can.

So we accept this honor and challenge, as I said with great humility and a lot of enthusiasm and look forward to piling up that mileage down the turnpike. And if they could just fix that once cell place where you lose your phone call right by Sturbridge, I would be a very happy guy. Thanks very much.

Extension of Finance Control Board

PP: Congratulations and thank you, Mr. Chairman. And I don't think that cell phone spot will ever be fixed, because I go through it every day. But thank you, and we'll proceed through the agenda. Please feel free to ask questions. I'd like to have a motion made for executive order 6-28-03 which, as you spoke a moment ago, is a request to extend the life of the control board for an additional two years until January [sic] 30, 2009, pursuant to Chapter 169. I'm sorry, *June*, June 30, 2009.

CVR: I certainly like to indicate my approval, strong approval of that motion.

CG: Any comment?

KW: Yes, I would like to say that I am not going to support extending the control board for two years. I recognize that our budget is balanced, that a lot of hard work has been done by the former control board, but I think policies and tools are there for the city of Springfield to govern itself, and I think it's time to give government back to the people, so I am going to vote no.

CG: I appreciate, President Walsh, you'd shared with me that that would be your perspective...

KW: Yes.

CG: ...and let me just comment that when the government and I discussed this task when he invited me to consider this position, he and I both agreed, the real measure of the success is not an arbitrary date, but the ability of Springfield to stand on its own. We both felt that two years seemed like an appropriate amount of time that would, hopefully, get the job fully done. But the real measure is the milestones, not any arbitrary date. We do have to pick a date, and that was the basis of the two years.

KW: Thank you.

CG: Any other comments at all? So, I move to approve this executive order. All in favor? [To CVR] Did I do that wrong?

CG: No, that's fine.

CG: Any opposed?

KW: Opposed.

CG: Motion passes four to one.

CVR: OK great.

****MOTION PASSES 4 TO 1.**

Rescission Votes

PP: Thank you, sir. I refer you to, in your books, to executive order 6-28-04A which is a vote to authorize the rescission of a request to the Administration and Finance made back in May to transfer \$22,287,416. from the Springfield Fiscal Trust Recovery Fund to meet the financial needs of the city. This is a series of votes: one asking for a rescission, one asking for a draw-down, and then another vote asking for a different amount to be put in a stabilization fund. They're all contingent upon each other.

CVR: Would you explain for us why we're being asked to rescind that vote?

PP: As I...for two reasons. One is to change the amount, but also to put it into a fund that's specifically earmarked for stabilization as opposed to solely economic development is the principal reason, sir.

CVR: OK.

KW: And can you explain the votes that we'll then be taking?

Control Board Deputy Director Steven Lisauskas: The vote for motion A is a motion to rescind the prior authorization. As you may recall, the control board moved in two parts in its meeting in May. The first part was to request that the Secretary of Administration and Finance authorize a loan for \$22million approximately. And the second vote was to deposit that money into a stabilization reserve fund for economic development. So, as it entered the parliamentary world as two votes, it's...we're proposing two votes to have it *exit* the parliamentary world also in two votes: one to rescind the request for the draw-down and the other to rescind the appropriation to fund that account.

CVR: OK and then, as I get it, we go from there and go in a little bit modified direction.

PP: That's correct.

WL: Those will be roll calls.

PP: These are roll calls?

WL: Yeah.

CG: All five?

CVR: Do we have a motion on this? I would move...

PP: ...4A and 4B. Can we take it like that, Wayman?

WL: Yes.

PP: Motion to accept 04A and 04B.

CVR: So I move we authorize executive order....

KW: Mr. Chair, I did have some comments that I wanted to make before the vote. When we took this vote before, as you may remember, I was concerned about it. I had several reasons for concern when we voted on it. It's not that I was against economic development, but I felt that the intended use of the money was for stabilization money to keep Springfield going, and I was very concerned about the impact that this vote would have on our delegation without any contact with our delegation which turned out to be

true. They were very upset with it. [It] led to a call for an audit, and it also put on hold the bill which Senator Buoniconti filed on my behalf to extend the terms of the loan.

However, I think there's a new direction, a different direction than the former control board to actually have a dialogue, and I have been assured that the delegation has been contacted and are aware of what we are doing. And I think there is a new direction, and I'm very happy to see it, and that there will be, as Chairman Gabrieli said and I commend him for reaching out to the community. I appreciate you reaching out to the city council and elected officials and also to work with our delegation, because I don't think Springfield can be successful without the support of the state, so I am very happy that we are moving in that direction, and that I am hopeful that the bill to extend the repayment of the loan before 2012 will not be impacted negatively. Thank you.

CG: Thank you. Any other comment? We're going to vote on these two packages separately though.

PP: These two votes you can take at the same time.

CG: I know, but 20...These two are related. That's fine with me.

CVR: Did we get a second on that?

CG: I second that. All in favor?

KW: ...roll call.

****MOTION PASSES UNANIMOUSLY.**

Trust Fund Borrowings

SL: Mr. Chairman, as we turn to the 06-28-05 series, there are three motions for the board's consideration. Under 05A, is an executive order which authorizes the control board to request a borrowing of \$20million from the Springfield Recovery Trust Fund.

CVR: Wait a minute. Did we make the second vote rescinding ?

PP: Yes, we did. They were together, sir.

CVR: OK fine.

SL: I'm sorry, so 05A would authorize the draw-down of \$20million from the Springfield Recovery Trust Fund. 05B would authorize the appropriation of that drawn-down money, that \$20million into a general stabilization reserve fund for the city for use in the continued fiscal stability of the city of Springfield. And 05C would authorize the Executive Office of Administration and Finance to create or would *request* that Executive Office of Administration and Finance create a—for lack of a better word—a trust in

which it would hold the balance of the fund to pay for the expenses of the control board for the remaining two years of the life of the control board.

PP: Yes.

James Morton: The balance is roughly \$2million.

PP: \$2,207,000.

CG: We're going to vote for these as a package as well.

****MOTION PASSES UNANIMOUSLY.**

Appropriation of Free Cash

SL: Mr. Chairman, under the 06 series, we have three requests and executive orders, A, B, and C. As the members of the board are aware, every year, the "free cash" is certified for cities and towns in Massachusetts. (A person of much greater wisdom than I once coned that "Free cash is neither 'free' nor is it 'cash.'" It's something that is unique to Massachusetts, and we can, sort of, discuss what it is if that is of assistance to you.)

But to cut to the quick, the free cash balance authorized by the Division of Local Services of the Department of Revenue this year was \$17,372,051 for the fiscal year 2006. That represents just over 3% of operations for the city of Springfield in that fiscal year, represents work to manage both the revenue and expenditure side of the budget, approximately 3%. \$17million is a large amount of money, but 3% when you look at the overall city budget provides some level of cushion for the city, but not an enormous amount of cushion. Hence A, B, and C, the executive orders before you now. These executive orders provide the control board the opportunity to appropriate that free cash prior to the end of the fiscal year. When we enter July 1, that free cash is frozen until it is recertified, generally speaking, I believe some time...

RN: ...in the spring

SL: ...in the spring. The control board has options. It can allow that money to be frozen until certification again in the spring or it can appropriate it for various purposes before you in executive order 06A. This provides you the opportunity to appropriate that money into stabilization reserve fund to be used for a financial reserve. It can later be appropriated for any purpose for which a reserve could be appropriated. So it could be appropriated for capital, to make up a revenue deficit, an expenditure deficit or for any other purpose that the board feels is appropriate to appropriate funding.

Under 06B, that would provide...excuse me, 06A *creates* the stabilization reserve fund that I just mentioned...

PP: Let's do that first.

SL: OK. So you want to do them separately?

PP: Yes, because we have to have a discussion on item C, so let's... We would ask that the board accept 06A

SL: To create the fund.

PP: To create the fund

CVR: Before we do, I would just like to say that this is a very, very powerful turn of events. Mr. Lisauskas has just indicated that the free cash that's been certified at the end of the fiscal year 06—we're within several days of ending fiscal year 07—is better than \$17million. I would just like to bring to the attention of the people assembled that the last time that Springfield had money in the free cash fund (which is really your savings account; this is where you can meet contingencies and emergencies was 1989, 1989), and this is horrible.

As a matter of fact, I took office half way through fiscal year 04, and at the time I took office, the free cash fund was *minus \$37million*. I don't know of any other city in Massachusetts that has a minus free cash fund. So if you want one set of criteria as to how far we've come in a relatively short period of time, to go from no free cash for almost 20 years, to a *minus \$37million* in free cash 3 ½ years ago, to a point where, at the end of 06 we have \$17,300,000 in free cash, that's remarkable. And I'm so grateful for the hard work that's been done by everybody in getting to this point.

As Mr. Lisauskas also points out, that doesn't mean we go on a spending binge for the week-end. This is hard earned money. This is something that we want to keep now for *our* rainy days, for the things that we feel have got to be done. And that's really where the collective wisdom of the control board is going to come into effect as we go through the next couple of years together. Mr. Nunes?

RN: Thank you, Mr. Chairman and Mayor Ryan. I would also like to commend the financial team under the direction of Mayor Ryan for really accomplishing a tremendous feat. And we, in my position as Deputy Commissioner of Revenue, overseeing the Division of Local Services, we work with communities on a daily basis, and to see this turn-around in such a short period of time is truly remarkable, and everyone should be commended who has been involved in this process.

Dennis Mountain here from my office, Division of Local Services, here who is the representative working with the financial team here in the city of Springfield has commended the team on a number of occasions about the real true professionalism of the group, of the team, and how far the city has come forward. So I would just like to, again, offer my compliments to everyone here who's involved in managing the city's finances on a day-to-day basis and the creation of a stabilization fund. Putting some portion of that into the fund, I think, would go a long way, again, for sending a message, not only to

the residents of the city of Springfield, but also to the market, the bond market, and everyone who wants to do business here in the city.

And I would—if there's no further discussion—I would ask that we adopt appropriations order 06-28-06A, and 06-28-06B--is that put \$15million of the \$17million into the stabilization account?

CG : I think that what you wanted to give us looking forward to.

PP: No, you can take it that way if the board would like it, you know

WL: You should take each one of these separately.

PP: Should take separately, well, the clerk has spoken.

CVR: I will...I will second Mayor Nunez's motion.

CG: 28A.

CVR: What's that?

CG: Just for 28A.

CVR: Yes, yes, you're right.

CG: That a roll call?

WL: Yes.

****MOTION PASSES UNANIMOUSLY.**

SL: With regard to 06B, 06C, we have the question before the board is how much of the \$17.3million would the board like to remain in free cash? How much would it like to appropriate to B which is a general stabilization reserve fund for financial reserves? And how much it would like to, if any, it would like to appropriate into 06C which is a capital stabilization reserve fund?

CG: And the difference?

PP: The difference would be based on what Mr. Nunes said, would be \$2,372,051.

CG: So the logic of the allocation between the two would be ...?

SL: The stabilization reserve fund through Municipal Relief Package of 2003, the Commonwealth allowed cities and towns to create specific stabilization reserve funds for individual purposes. When the money is deposited into that account, it's deposited by 2/3

majority and comes out for the purpose of that fund under a 2/3 majority. So, for the capital fund, it's restricted to capital. You can change the use of that money, but you have to change the use of the fund first. So any balance in there, if you needed to take \$2million out of an account that had \$5million, you'd have to change the purpose for the whole \$5million in order to use the \$2million as you needed to. So if you put it in the general stabilization reserve fund, you have more flexibility than if you put it in the capital stabilization fund.

CG: You can use it for capital from the general, but not visa versa.

SL: That's correct.

CG: I understand. Thank you very much.

RN: I mentioned \$15million, but I yield to the Mayor on that. If you're comfortable with that \$15million stabilization and then the balance would be just...

CVR: I am. I'm very comfortable with that.

RN: No, the \$2million when 07 books are certified and the balance sheet is submitted for 07, which is probably some time at the end of the year and certified some time during the winter months or spring, when they begin to certify the balance sheet, they will start out with that balance of \$2million in case there're any shortfalls, in case estimated receipts are not met or there's a downturn in the economy, at least there will start fiscal year 07 with that \$2million to start.

CVR: It gives us a little cushion.

RN: It's a little cushion.

CVR: will go into next year's free cash issue of \$2.3million. I do second your motion for \$15million into the stabilization reserve fund.

KW: May I ask a question? And, Steve, I know you've had a lot of experience and you've worked for other cities. Is there a norm or a formula that people usually follow in this kind of a scenario?

SL: There is not. The...those that have a financial policies tend to work toward pursuing those financial policies which this appropriation actually is consistent with this city's financial policies. Most cities and towns are well-advised to maintain some level of free cash and some level of stabilization reserve fund. Generally speaking, an aggregate of 10% of expenditures on an annual basis. So, this is...this, if the \$15million were approved, would be a very prudent step in that direction. The balance between stabilization and free cash is a policy decision. But I think leaving \$2.3million in free cash is a prudent decision at this time.

KW: Thank you.

CG: Any other questions or comments?

CVR: Move the question.

CG: OK.

****MOTION PASSES UNANIMOUSLY.**

SL: And 6-28-06C is an appropriation for the capital reserve fund, as I understand the discussion the board just had, the desire was that \$2.3 revert to free cash so there would be no additional...there would be no need to make a motion on this.

CG: To move zero in; we'll skip the motion.

SL: Exactly. Thank you very much.

CG: Thank you.

Approval of Sale of Chestnut School

PP: Mr. Panagore, please. Item7 is the Chestnut Street...

Control Board Chief Development Officer David Panagore: Chestnut Street School. Good morning, Mr. Chairman, board members. You have before you an executive order requesting authorization for the transfer of property, the Chestnut Street School. In your packets, you have an executive order followed by Exhibit 1 which is a land disposition agreement described in a moment, followed by Exhibit 2 which is a form of a deed, followed by—you'll easily be able to find it—a map. You can pull it out. It has both the aerial of the site plan of the property to be distributed plus the proposal as submitted by the developer. And following that, a term sheet summary of the land disposition agreement...

As previously described to the board, this is a disposition of the Chestnut Street School, closed, as I recall, due to numerous code violations in January of '05.

CVR: 692 code violations when we closed the school.

DP: To Miramar Real Estate Management. We went out to RFP on this property. Miramar Real Estate was selected to develop approximately 110 units of market rate housing. It's a 3.72 approximate acres of land: one large parcel with the school on it (200,000 sq. feet) and six smaller parcels. The land is...the land disposition agreement in principal part is a purchase and sale agreement that sets the terms and conditions prior to closing. The estimated date of closing would be September 30 of this year or such time when the conditions precedent are satisfied. The developer would need to begin

development of the project within 90 days of the transfer. Essentially, the conditions precedent are 1) that the plans and designs of the project be presented to the city and approved, 2) that the developer has entered into a contract with a general contractor, 3) that they provide satisfactory financing, proof of financing for the project, and 4) that they've secured building permits.

Although this agreement does not provide an up-front payment to the city, that is in return for the *pro-forma* on the project where the city is able to secure market rate housing--something that has been promoted in each of the studies we've had done in the city of, namely, the Volk/Zimmerman study last year talking about market rate housing in the city--but it does, on the back end. This is eventually to be a condominium project that 1% on sale or transfer would go back to the city of each condominium unit, and that would be applied for forty years. So, although we would not be making money on the front end, we'd be making money on the back end of the deal over a longer period in time in a better sort of cash flow in that sense.

We're before you requesting authorization for the transfer of the property to authorize the Mayor to take all steps necessary to execute the land distribution [unintelligible]. Second, to seek the approval of the Secretary of A[dmistration] and F[inance] which is required on the sale of transfer of all property. And third, to, at the appropriate time, execute a deed with Miramar Real Estate. I'm prepared to answer any questions the board may have.

CVR: Mr. Panagore, it's a sophisticated agreement. Would you indicate to the board who represented the city in this along with yourself?

DP: Yes. In the drafting of this baseline agreement here is the baseline agreement used by the Boston Redevelopment Authority in all of their land disposition agreements. And our counsel in this principally at the end of it was, of course, Ed Pikula city solicitor, but directly involved Peter O'Connor, previously a general counsel for the Boston Redevelopment Authority and for their economic development industrial corporation handling all the L[and] D[istribution] A[greement]s, as they're called, for the BRA.

CVR: Who's he with now?

DP: He is with now in private practice solo.

CVR: Right. Private practice?

CVR: This...we went by the school on our bus trip a week or so ago, and it's...I think that the developer, a very outstanding gentleman from Puerto Rico, is moved by the fact that it's essentially midway between Mercy Hospital Campus and the Baystate Medical Campus. And, as you probably know also, there's a massive expansion plan that's going forward very, very quickly at Baystate. And they see the hiring of many, many other well-paid professionals coming in there. So this is a strategic location with an

experienced developer. I would also...would you share with the board your trip to Puerto Rico a couple weeks ago?

DP: Yes. I visited Puerto Rico where the developer is a major player in Puerto Rico with substantial holdings and substantial redevelopment projects. It was an excellent opportunity to see these projects up close and personal.

He owns...right now he is well under construction over \$200million worth of construction in the greater San Juan area, principally a 5 ½ acre parcel in the downtown where they're building over 150,00 sq. feet. of retail and over 500 units of housing. The developer does a large amount of rehab and conversions and moves into areas with similar demographics to Springfield where they see a first project in the continental U.S. And they intend to have this project be the number one project in a series of projects in Springfield, in the region.

They intend to...in Puerto Rico, their projects are of the sort where they move into areas where they see a [sic] opportunity and a market, but they're not afraid to move into areas which they would view as "edge" areas, neighborhoods where there still may be existing problems, but they integrate with the community. They integrate with a apprentice program. They're already making strong moves in those directions. So it is a quality developer with well-financed, with a very good operation, fully integrated in their offices with architects and engineers.

Their office building itself is a landmark building in Puerto Rico, historic renovation, the large mural on the side of the building that they themselves are restoring, so their respect for historic buildings as well is fairly evident. They also do small rehab in Old San Juan, and one of their first projects was in Old San Juan, the restoration of 32 units of housing. So new construction, historic renovation, a very good track record.

CVR: And the last point I'd like to hear is the Massachusetts background of this gentleman.

PP: Carlos Lopez de Azua. Carlos went to school in Massachusetts. He went to Suffolk University for law school, and he also worked for Mayor Kevin White for five years in Boston, and, in that sense, he is returning to his roots in Massachusetts.

RN: Is this building a historical building?

DP: I would have to rely on Kathy Breck for that. I believe...Kathy, do you have the answer to that?

Assistant City Solicitor Kathy Breck: I don't.

DP: I do not believe that it is registered as a historic landmark, but, at the same time, all of the plan specifications and submissions by the developer is to maintain the building, is to maintain its facade. And it is our working assumption that nothing will change that,

and that will be part of our approval of the plans and specifications.

James Morton: One last question and I know how difficult this might be to project, but have there been any interim projections as to what this might see down the road?

DP: No, there have not...we have not done that. I could get you that. I can say that the....I can speak to the price points they're talking about on sale. They are viewing these somewhere I would say \$225,000 depending, \$260,000 in terms of the price of the unit. But no, we have not done any full calculations on that. I could get that to you.

CG: That 1% proceed would be on the original sale as well as on resale or just on the

DP: On the resale.

CG: Just resale, not the original sale.

DP: Not the original sale.

CVR: Over the life of the 40 years.

DP: Over the life of the 40 years.

CG: Any other questions or comments?

CVR: I'd like to move approval of this executive order.

****MOTION PASSES UNANIMOUSLY.**

Approval of Statement of Interest for Thirty-Six Projects to be Submitted to MSBA [Massachusetts School Building Authority]

PP: You have a lengthy package in front of you for Item Number 8 which the Superintendent of Schools, Dr. Burke, and Pat Sullivan, Superintendent of Buildings, will describe to you its purpose: principally to submit a statement of interest to improve the state of public schools and [unintelligible].

Superintendent of Public Buildings Patrick Sullivan: We had received notification that the Massachusetts School Building Authority was accepting statements of interest from communities. And we felt it was inherent that we put our application in and we have completed a master plan of the school district over the past year. We have taken that information and transcribed it to the statement of interest required by the state.

At this time, it's basically citing a need for the city of our school buildings. We are applying for 36 of our buildings. And it's broken down into both repairs of buildings and then our energy savings contract—that's for the new boilers, lighting systems for the schools--so there's actually 55, both pages that you would be signing. (Our consultant

had recommended that we separate the ESCO [energy savings contract] project separate from the school construction project.) And I think that this is an exciting day for the city to be doing this, and I think it's going to be the first step of a close working relationship with the MSBA.

CVR: Would you just elaborate a little bit on the genesis of this new program that the state, through the MSBA has adopted, Dr. Burke or Pat?

Superintendent of Schools Joseph Burke: Well, the MSBA has a new legislative authority to open p these new projects. They have been looking at, because they have different funding mechanisms and different streams under the new statute, they've been looking at ways to try to get communities to engage in these statements of interest so that they can get a really clear understanding of what the needs are in the various communities.

About, I'd say, a year and a half ago, the state sent out teams to each community around the Commonwealth to do inventories of what the needs of the various buildings were. And that became a genesis for a lot of the statements of interest that are going to be going in. At that particular time, Pat Sullivan and his team had already compiled the capital plan that he has with him today in which we had already staked out what some of the major work that needed to be done in our buildings. So the team that came in from the state and looked at our schools were very, very impressed that that groundwork had already been done.

CVR: I was looking for the amount of money that the state has set aside for this revolutionary new program. In the past, we never got aid to *repair* school buildings. It was: if you want to build a new school, then you could get in line. And many times, as you know, I think in Springfield here, too, rather than renovate a school at \$X, we'd build a new school at 3 times \$X, because of the fact we could get money to *build* a school, but we couldn't get any money to remedy. Isn't this going in a different direction?

PS: It is. It's going to give the communities a chance—and they're going to help us make decisions if renovation makes sense over building new, and they're going to be basically the guiding force to the community, so it's going to be well-received from our end. And they have already stated an interest through Mr. Puccia that they want to work very closely with the city developing our plans that we've already laid out, broadening the information to have it correlate with the education plan for the city as well.

CVR: Can you quantify on a statewide basis how much money has been initially set aside?

PS: I've heard \$500million was available, and I haven't seen that in writing, but I'm hearing that from the state legislation, so...

JB: That's the number that we're hearing, Mayor. You know, to the point of renovations, though, we have had some conversations with MSBA about potential

renovation of Forest Park Middle School, because we have a little bit of a—well, not a little bit—a big dilemma with regard to that project. When it was originally conceived and designed, it was back in the mid-90s. There was a dollar amount that was figured into construction of a new building on that site—it was somewhere in the mid \$30millions in terms of cost. It's completely not doable for that amount of money now, and we've had some conversations with MSBA about a renovation project for that same amount. They've basically said "No, you can't do that. You requested a new school building; it's on the list." And it is still *on* the list, but it is not conceivable way that we can build a new middle school on that site or on another site to house the number of students that we need for the kind of money that is built into that particular plan, so that's a problem.

CG: A question?

RN: Thank you, Mr. Chairman. The total costs, again, of the projects submitted?

PS: There's no dollar amount. They didn't...they did not request any plans at this time or dollar amounts. They specifically want to see our needs and then they're going to send a team to come out to work and develop the plans.

RN: So you don't have any estimates of the cost.

PS: We've put upwards to over \$100million need for our school district.

RN: The projects submitted, you think, is somewhere in that area, \$100million?

PS: It could be, yes.

RN: And the reimbursement is 80%?

PS: Those formulas on renovation have not been shared, but it's been talked about 80%.

RN: So that hasn't been confirmed with SBA?

PS: Not at this time. On new construction, it's 80%, but on renovations, I have not been given a number.

PP: But, I mean...I don't know if I heard this part, but, clearly, there are still significant financial capital questions that the board is going to have to grapple with even if we're fortunate enough to be accepted into the program. We will then have to prioritize these projects just to find the match, even if it's 80/20, because 20% of what we need is still a lot of money, so. This vote only gets us to the table, but the real work still lies ahead.

CG: And in submitting and picking the projects that we're submitting, we're not committing to wanting to do all of these. This is sort of the *most* that we could ever do.

JB: It's covering the whole landscape so that we meet the deadline of getting the letters of interest in.

CG: So this is *all* of the projects that we could conceive of, not all of the projects that we would necessarily do...and we'll be able to opt out with regard to individual projects...as we come to understand them.

PS: Absolutely.

PP: We have not committed to spending on a particular project or an amount.

CG: So the question becomes the reverse which is: Are you confident you've identified all the possible projects?

PP: I'm going to let Pat answer that.

PS: I think we've been general enough so that if they find something when they come out, we're covered. And unfortunately, you know, when I talk to Phil almost every day, you find new problems out there. (I think, two months ago, I called him at 4:45 and it was Warner School: the stairwell needed about a \$30,000 repair, and it was unanticipated.) And Phil has been great in finding the resources to get those kind of emergencies done, so, again, every day, you know, there could be potentially problems that aren't identified yet.

PP: That's right.

JB: Forest Park Middle is not—that, that whole issue is not subscribed within the submission that you're making now. That's a separate issue that I'm going to have to contend with.

CVR: Right. My guess is that...

RN: (aside to JM) Putnam is a separate project, yes.

CVR: My guess is that Mayor Nunes has seen this problem many times in his experience of cities and towns all over the Commonwealth not doing what prudently should be done in maintaining your building, and the only option for state aid was to go and build a new one. And this is a tremendous weapon for sanity, I think. I'm not sure that we do it this way all the time, but I think it's wonderful that we've turned the corner and this now is on the table and something to be used by us or anybody else across the Commonwealth.

PP: If I may, Mr. Chairman, one thing is that over the past two and a half years, the city has really made a concerted effort to a) identify all of its problems (both financial and in maintenance) to the SBA, and they have really (and sometimes it's a bit of, you know, a challenge to work with them on some of the things they request for information), but we have worked hard to prove to them that "Here is the data, we've done the analysis, and

you have a level of comfort that what we're telling you is actually out in the field." And I think that has served us well thus far at least as it relates to getting Putnam built and other things, so....

CVR: And I understand they're ready to send their representative out here very shortly?

PS: Within the next two weeks. Phil's been having discussions, and they've been directed to work with myself and Dr. Burke's team.

CVR: But is it your understanding they'll go with you through these individual schools?

PS: That's correct. They want to work with us on a master plan, and they also want to solve the Forest Park problem, too.

CVR: Yeah.

KW: Mr. Chair, I have some questions. Is there a timeline between when you apply and when you find out whether or not projects are going to be done?

PS: No, MSBA will control that process.

KW: OK, and if these projects are not accepted and these are all the schools that need repairs, are...can they be done through other funds or are they just left undone?

PS: Well, we pick away at the needs...the Mayor and Phil...through our budget we found ways to get Talmadge roof, Washington roof and Balliet roof done this summer. So, again, we are also keeping a very watchful eye. We're going to ensure that our students and staff have comfortable environments to work and learn in. So we also are doing another \$1million in repairs and floor tile replacement, rug replacements, so it's a high priority for the administration to ensure that we keep our buildings safe.

Every building at least has a temporary occupancy permit. Two and a half years ago, very few of the buildings even had occupancy permits...

JB: Very few.

KW: Yeah.

PS: ...so we take it very seriously. So I hear your concerns, and I think in about two months, I'll probably be better [able] to answer what direction MSAB is going in.

KW: And this list, is it by need or how was it...how did you set up the list?

PS: That's everything that had basically probably \$100,000 or more in need. And what...we're updating the capital plan, and, hopefully, in about four to six weeks, we'll be sending you the latest copy of the capital plan.

JM: This is 26 of how many schools?

PS: It's...I believe it's...36 of ...46 sites.

CVR: Thirty-six it says here.

PS: There's

JB: Forty-six sites.

It's...I believe it's 36.

JM: Forty-six sites, and we understand why Putnam isn't here and Forest Park Middle School, but what about S.A.F.E. at Eastern Ave.? That's not on this list.

PS: Umm...I believe it is...ummm matter of fact, it goes...It's number 29...

PP: What's the name of the school?

PS: ...Berkshire...well, that's the Berkshire campus.

JB: That's Berkshire

PS: I'll check into that.

PP: But if he...let me just ask [flipping through the binder of projects] but if he checks into that, how do we amend this vote, then? If it's not included on the list, 6-28-08? what's the school you're looking for, Mr. Morton?

JM: S.A.F.E. at Eastern Ave.

JB: Eastern Avenue. The only one that appears here is Berkshire Ave.

PS: We could amend that and just add that in now and then finish it if it's not in there.

PP: Yeah. Can you write that in, Mr. Clerk? The name of the school again, please?

JM: S.A.F.E. at Eastern Ave.

PP: S.A.F.E. at Eastern Ave. to be included into the statement of interest.

RN: I'll make that in form of a motion.

JM [aside to KW] Former Bridge Academy

KW: Uh OK.

CVR: I'd just like to follow up on Mr. Morton's question about Putnam.. Clearly, we're going to build a new Putnam, but I know that in the last year or so, we've spent some reasonably significant money on Putnam, but it's not listed here. And is that deliberate that it not be listed because of the fact we're building a new one or what?

PS: That was my thought on it, yeah.

CVR: Yeah. In other words, what did we do, put a new roof in?

JB: We put a new roof, Mayor. I mean we had a situation where we were going to continue to have deteriorating conditions if we got water coming into the building.

CVR: Well, bearing in mind that we've got to stay in that building for another six or seven years, right? Then it's not only the Putnam strategy, but the Forest Park...

JB: Potentially.

CVR: ...strategy. Do you want to rethink whether or not for...? That's a reasonably long period of time.

PS: What they have indicated to us—and they will work with us as they go through the district. Take a Brightwood School, built in 1899; there's a good chance they wouldn't fund a renovation program; they would make a recommendation that school might need to be replaced, so I don't think they would fund Putnam, knowing that it would be torn down, but if you want to amend it, I would be happy to add it to the list.

PP: Well, I think Mr. Lisauskas has a reference to a particular regulation.

SL: The new SBA regulation...MSBA regulations require that buildings have a occupy the building for a certain length of time. You commit to an estimated useful life of the building and seven years is substantially below that life of the building. So even if we use it as "swing" space for Forest Park, if you're in there for seven years, you have to be in there at least 20.

CVR: OK.

RN: Mr. Chairman, just a few questions. The deadline to get the statement of interest in to MSBA is...?

PS: July 29.

RN: July 29. So you get the statement of interest in, someone from SBA will come out to work with you and to do an evaluation. What is the next step after the statement of interest?

PS: It's clear on their application that they are still developing that, so it would be probably it would be to come out, develop our master plan and then start putting numbers to the projects.

RN: In regards to the Putnam School, where you are in the process: Putnam School is on the *old* list, under the old SBA regs?

JB: Yes.

RN: And what's the reimbursement rate?

JB: 90%.

RN: 90%. And where are you in the process now?

PS: Architect selection.

RN: Architect selection...and...

PS: That's being done in conjunction with MSBA.

RN: Has an architect...so it hasn't been selected. An architect has not been selected.

PS: No.

RN: An architect has not been selected.

CVR: Probably within the next month.

RN: Within the next month?

PS: We're hopeful...

RN: And that decision will come here?

PP: No.

JB: Well, we're doing it in conjunction with MSBA. It's part of the process that they're requiring.

RN: Yes.

PP: So they will likely...the way the selection process is done—and, Pat, correct me if I'm wrong—there...I think there's four votes for us out of –what, 15?

PS: Three out of us out of 15.

PP: Three out of 15. So we can make our recommendations and the like, but the process really is in the hands of the SBA selection committee.

RN: Right. So you've submitted a plan to SBA. How did you come up with \$120million?

PS: That was from the feasibility studies from the prior years.

RN: So it's all in studies. You haven't submitted *any* plans to SBA?

JB: Yes. Yes. We have specific ed[ucation] specs for each of the program areas in the vocational clusters that we've submitted for Putnam. There's...under the old formula, there's a specified amount of square footage that you need for those programs. MSBA is thinking about making some changes in that, but we had to submit the proposal based on data that we had at the time, so that's...

RN: So you submitted ed specs. How about building specs...building plans?

JB: No.

RN: You have not. Where are you on...where is Putnam on the list to be funded?

PS: There's special legislation.

JB: It's pretty much at the top of the list under the...

RN: Because it was through special legislation.

JB: That's correct.

RN: Right, OK. Yeah, right My experience working with SBA is very positive and I'm sure they will be very accommodating working with all of you, especially with the new program progress payments (you submit invoices every month and within fifteen days the city gets reimbursed). It's great for cities and towns, so I'm sure you'll find your experience working with SBA a positive one.

JB: It's been great so far.

PP: Mr. [inaudible], as you know, has been working with us and directly on the vocational plan is interacted with SBA

RN: So, if all goes well with Putnam, when are you thinking it could go out to bid, two years, a year and a half, two years?

PS: We're hoping within a year and a half.

RN: Year and a half going out to the street?

CVR: Yeah.

RN: Thanks.

CVR: We had a meeting of the school building commission several days ago, and our project manager was there. I asked the very same question, and it certainly...I got the impression maybe fifteen months.

RN: Yeah.

PP: [unintelligible]

RN: OK. Again, it's new construction. Where...it's adjacent to the present?

JB: It's behind the existing building.

RN: And what are you going to do with the existing?

JB: Well, there...

PS: We'd like to house Forest Park there while we're renovating, rebuilding Forest Park, then it would be knocked down.

CVR: One last piece of information, and that is that we floated a \$38.5million bond in January or February of this year for many capital needs. In that bond, we set aside \$12million as our 10% share of Putnam. So that's bonded for, it's sitting there, ready to spend it. Yeah.

RN: Thanks.

CG: Any discussion or questions?

****MOTION TO ADD S.A.F.E. PROGRAM PASSES UNANIMOUSLY.**

****MOTION TO APPROVE STATEMENT OF INTEREST PASSES UNANIMOUSLY.**

JM: I'd like to make a comment. I'd like to commend Pat for his hard work. There's probably not another public servant in our city that works as hard as Pat does to try to do the best that he can to keep our buildings safe and decent.

JB: Hear, hear.

KW: I think Pat does a great job, but I think we have a lot of fine department heads. I don't want the chair and the former mayor to think we only have one hard-working department head in the city of Springfield. I think there're quite a few of them...including our secretary here, Mr. Wayman Lee.

MEETING ADJOURNED TO GO INTO EXECUTIVE SESSION.