Committee on Finance and the Northampton City Council

Councilor Gina-Louise Sciarra, Chair
Councilor Marianne L. LaBarge, Vice Chair
Councilor Michael J. Quinlan, Jr.
Councilor John Thorpe

Online Meeting via Teleconference

Meeting Date: April 16, 2020

Note: The Finance Committee Meeting will take place during the City Council Meeting as announced. The City Council Meeting is scheduled to begin at 7:05 pm.

1. **Meeting Called To Order**

2. **Roll Call**

3. **Approval Of Minutes From The Previous Meeting**

   A. **Minutes Of April 2, 2020**

      Documents:

      04-02-2020_finance committee minutes.pdf

4. **COVID-19 Financial Update**
   Presentation by Mayor Narkewicz
   - impacts on current FY2020 city budget
   - status of Capital Improvement Program
   - development of FY2021 budget with delayed implementation of March 3, 2020 Proposition 2 1/2 override

5. **Financial Orders**

   A. **20.041 An Order To Authorize Acceptance Of Easements From MassDOT For Damon Road Reconstruction**
      Process note: The Department of Public Works respectfully requests two readings to accommodate the state's construction schedule.

      Documents:

      20.041 an order to authorize acceptance of easements from massdot for damon road reconstruction.pdf
      20.041 detail of massdot easements.pdf
      20.041 grant of easement.pdf
      20.041 damon road alteration plan.pdf

   B. **20.042 An Order To Authorize Intermunicipal Agreement With Towns For Public Health Nursing Program**

Documents:

20.042 an order to authorize intermunicipal agreement with towns for public health nursing program.pdf

C. **20.043 An Order To Appropriate Free Cash To NPS For Federal Foster Care Transportation Reimbursement**

Documents:

20.043 an order to appropriate free cash to nps for federal foster care transportation reimbursement.pdf

D. **20.044 An Order To Authorize Intermunicipal Agreement With MEMA During COVID Emergency**

Documents:

20.044 an order to authorize intermunicipal agreement with mema during covid emergency.pdf

E. **20.046 An Order To Approve Gift Fund Expenditures For Resilience Hub**

Documents:

20.046 an order to approve gift fund expenditures for resilience hub.pdf

6. **New Business**

A. **FY2021 Independent Audit Procurement Process**

Documents:

fy2021audit.041420.doc
gfoa and dor recommendation.pdf
gfoa best practices.pdf
timeline for fy2021 audit rfp.docx
timeline for fy2021 audit rfp2.docx

7. **Adjourn**

Contact: G-L Sciarra at glsciarra@northamptonma.gov
or 413-570-3133

Committee on Finance and the Northampton City Council

Councilor Gina-Louise Sciarra, Chair
Councilor Marianne LaBarge, Vice Chair
Councilor Michael J. Quinlan, Jr.
Councilor John Thorpe

On line Zoom Teleconference Meeting

Meeting Date: April 2, 2020

Note: The Finance Committee Meeting took place during the City Council Meeting as announced. The City Council Meeting began at 7 p.m.

1. **Meeting Called To Order:** At 7:48 p.m. Councilor Sciarra called the meeting to order.

2. **Roll Call:** Present were committee members Gina-Louise Sciarra (Chair), Marianne LaBarge (Vice-Chair), Michael J. Quinlan, Jr. and John Thorpe. Also present from the City Council were William H. Dwight, Alex Jarrett, Rachel Maiore and Jim Nash. Councilor Karen Foster was absent.

3. **Approval of Minutes From The Previous Meeting**
   A. Minutes of March 19, 2020
   Councilor LaBarge moved to approve the minutes of March 19, 2020. Councilor Thorpe seconded. The motion passed unanimously 4:0 by roll call vote.

4. **Financial Orders**
   A. **20.032 An Order to Establish Water and Sewer Rates for FY2021**
   Councilor Sciarra read the order.

   Councilor Thorpe moved to put the order on the floor for discussion. Councilor LaBarge seconded.

   She is very happy to hear from the Mayor that no increase is proposed for year FY2021, Councilor LaBarge commented. With this being such a critical time for many people in the city, she is supporting adoption of these rates, she confirmed. It's the right time to keep the rates as they are, she concluded.

   When this appeared on the agenda a few weeks ago, he had a phone call with Finance Director Susan Wright who generously spent a good deal of time with him getting into some of the details of the enterprise funds and their budgeting process, Councilor Quinlan related. He wished tonight as they were discussing the water rates that they had a status report of projects to be funded with stabilization funds.

   Councilor Sciarra noted that often when discussing rates, DPW Director Donna LaScaleia would join them to discuss the status of capital projects. During this moment of crisis, she didn't feel it was necessary to

have her come as she is working around the clock. If councilors have specific questions for the director, they could ask her to come to the next meeting, she offered.

They are continuing to move forward on the budget process and continue to have the same capital projects presented in the most recent capital program, Mayor Narkewicz advised. Administrators are working to bring forward both a budget and a capital program – both have been somewhat sidetracked by the current emergency. $15 million in waste water treatment plant (WWTP) upgrades that the council already gave authorization to seek lending authority for through the state's Clean Water Trust Fund are still pending, he confirmed. The city also still has major projects pending in water enterprise funds for work on city reservoirs and major transmission lines.

Staff will be bringing some of these projects forward. Rest assured that they continue to work on all of the projects that have been identified as long-term projects in the capital plan. A big part of what water rates and sewer rates support is existing debt service. A major portion of the debt service in the water enterprise fund is to pay for the water treatment plant while rates also support operational expenses of staff, equipment and materials. He will bring forward additional updates as part of the capital process.

Councilor Quinlan acknowledged the Mayor's affirmation that money for WWTP upgrades has been approved. He asked about the status of other projects. If he understands correctly, some of the water enterprise funds are going to construction projects on North King Street, King Street and Damon Road. He asked if those had been approved. He also asked the status of reconstruction work on North Farms Road.

Funding for North Farms Road was approved at the end of last year and the DPW is working on the engineering process for that project and hoping to get it bid, Mayor Narkewicz advised. They are having to adapt the bid process since it typically involves in-person meetings with contractors to review plans and bid specifications. The Damon Road projects are also moving ahead and all the engineering work for that is complete. As far as they know, the projects at the state level will still advance but they don't know if they will be delayed due to the construction environment.

WWTP engineering and construction work is advancing. They are getting close to the point where they will need to advance that project in a more significant way. The state has issued a 45-day delay in the deadline for accessing the 0% financing, he noted.

He hopes to have more updates on larger projects a little bit later in the springtime. City employees are continuing to work on them and advance them; the challenge becomes the actual physical construction portion of it, particularly the indoor construction required as part of the WWTP upgrades.

Councilor Quinlan moved to forward the order with a positive recommendation. Councilor Thorpe seconded. The motion passed unanimously with 4 Yes, 0 No by roll call vote.

B. **20.035 An Order to Accept a Donation of Land on Woodland Drive for Housing and Trail Uses**
Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Thorpe seconded.

Office of Planning and Sustainability Director Wayne Feiden apologized for a typo. Item #3 in the second 'whereas' clause should be Woodland Drive to Ladyslipper Lane, not Tiffany Lane, he clarified.

The subdivision was finished about 30 years ago. The developer sold all the other lots. He was left with this lot and decided he couldn't develop it. He stopped paying taxes and has offered it to the city. (Not a lot of taxes have accumulated.) It has the potential for development as affordable or market-rate housing. They are asking the City Council to accept the donation and then planners will do due diligence to make plans for the lot's development. Planners will conduct a community process for the use of the lots, he said.

Councilor LaBarge expressed support for the proposal, saying she thinks it is a great deal. They need affordable housing even in Ward 6. It is a nice area and she thinks they could eventually look at putting a trail going into Ladyslipper Lane.

Councilor Quinlan wondered the value of the property and taxes owed.

The lot is assessed at $95,000 and taxes owed are in the neighborhood of $5,000 or $6,000, Feiden said.

In last year's Capital Improvement Program (CIP), the City Council established a fund to buy land in tax title for the value of back taxes. What the city spends on the property to pay off the taxes comes back to the city. Part of the idea of saying one affordable housing and one market-rate home is that a market-rate unit could be self-supporting. Planners could come back to the council with a different proposal, he advised.

The back taxes are $5,330, Councilor LaBarge volunteered. Somebody could go in and buy that property and the city will lose out on two homes and affordable housing.

Councilor Jarrett applauded the idea of creating more affordable housing. He asked Mr. Feiden to define 'workforce' housing since the order says 'market-rate' or 'workforce.'

The reason the developer could not develop the property is that he would need to get a comprehensive permit to do so and this requires creation of affordable housing, Mr. Feiden explained. Affordable housing is defined as being affordable to a person earning 80% of the Area Median Income (AMI). He expressed his understanding that workforce housing for purposes of the Community Preservation Act is housing affordable to households with incomes up to 120% of the AMI; in other words, what most working class people can afford. Other than for CPA purposes he believes it is not a defined term. It basically means that most of their workforce would be able to afford it.

The idea of having a trail that cuts through is a great idea, Councilor Jarrett added. It would mean residents would not have to walk on Route 66 to get to two adjoining neighborhoods.

Mr. Feiden clarified that this property would only take them about 40% of the way through but leaves that option open for the future.

Councilor Thorpe moved to amend the order to change 'Tiffany Lane' to 'Ladyslipper Lane.' Councilor LaBarge seconded. The motion passed unanimously with 4 Yes, 0 No by roll call vote.

Councilor Sciarra called the main motion to a vote, and it passed unanimously 4 Yes, 0 No by roll call.

C. <u>20.036 An Order to Accept a Donation of Easement for Electric Power to NSH Memorial Park</u>
Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Thorpe seconded.

When MassDevelopment laid out Village Hill, it set aside land for a memorial park and built infrastructure and a sidewalk from Orlander Drive to serve the neighborhood, Mr. Feiden reminded. It wasn't anticipated at the time that there would be a need for electricity at the park, so no electric service was provided. To run electric service from the road would be very disruptive and very expensive. The Wrights have generously allowed them to run power through their property from a nearby transformer to the park. The city received a $950,000 Massworks grant primarily to extend infrastructure to a new affordable housing project at North Commons but included work to extend electric service to memorial park as part of its application. They opened bids and received good quotes for other work covered by the grant, leaving money available.

She is very happy that the city has accepted memorial park at the former state hospital, Councilor LaBarge affirmed. There is so much history there. She publicly thanked Jonathan and Margaret Wright.

The electric service is for an old fountain that was there when 'Old Main' was torn down, Feiden elaborated. The power will recirculate water to the fountain. The city doesn't have to operate it in bad economic times.

The motion passed unanimously 4 Yes, 0 No by roll call vote.

D. <u>20.038 An Order to Appropriate $3,000 in CPA Funds to Lathrop Communities for Invasive Species Removal</u>

Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Quinlan seconded.

Conservation/Preservation Planner Sarah LaValley presented. She came before the council earlier in the year to talk about some larger Community Preservation Act (CPA) applications. The two before them tonight are part of the small grant process. The Community Preservation Committee (CPC) established this a few years ago to try to spark some smaller projects. Lathrop Communities is a past recipient and has a 50-acre area on its north campus that is completely free of invasives. This may be the last application as progress has been made in removing invasive species from its east campus. Retirement community representatives are hopeful that they will be able to stop using a consultant after this and just continue with volunteer work.

Councilor LaBarge spoke in favor of the project.

Councilor Nash said he assumed the work is going to involve some application of round-up to address the invasive species.

Lathrop Community was very clear with the CPC that they are only using Rodeo which is a glyphosate product and are doing really targeted spraying, basically the minimum necessary to take care of these plants, Ms. LaValley related. They are doing as much as possible with mechanical means and volunteers.

Councilor LaBarge said she had concerns about the herbicides being used. She asked Ms. LaValley to repeat her response to how much they are using. Ms. LaValley reiterated that they're using the minimum amount necessary to be effective.

Councilor Jarrett drew members' attention to the final report of the Select Committee on Pesticide Reduction (SCPR), completed during the last council session. He read the following excerpt from the report:

"…SCPR concludes that it is important for Northampton to consider eliminating pesticide use. ***If deemed absolutely necessary, any pesticide should be applied with utmost care in a manner that provides maximum protection of the public."***

He asked if Ms. LaValley feels this application is meeting that standard. How will it provide maximum protection to the public? He asked.

Lathrop Community was clear with the CPC that they have had this debate internally as well (a lot of residents are not in favor of using pesticides) but ultimately did decide to put the application forward, Ms. LaValley responded. They are working with a licensed professional and using the absolute minimum necessary.

Councilor Jarrett asked what it would take to do this without pesticides.

Lathrop Communities has a very dedicated volunteer base but, based on their experience and the recommendations of professionals, they have found some of the plants do need a treatment of herbicides to be eradicated, Ms. LaValley said.

The meeting was interrupted by profanity from unidentified members of the public who joined via Zoom. Councilor Sciarra and other councilors offered profuse apologies.

Councilor Sciarra called the motion to a vote, and it passed unanimously 4 Yes, 0 No by roll call.

E. <u>20.039 An Order to Appropriate CPA Funds for Beaver Brook Greenway Invasive Plant Control Project</u>

Councilor Sciarra read the order.

Councilor Thorpe moved to forward the order with a positive recommendation. Councilor Quinlan seconded.

This project is building on the work of the Broad Brook Coalition and Leeds Civic Association to build trails and a bird blind on the Beaver Brook/Broad Brook parcel on Route 9, Ms. LaValley related. Now that the clean-up and trail-clearing work has been done, they realize the need for a little bit of follow-up work to brush hog to maintain the rare turtle habitat. They are proposing very limited glyphosate application to eradicate invasive species.

Councilor LaBarge asked questions and offered comments.

Brushhogging will encourage the turtles to continue to use this area, Ms. LaValley said. The brush-hogging is expected to continue for a few years.

Councilor Jarrett noted that, in the previous application, it seemed pretty clear that the application of herbicides was hoped to be limited to a year. He asked if this was similarly limited or whether the application would be ongoing.

If anything, it would be less ongoing, Ms. LaValley said. It is just for bittersweet and is all cut stump treatment.

The motion passed unanimously 4 Yes, 0 No by roll call vote.

F. **20.040 An Order to Approve Gift Fund Expenditures for Emergency COVID19 Expenses**
Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Thorpe seconded.

As councilors may have seen in recent communications, a number of people have asked for different ways to help support the emergency shelter at the high school, Mayor Narkewicz explained. Some have been able to volunteer, some have donated materials and others have asked if they could just contribute money. Administrators immediately put out a fund and set it up electronically on the city's website so that residents could make a donation to the fund through Unipay. The order essentially authorizes the expenditure of funds collected in the gift fund for COVID-19 expenditures.

Councilor LaBarge asked if Mayor Narkewicz would like two readings and he said, yes, if possible.

Mayor Narkewicz gave details for those wishing to make donations. Donors can either make a donation by check or make a donation on-line on the city website.

The motion passed unanimously 4 Yes, 0 No by roll call vote.

5. **New Business**
-Reserved for topics that the Chair did not reasonably anticipate would be discussed.
None.

6. **Adjourn:** There being no further business, Councilor Quinlan moved to adjourn. Councilor LaBarge seconded. The motion carried on a voice vote of 4 Yes, 0 No. The meeting adjourned at 8:49 p.m.

Contact: G-L Sciarra @glsciarra@northamptonma.gov or 413-570-3133

City of Northampton
MASSACHUSETTS

In City Council, April 16, 2020

Upon the recommendation of the Mayor and the Department of Public Works

20.041 An Order to Authorize Acceptance of Easements from MassDOT for Damon Road Reconstruction

Ordered, that

WHEREAS, Damon Road and Bridge Road are public ways in and for the city of Northampton; and,

WHEREAS, Damon Road and Bridge Road are in need of reconstruction, and the city, in conjunction with the Massachusetts Department of Transportation ("MassDOT"), is undertaking the reconstruction and widening of the ways, including drainage improvements and slope stabilization, from Bridge Street (Route 9) to the easterly section of Bridge Road west of King Street (Routes 5 and 10) ("the Project"); and,

WHEREAS, the reconstruction of Damon Road from Route 9 to Route 5 is currently programmed on the 2020 Pioneer Valley Region Transportation Improvement Program (TIP) at a total cost of $10,043,653, with $8,034,922 in federal transportation funds reserved to fund the project with the City of Northampton responsible for the costs of right-of-way acquisition and any water and sewer utility improvements; and

WHEREAS in order to proceed with the Project, the city needs to acquire i) permanent fee interests, ii) permanent easements, iii) permanent utility easements; and iv) temporary construction easements ("the Land Acquisitions"); and

WHEREAS, the Project and the Land Acquisitions are shown on a plan entitled "Alteration Plan of Damon Road and Bridge Road Prepared for the City of Northampton," ("Plan") dated February 28, 2019, and signed and sealed by Jeffrey P. Bradford, PLS, dated April 12, 2019; and

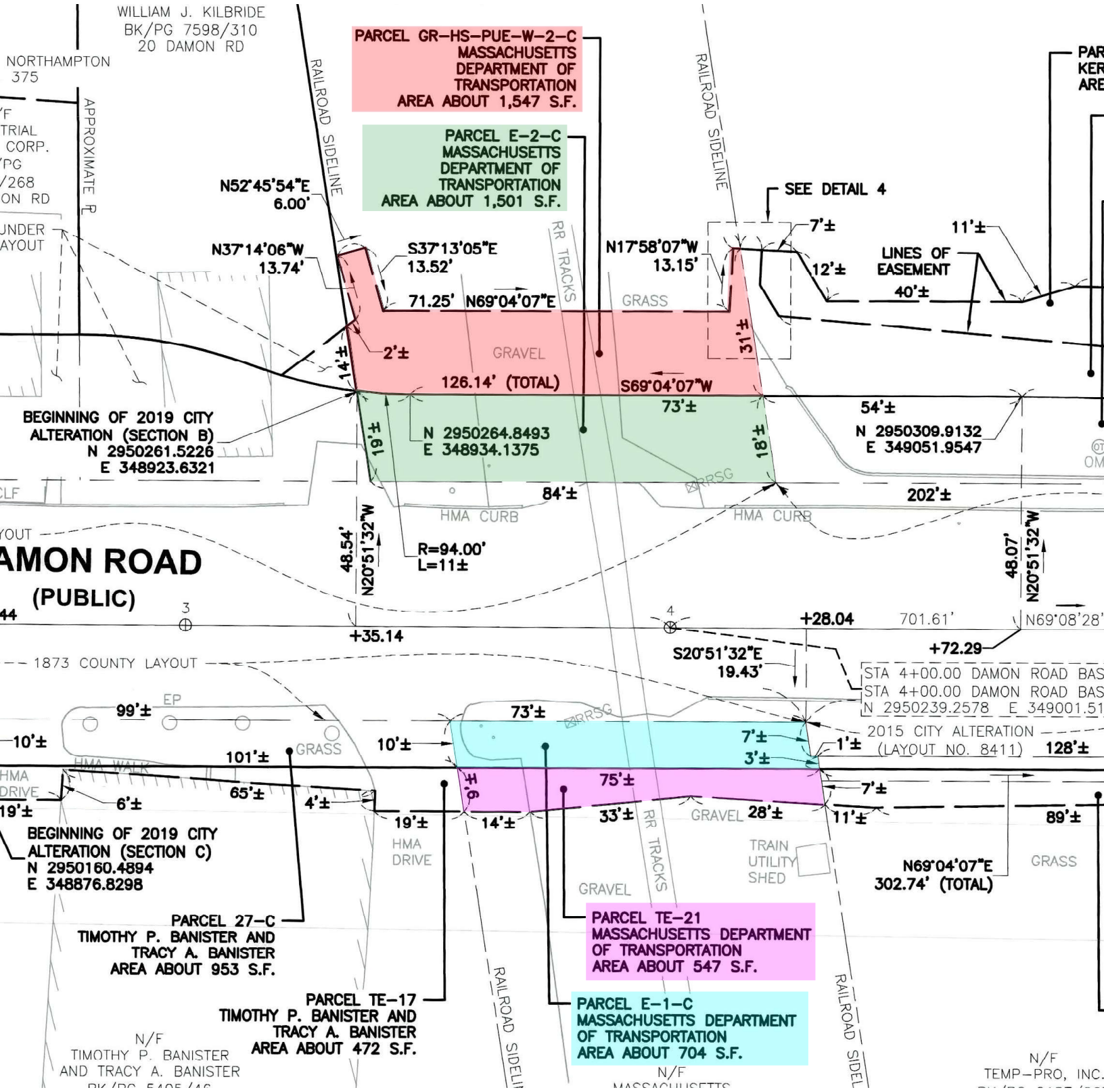
WHEREAS, on May 16, 2019, the Northampton City Council passed on second reading authorization to acquire all parcels needed to be acquired for the Project with the exception of the railroad land owned and controlled by the MassDOT, which the city cannot acquire absent agreement of MassDOT; and

WHEREAS, MassDOT has agreed to transfer an easement to the city for nominal consideration on the terms and conditions set forth in an instrument entitled “Easement Agreement;” and

WHEREAS, the City Council must approve the acquisition in order to accept the easement from MassDOT.

NOW, THEREFORE, BE IT ORDERED

That the City Council authorizes the acquisition by purchase, gift, eminent domain, or otherwise, of three (3) permanent easements and one (1) temporary construction easement for the purposes of widening and reconstructing Damon Road, as shown on the Plan and on the terms and conditions set forth in the proposed Easement Agreement. No appropriation is needed for this acquisition because the easement is to be conveyed for nominal consideration.


WILLIAM J. KILBRIDE
BK/PG 7598/310
20 DAMON RD
NORTHAMPTON
375
APPROXIMATE R
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MASSACHUSETTS
DEPARTMENT OF
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PARCEL E-2-C
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DEPARTMENT OF
TRANSPORTATION
AREA ABOUT 1,501 S.F.
SEE DETAIL 4
N52°45'54"E
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13.15'
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LINES OF
EASEMENT
40'±
71.25' N69°04'07"E
RR TRACKS
GRASS
GRAVEL
2'±
14'±
31'±
126.14' (TOTAL)
S69°04'07"W
73'±
54'±
BEGINNING OF 2019 CITY
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N 2950261.5226
E 348923.6321
N 2950264.8493
E 348934.1375
N 2950309.9132
E 349051.9547
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18'±
84'±
202'±
HMA CURB
48.54'
N20°51'32"W
R=94.00'
L=11±
48.07'
N20°51'32"W
AMON ROAD
(PUBLIC)
+35.14
+28.04
701.61'
N69°08'28"
+72.29
1873 COUNTY LAYOUT
S20°51'32"E
19.43'
STA 4+00.00 DAMON ROAD BAS
STA 4+00.00 DAMON ROAD BAS
N 2950239.2578 E 349001.51
2015 CITY ALTERATION
(LAYOUT NO. 8411)
128'±
99'±
EP
73'±
10'±
101'±
GRASS
7'±
3'±
1'±
HMA WALK
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DRIVE
65'±
4'±
6'±
9'±
75'±
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33'±
28'±
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GRAVEL
TRAIN
UTILITY
SHED
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302.74' (TOTAL)
BEGINNING OF 2019 CITY
ALTERATION (SECTION C)
N 2950160.4894
E 348876.8298
PARCEL 27-C
TIMOTHY P. BANISTER AND
TRACY A. BANISTER
AREA ABOUT 953 S.F.
PARCEL TE-21
MASSACHUSETTS DEPARTMENT
OF TRANSPORTATION
AREA ABOUT 547 S.F.
PARCEL TE-17
TIMOTHY P. BANISTER AND
TRACY A. BANISTER
AREA ABOUT 472 S.F.
PARCEL E-1-C
MASSACHUSETTS DEPARTMENT
OF TRANSPORTATION
AREA ABOUT 704 S.F.
N/F
TIMOTHY P. BANISTER
AND TRACY A. BANISTER
N/F
TEMP-PRO, INC.

EASEMENT AGREEMENT

This Easement Agreement (this "Agreement") is made effective as of the ____ day of April, 2020 (the "Effective Date"), by and between the **Massachusetts Department of Transportation**, a body corporate and politic and a public instrumentality of the Commonwealth created and governed by Mass. Gen. Laws c. 6C, with a principal place of business at 10 Park Plaza, Boston, Massachusetts, 02116 ("Grantor") and the **City of Northampton**, Massachusetts, a body politic and corporate and a political subdivision of the Commonwealth of Massachusetts with a principal place of business at 210 Main Street, Northampton, MA (the "City" or the "Grantee").

WHEREAS, Grantor, by its Highway Division, under Project No. 608326, intends to make improvements to, repair, and reconstruct the roadway and related facilities known as Damon Road, a public way in the City of Northampton, on behalf of the said City ("the Project"); and

WHEREAS, Grantor acquired title to the Connecticut River Main Line (the "Line") in a deed from Pan Am Southern, LLC dated May 21, 2015, and recorded on May 22, 2015, in the Hampshire District Registry of Deeds ("Registry") in Book 11945, Page 59 ("Grantor's Property"); and

WHEREAS, the Project includes portions of Grantor's Property located between approximately Railroad Valuation Station 960+85 and Station 961+85, as shown on a certain plan entitled "Right of Way and Track Map, Connecticut River R. R. Co., Operated by the Boston and Maine Railroad, Station 909+40 to Station 962+20", and numbered Valuation Series V42.1M, Plan 19 (the "Railroad Plan"); and

WHEREAS, Grantor desires to grant to the City certain permanent and temporary rights in Grantor's Property for the Project on the terms and conditions set forth in this Agreement.

NOW THEREFORE, for consideration of Ten Dollars and No/100 ($ 10.00) paid to Grantor by Grantee (hereafter defined), and for other valuable consideration, including the covenants set forth herein, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. Grant of Easements.

Grantor hereby grants, and Grantee accepts:

a) perpetual right and easement for all purposes for which public ways are used in the City of Northampton, including therewith the rights to install, construct, inspect, operate, maintain, repair, and replace the sidewalks and roadway serving as the public way and traffic signals and other related roadway facilities, in, on, and under the areas labelled as "E-1-C" containing 704 SF ± and "E-2-C" containing 1,501 SF ±; on the plan entitled "Alteration Plan of Damon Road and Bridge Road Prepared for the City of Northampton, Hampshire County" dated February 28, 2019, prepared by Greenman-Pedersen, Inc., and recorded on July 9, 2019 in the Hampshire County Registry of Deeds in Plan Book 245, Page 1, and as described in Exhibit A hereto.

b) a perpetual right and easement to install, construct, inspect, operate, maintain, repair, and replace guard rails, highway signs, utilities and wall(s), in, on, and under the area labelled on the Plan as "GR-HS-PUE-W-2-C" containing 1,547 SF ±, as described in Exhibit A hereto; and

c) a temporary right and easement for the purposes of constructing the improvements to Damon Road, including grading, general construction staging, laying of loam and seed, and any all other necessary ancillary purposes in connection with the Project in the area labelled as "TE-21" on the Plan, consisting of 547 SF ±, and as described in Exhibit A hereto.

The foregoing Temporary Easement shall automatically expire five (5) years from the date of recording of this Agreement without further action of either party necessary to effectuate termination, provided, however, that the aforesaid term may be extended with the consent of the Grantor, but only upon modification hereof signed by the Grantor and duly recorded with the Hampshire District Registry of Deeds.

2. Use. Grantee shall only use the Easement Areas for the purposes set forth herein. Grantee shall not cause or permit any trespass by Grantee or its employees, agents, or contractors (collectively, "Grantee's Agents") on parts of the Connecticut River Main Line outside the Easement Areas. Grantee shall neither store Hazardous Materials (as defined below) nor permit nuisances or encroachments to occur on the Easement Areas or on the Connecticut River Main Line and shall not build any temporary or permanent structure or store anything in the Easement Areas.

3. Grantee Acknowledgements. Grantee acknowledges that (i) the Easement Areas are part of an active railroad corridor operated and maintained by Pan Am Southern, LLC ("PAS" or "Designated Railroad"), pursuant to a certain retained rail freight easement and a certain operating agreement by and between Grantor and the Designated Railroad dated May 21, 2015 ("2015 Operating Agreement"); (ii) the National Railroad Passenger Corporation (hereinafter "Amtrak") operates intercity passenger rail service over the Line, pursuant to a Host Railroad Agreement dated May 1, 2012 and all supplements and amendments thereto (hereinafter the "Amtrak Agreement"); (iii) Springfield Terminal Railway Company, Inc. ("STR") provides rail freight services as a subsidiary of Pan Am Railways, Inc.; (iv) Grantor may in the future enter into licenses, leases, operating agreements, or other agreements with other railroads and/or rail service operators (collectively with PAS, Amtrak and STR, "Railroads") to operate passenger, freight, or related rail services on the Connecticut River Main Line; (v) as an active railroad corridor there may be negative impacts directly or indirectly caused by the transportation activities and future operations of Grantor and/or the Railroads, including, without limitation, noise, odor, vibrations, electromagnetic fields, particles, pollution, and fumes (collectively, "Negative Impacts"), which may also have an impact on the Easement Areas; and (vi) Grantor makes no representations as to the condition, title, or any other matter related to the Easement or the Easement Areas.

4. Maintenance and Repairs of the Easement Areas.

a) The rights granted hereunder are subject to Grantee's continuing obligation to maintain and repair the Easement Areas, in good and safe repair, and to preserve the safe and proper use of the Easement Areas, at its cost and expense, in accordance with the standards and requirements described herein ("Grantee's Work"). Maintenance shall include, without limitation, maintaining the pavement and other elements of the road, sidewalks and related facilities; removal of ice and snow from the Easement Areas; removal of debris from the Easement Areas; and removal of vegetation in the Easement Areas. From time to time, Grantor, the Railroads, Mass. Department of Public Utilities, Federal Rail Administration, or other regulatory bodies with jurisdiction may require that Grantee, at its cost and expense, undertake repairs and maintenance to achieve the foregoing standards and requirements. In no event shall Grantee or Grantee's Agents direct water, snow, ice or debris toward or onto the Grantor's remaining property, including the adjacent railroad right-of-way; Grantee shall be solely responsible for ensuring proper drainage within and along the Easement Areas, and for immediately addressing any damage or operational impacts caused by the transfer of water, snow, ice or debris onto Grantor's remaining property. Such maintenance and repair must also be accomplished in accordance with Grantor's and the Railroads' conditions, including terms and conditions for access to work; work plans that Grantee must provide at least thirty (30) days in advance of the proposed work start date describing the proposed work and materials to be used; evidence of such insurance as Grantor and the Railroads may require; safety plans; a timeline for the proposed work; a plan to hire the appropriate flagmen and others that may be needed to complete the work; and copies of all permits for the work, all satisfactory to Grantor and the Railroads, and to not unreasonably interfere with the proper and safe use of the Easement Areas by Grantor or the Railroads, and any other parties that Grantor allows to operate on and over the Easement Areas, and their respective successors and assigns. Any underground work shall also be subject to confirmation by Grantee with Dig Safe and any utility companies with facilities under the Easement Areas. Grantor and the Railroads shall have the right to inspect the Easement Areas at any time provided the inspections do not interfere with Grantee's use of the Easement Areas except in an emergency.

b) Grantee shall indemnify and hold harmless Grantor and the Railroads against all fines, damages, costs, expenses, and other penalties for Grantee's failure to perform required repairs or maintenance or for violations of work plans or conditions caused by the acts or omissions of Grantee or any of Grantee's agents.

c) If Grantee fails to perform any of the foregoing repairs or maintenance or capital improvements or other actions necessary in the Easement Areas, Grantor or the Railroads may undertake such work, and Grantee shall reimburse Grantor or the Railroads, as the case may be, for all costs and expenses incurred for such work.

d) Notwithstanding anything to the contrary contained herein, Grantee shall not be responsible for maintaining the rail tracks or other railroad-related facilities in the Easement Areas but shall be responsible for the costs of any damage it causes to such tracks or facilities.

5. Termination of Easement for Transportation Purposes. Grantor's enabling statute requires that its assets be available for transportation uses; therefore, if all or part of the Easement Areas are needed solely for transportation purposes, Grantor may terminate the Easement with regard to one or all of the Easement Areas. Any termination and/or relocation shall require six (6) months' advance written notice to Grantee. A termination shall be effective upon Grantor's recording of a notice of termination with the Registry. Such termination shall not constitute a taking or eminent domain action by Grantor. Grantor shall not be responsible or liable for any direct, indirect, or consequential damages incurred by Grantee.

6. Subordination to Grantor and Railroads Operating Requirements. The Easements are subject and subordinate at all times to the requirements of Grantor and the Railroads that may be in effect from time to time to maintain public safety and Grantor's and the Railroads' operation of their transportation systems. Grantee's use of the Easement Areas shall not obstruct, delay or prevent Grantor's or the Railroads' operation of their transportation services and if it does, then such occupation, work, use or activity permitted must be stopped or delayed at the request of Grantor or the Railroads, which shall not constitute a temporary taking or eminent domain action. Neither Grantor nor the Railroads shall be responsible or liable for any direct, indirect, or consequential costs or damages incurred by Grantee as a result of any such interruption or delay or for any compensation to or relocation costs for Grantee.

7. Compliance with Laws. Grantee shall comply with all laws, rules, orders, regulations, and ordinances applicable to its use of the Easement Areas at its cost and expense. Grantee shall also be responsible, at its cost and expense, for obtaining and complying with any permits or approvals necessary to carry out its permitted activities hereunder.

8. Costs; Taxes. Grantee shall be responsible for the costs of Grantee's work in the Easement Areas and any required relocation of utilities due thereto and any taxes assessed against the Easement or the Easement Areas due to Grantee's use.

9. Indemnification and Release. Grantee shall indemnify and defend (at the option of Grantor), and save Grantor and the Railroads harmless from and against any liabilities, losses, damages, costs, expenses (including reasonable attorneys' or other professionals' expenses and fees), causes of action, claims, demands or judgments of any nature, including, without limitation, any related to any "environmental condition" or to "oil" and "hazardous materials" (as those terms are defined in federal or state environmental laws, collectively, "Hazardous Materials"), that may be imposed upon or incurred by or asserted against Grantor or the Railroads, as a result of any of the following:

a) the exercise by Grantee or those claiming by, through or under Grantee of any rights or privileges hereunder;

b) the use of the Easement Areas by Grantee or any of Grantee's Agents, including due to their use of the Easement Areas prior to the date hereof;

c) the presence, discovery or revealing of any environmental condition including Hazardous Materials on the Easement Areas or other adjacent property of Grantor, which presence, discovery or revealing is a result of Grantee's or any of the Grantee's Agents' activities hereunder;

d) the placement of or accidental release of any Hazardous Materials on, at, under, over, or associated with the Easement Areas (or other adjacent property of Grantor) by Grantee or any of Grantee's Agents, including without limitation contamination of the Easement Areas or other adjacent property of Grantor caused by any material of any nature flowing from the Easement Areas;

e) any failure of Grantee or any of Grantee's Agents to perform or comply with any of the terms hereof.

Further, such indemnification includes the obligation of Grantee to perform, at Grantee's cost and expense and in accordance with any applicable laws, any required environmental response action within the Easement Areas or surrounding areas to the extent that such response action is required due to Grantee's use of the Easement Areas.

Grantee assumes all the risk of entry onto and use of the Easement Areas and hereby releases Grantor and the Railroads from any responsibility for any Grantee losses or damages related to the condition of the Easement Areas prior to the execution of this Easement Agreement. Grantee further covenants and agrees to not assert or bring, nor cause any third-party to assert or bring, any claim, demand, lawsuit or cause of action of any manner against Grantor or the Railroads relating to or arising from the condition of the Easement Areas prior to the execution hereof, Grantee's or any of Grantee's Agents' use of the Easement Areas, or any Negative Impacts.

The release and covenants of defense and indemnification for the benefit of Grantor shall not apply to the extent the "claim" arose because of Grantor's grossly negligent acts or omissions or willful misconduct.

The release and covenants of defense and indemnification for the benefit of the Railroads shall not apply to a Railroad to the extent the "claim" arose because of that Railroad's grossly negligent acts or omissions or willful misconduct.

The provisions of this Section shall survive the termination of this Easement.

10. Event of Default. If Grantee fails to comply with any term or condition herein (an "Event of Default"), Grantor may terminate this Easement after written notice from Grantor to Grantee of such Event of Default provided that Grantee shall have thirty (30) days from receipt of such notice to cure such Event of Default, except that if the Event of Default cannot with due diligence be cured within such thirty (30) day period, then so long as Grantee proceeds with due diligence to cure the same, the time within which Grantee must cure the same shall be extended for another thirty (30) days; provided, however, if the Event of Default threatens public safety or the ability of Grantor or a Railroad to operate its transportation system, then it shall be considered an emergency default and if Grantee does not affect an immediate cure, Grantor may use self-help

at the expense of Grantee and Grantee shall also pay an administrative fee equal to ten percent (10%) of such expenses.

11. Insurance. Grantee (and its contractors and their subcontractors performing work in either Easement Area) shall maintain the following insurance and provide Grantor with certificates of insurance and shall renew and replace any expired certificate, evidencing the insurance required hereunder, on which Grantor and the Railroads shall be listed as additional insureds as their interests may appear and which provide coverage as follows:

a) Commercial General Liability Insurance. Commercial General Liability Insurance for bodily injury and property damage, on an occurrence form, no less broad than ISO Form CG 2010 10 01. Coverage must include premises/operation and contractual liability subject to a minimum limit of One Million Dollars and 00/100 ($1,000,000.00) per occurrence and Three Million Dollars and 00/100 ($3,000,000.00) annual aggregate.

b) Workers' Compensation and Employers Liability Insurance. Workers' Compensation and Employers Liability Insurance including (i) workers' compensation insurance providing statutory coverage as required by the Commonwealth of Massachusetts and (ii) Employers Liability Insurance coverage with minimum limits of not less than Five Hundred Thousand Dollars and 00/100 ($500,000.00) per accident.

c) Umbrella Liability Insurance. Umbrella Liability Insurance providing excess coverage over the primary general liability and employers liability coverages. Such coverage shall be written on an occurrence basis and be no less broad than the underlying coverages. The policy shall be subject to a minimum limit of Two Million Dollars and 00/100 ($2,000,000.00) per occurrence and in the aggregate.

d) Automobile Liability Insurance. Automobile liability insurance with minimum limits of not less than One Million Dollars and 00/100 ($1,000,000.00) covering all owned, non-owned, hired, or leased vehicles of Grantee used in the Easement Areas.

e) Railroad Protective Insurance. Whenever any of Grantee's Agents are doing work beyond routine maintenance in or around the Easement Areas, such Grantee's Agent must obtain Railroad Protective Insurance with limits of not less than Five Million Dollars ($5,000,000) per occurrence covering bodily injury to or death of one person and injury to or destruction of property of any one person, and Ten Million Dollars ($10,000,000) in aggregate for all damages arising out of bodily injury to or death of two or more persons in any one accident, and for all damages arising out of injury to or destruction of property. Grantor and the Railroads shall be named insureds on the railroad protective liability insurance policy**.**

The required insurance coverages shall be placed with companies licensed to write such insurance in the Commonwealth of Massachusetts and having a "Best's Insurance Reports" rating of A- VII or better, shall be kept in full force and effect at all times, shall be primary to and non-contributory to any insurance or self-insurance maintained by Grantor, and shall require that Grantor be given at least thirty (30) days advance written notice in the event of any cancellation or material adverse change in coverage. Grantor and the Railroads shall be named as additional insureds under the Commercial General Liability and Umbrella Insurance Policies. Waiver of

Subrogation in favor of Grantor and the Railroads must be included in all coverages listed above. Throughout the term of the Easement, Grantor shall be provided with the foregoing certificates of insurance. Grantee shall be responsible for any deviations or omissions in compliance with these requirements by any of its contractors. The foregoing insurance requirements are minimum limits and coverages and shall not be construed to limit the liability of Grantee or Grantee's insurers.

12. Existing Title Encumbrances. The Easement is subject to existing rights, restrictions, and easements of record; any state of facts a personal inspection or accurate survey would disclose; any existing leases, licenses, and agreements relating to the Easement Areas.

13. Assignment or Transfer. This Easement is appurtenant to the public way known as Damon Road and may not be assigned.

14. Bind and Inure. The obligations and benefits hereunder run with the land and are binding upon and inure to the benefit of the respective parties, their successors and assigns.

15. Waiver. A consent or waiver by Grantor to Grantee's breach of any covenant, condition, or obligation hereunder shall not be construed as a consent or waiver to a future breach of the same covenant, condition, or obligation or to a breach of any other covenant, condition, or obligation hereunder.

16. Severability. The invalidity of any provision or other part of this instrument shall not impair or affect the validity or enforceability of this instrument.

17. Notices. Any notices given hereunder shall be in writing and deemed to have been properly given if hand delivered or mailed by certified mail, return receipt requested, or by recognized overnight courier with postage prepaid. Notices shall be deemed given when delivered by messenger or overnight courier service on the date of the delivery or refusal of delivery or three days after deposited in certified United States mail, postage prepaid, return receipt requested.

If to Grantor: Massachusetts Department of Transportation
Ten Park Plaza, Room 4160
Boston, MA 02116-3969
Attention: Director of Railroad Properties
Rail and Transit Division

Copy to: Massachusetts Department of Transportation
Ten Park Plaza, Room 3510
Boston, MA 02116-3969
Attention: General Counsel

Massachusetts Department of Transportation
Ten Park Plaza, Room 4160
Boston, MA 02116-3969
Attention: Project Manager, Rail

If to Grantee: City of Northampton
City Hall
210 Main Street
Northampton, MA 01060
Attention: Mayor_____

Copy to: City of Northampton_____
City Hall_____
210 Main Street_____
Northampton, MA 01060
Attention: City Solicitor____

18. Acceptance. The Grantee's Acceptance of this Grant of Easements and Easement Agreement is attached hereto and recorded herewith.

19. Governing Law. This instrument shall have the effect of a sealed instrument and shall be construed in accordance with the laws of the Commonwealth of Massachusetts.

(Signature Pages to Follow)

IN WITNESS WHEREOF, Grantor and Grantee have hereunto set their hand and seal this _____day of April, 2020.

Grantor:

MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

By: _____
Name:
Title:

Commonwealth of Massachusetts

Suffolk County, ss. Boston

On the _____ day of _____, 2020, before me, the undersigned notary public, personally appeared _____, _____ of the Massachusetts Department of Transportation, proved to me through satisfactory evidence of identification, which was my personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that she signed it voluntarily for its stated purpose as _____ of the Massachusetts Department of Transportation.

_____
Notary Public

_____
Print Name
My commission expires: _____

ACCEPTANCE OF EASEMENT

The Grantee, duly authorized by a vote of the Northampton City Council taken _____, 2020, hereby accepts the foregoing Grant of Easement and Easement Agreement from the Massachusetts Department of Transportation on this _____ day of _____, 2020, and by acceptance hereof agrees that it is bound by the terms and provisions hereof.

Grantee:

City of Northampton, Massachusetts

By: _____
Name: David J. Narkewicz
Title: Mayor

COMMONWEALTH OF MASSACHUSETTS

Hampshire County, ss.

On the ___ day of _____, 2020, before me, the undersigned notary public, personally appeared, David J. Narkewicz, Mayor of the City of Northampton, Massachusetts, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose as Mayor of the City of Northampton, Massachusetts.

_____
Notary Public

_____
Print Name
My Commission expires: _____

Exhibit A

Northampton, Damon Road
MassDOT Project No. 608236

The parcels below are shown on a plan entitled, "Alteration Plan of Damon Road and Bridge Road Prepared for the City of Northampton, Hampshire County" dated February 28, 2019, prepared by Greenman-Pedersen, Inc., and recorded on July 9, 2019 in the Hampshire County Registry of Deeds in Plan Book 245, Page 1.

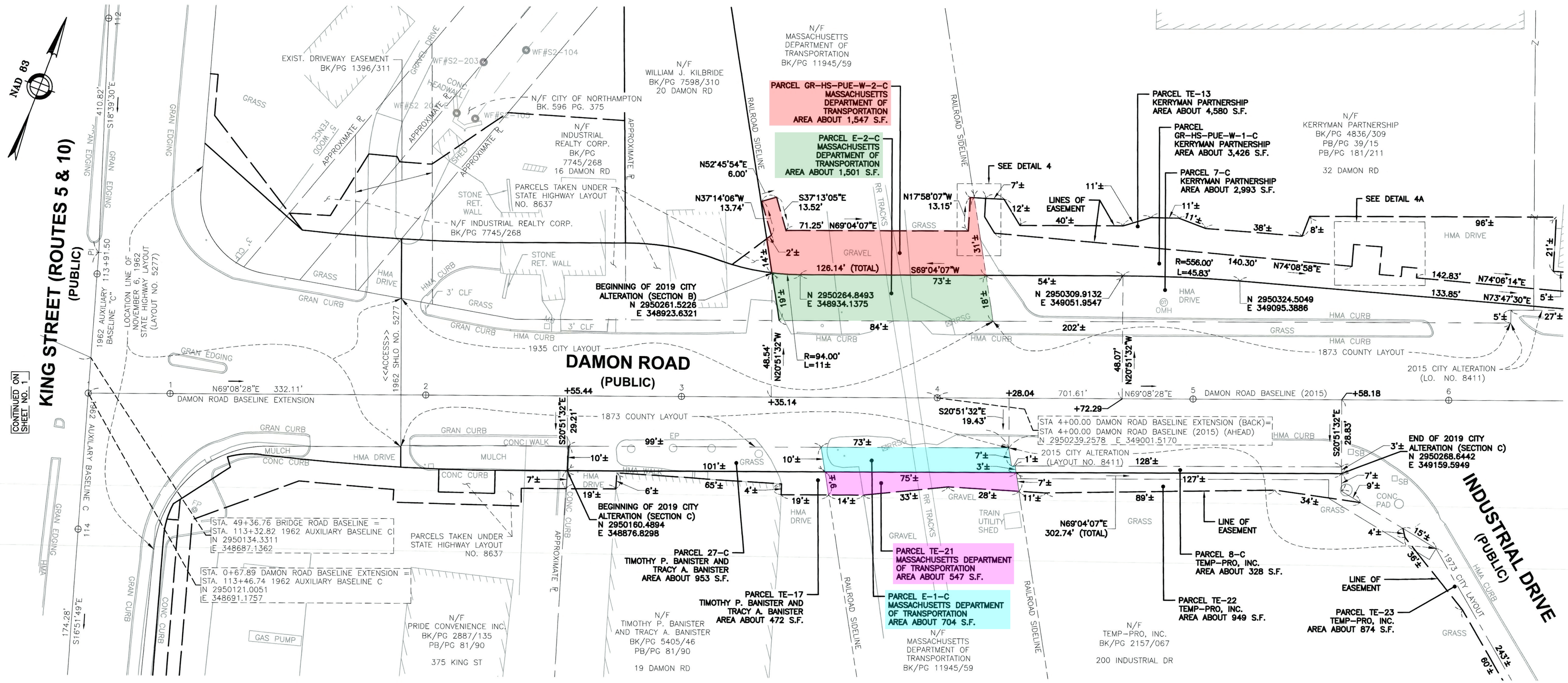
PARCEL E-1-C: A parcel of land supposed to be owned by Massachusetts Department of Transportation, adjoining the southerly location lines of the 1873 County layout and the 2015 City Alteration (LO. No. 8411) of Damon Road, and bounded by the line described as follows: Beginning at a point on the southerly location line of the 1873 County layout and the 2015 City Alteration (LO. No. 8411) of Damon Road, said point bearing S 20°51'32" E and being 19.43 feet distant from station 4+28.04 of the 2015 Damon Road baseline and extends thence, following said location line of the 1873 County layout southwesterly about 73 feet to a point on the property line dividing land of Massachusetts Department of Transportation and land of Timothy P. Banister and Tracy A. Banister: thence, leaving said location line and following said property line southeasterly about 10 feet; thence leaving said property line N 69°04'07" E about 75 feet to a point on the property line dividing land of Massachusetts Department of Transportation and land of Temp-Pro, Inc.; thence following said property line northwesterly about 3 feet to a point on the location line of the 2015 City Alteration (LO. No. 8411) of Damon Road; thence leaving said property line and following said location line southwesterly about 1 foot, and northwesterly about 7 feet to the point of beginning; containing about 704 square feet.

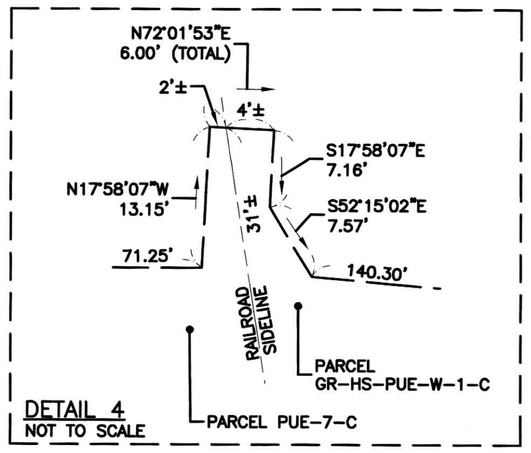
PARCEL E-2-C: A parcel of land supposed to be owned by Massachusetts Department of Transportation, adjoining the northerly location line of the 1935 City layout of Damon Road, and bounded by the line described as follows: Beginning at a point on the property line dividing land of Massachusetts Department of Transportation and land of William J. Kilbride, said point bearing N 20°51'32" W and being 48.54 feet distant from station 3+35.14 of the Damon Road baseline extension and extends thence, following said property line southeasterly about 19 feet to a point on the northerly location line of the 1935 City layout of Damon Road; thence leaving said property line and following said location line northeasterly about 84 feet to a point on the property line dividing land of Massachusetts Department of Transportation and land of Kerryman Partnership; thence leaving said location line and following said property line northwesterly about 18 feet; thence leaving said property line S 69°04'07" W about 73 feet; thence southwesterly by a curve to the right of radius 94.00 feet about 11 feet to the point of beginning; containing about 1,501 square feet.

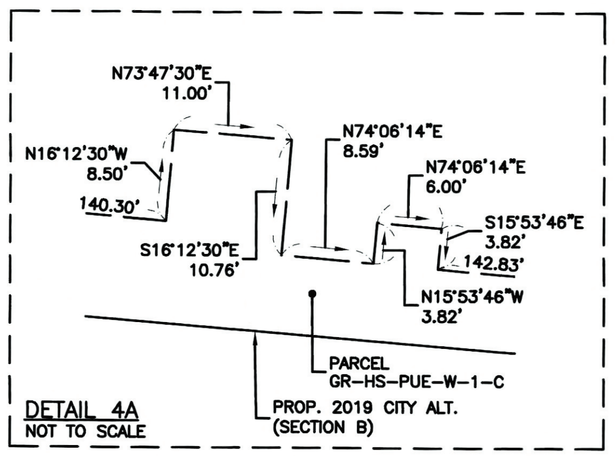
PARCEL GR-HS-PUE-W-2-C: A parcel of land supposed to be owned by Massachusetts Department of Transportation, adjoining the location line of the 2019 City Alteration (Section B) of Damon Road, and bounded by the line described as follows: Beginning at a point on said location line of the 2019 City Alteration (Section B) of Damon Road and on the property line

dividing land of Massachusetts Department of Transportation and land of William J. Kilbride, said point bearing N 20°51'32" W and being 48.54 feet distant from station 3+35.14 of Damon Road Baseline Extension, and extends thence, leaving said location line and following said property line northwesterly about 14 feet; thence leaving the said property line N32°17'23"E about 2 feet; thence N37°14'06"W 13.74 feet; thence N52°45'54"E 6.00 feet; thence S37°13'05"E 13.52 feet; thence N69°04'07"E 71.25 feet; thence N17°58'07"W 13.15 feet; thence N72°01'53"E about 2 feet to a point on the property line dividing land of Massachusetts Department of Transportation and land of Kerryman Partnership; thence following said property line southeasterly about 31 feet to a point again on the location line of the 2019 City Alteration (Section B) of Damon Road; thence leaving said property line and following said location line S69°04'07"W about 73 feet; thence by a curve to the right of radius 94.00 feet about 11 feet to the point of beginning; containing about 1,547 square feet.

PARCEL TE-21: A parcel of land supposed to be owned by Massachusetts Department of Transportation, adjoining the location line of Section C of the 2019 City Alteration of Damon Road, and bounded by the line described as follows: Beginning at a point on the location line of Section C of the 2019 City Alteration of Damon Road, said point being on the property line dividing land of Massachusetts Department of Transportation and land of Timothy P. Banister and Tracy A. Banister: thence, leaving said location line and following said property line southeasterly about 9 feet; thence leaving said property line northeasterly about 14 feet, about 33 feet, and about 28 feet to a point on the property line dividing land of Massachusetts Department of Transportation and land of Temp-Pro, Inc.; thence following said property line northwesterly about 7 feet to a point again on the said location line; thence leaving said property line and following said location line S 69°04'07" W about 75 feet to the point of beginning; containing about 547 square feet.







0 20 50 100

SCALE: 1" = 20'

PLAN PREPARED BY:

GREENMAN-PEDERSEN, INC.
181 BALLARDVALE STREET, SUITE 202
WILMINGTON, MASSACHUSETTS 01887
(978) 570-2999 WWW.GPINET.COM

I CERTIFY THAT THIS PLAN HAS BEEN PREPARED IN CONFORMITY WITH THE RULES AND REGULATIONS OF THE REGISTERS OF DEEDS OF THE COMMONWEALTH OF MASSACHUSETTS.

COMMONWEALTH OF MASSACHUSETTS
JEFFREY P. BRADFORD
NO. 41862
PROFESSIONAL LAND SURVEYOR

4/12/2019
DATE

JEFFREY P. BRADFORD, PLS #41862

NORTHAMPTON_CITY_ALTERATION 8637.DWG Plotted on 11-Apr-2019 5:13 PM

City of Northampton

MASSACHUSETTS

In City Council April 16, 2020

Upon recommendation of the Mayor

20.042 An Order to Authorize Intermunicipal Agreement with Towns for Public Health Nursing Program

Ordered, that

Whereas MGL C.40 s. 4A allows for joint operation of public activities among governmental units, and

Whereas, MGL c. 40, s. 4A requires that such inter-governmental agreements be approved, in a city, by the City Council and the Mayor, and;

Whereas the City of Northampton provides services to and shares services with other municipalities;

Therefore pursuant to MGL C. 40 s. 4A the City Council hereby authorizes the City of Northampton to enter into the following inter-municipal agreement for FY2020 and FY2021:

> **Public Health Nursing Program** - Contract to partner with the following communities to provide assistance with infectious disease surveillance reporting thru the Massachusetts Virtual Epidemiologic Network (MAVEN) for the COVID-19 crisis: Middlefield, Chesterfield, Huntington, Plainfield, Worthington, Easthampton, East Longmeadow, and the Foothills Health District, which serves the towns of Whately, Westhampton, Williamsburg and Goshen.

City of Northampton

MASSACHUSETTS

In City Council April 16, 2020

Upon recommendation of the Mayor

20.043 An Order to Appropriate Free Cash to NPS for Federal Foster Care Transportation Reimbursement

Ordered, that

$ 4248 be appropriated from the FY20 General Fund Undesignated Fund Balance to Northampton Public Schools for Federal Foster Care Transportation Reimbursement (W033000-533002).

CITY OF NORTHAMPTON

MASSACHUSETTS

In City Council, April 16, 2020

Upon the recommendation of the Mayor

20.044 An Order to Authorize Intermunicipal Agreement with MEMA During COVID Emergency

WHEREAS, a sudden, generally unexpected occurrence of circumstances demanding public action has arisen within the world, country, state and City of Northampton due to the coronavirus/COVID-19 pandemic and other illnesses ("the pandemic"); and

WHEREAS, the President of the United States has declared a national emergency due to the pandemic; and

WHEREAS, on March 10, 2020, the Governor of the Commonwealth of Massachusetts declared a State of Emergency in the Commonwealth of Massachusetts due to the pandemic; and

WHEREAS, on March 16, 2020, the Mayor of the City of Northampton declared a State of Emergency in the City of Northampton due to the pandemic; and

WHEREAS, on March 20, 2020, the Northampton Board of Health declared a State of Emergency in the City of Northampton due to the pandemic; and

WHEREAS, in response to the pandemic, the Commonwealth, through the Massachusetts Emergency Management Agency, has contracted for isolation and quarantine housing at the Quality Inn and Suites, 117 Conz Street, Northampton; and

WHEREAS, the City has agreed to provide support to this site through the Northampton Police Department, and the Commonwealth has agreed to reimburse the City for certain expenses associated with that police support; and

WHEREAS, the Commonwealth proposes to memorialize the agreement in a Memorandum of Agreement entitled, MEMORANDUM OF UNDERSTANDING BETWEEN THE COMMONWEALTH OF MASSACHUSETTS AND THE CITY OF NORTHAMPTON, dated April , 2020; and

WHEREAS, in accordance with Mass. Gen. Laws 40, § 4A, the approval of the City Council is required in order for the City to enter into an agreement to perform joint services with a state agency.

NOW, THEREFORE, BE IT ORDERED:

In accordance with M.G.L. c. 40, § 4A, the Northampton City Council approves the agreement between the City of Northampton and the Commonwealth of Massachusetts entitled MEMORANDUM OF UNDERSTANDING BETWEEN THE COMMONWEALTH OF MASSACHUSETTS AND THE CITY OF NORTHAMPTON, dated April , 2020, for provision of security support for isolation and quarantine housing at the Quality Inn and Suites, 117 Conz Street, and for reimbursement by the Commonwealth for certain expenses associated therewith.

CITY OF NORTHAMPTON

MASSACHUSETTS

In City Council, April 16, 2020

Upon the recommendation of the Mayor

20.046 An Order to Approve Gift Fund Expenditures for Resilience Hub

hereas, one of the key service gap recommendations of the 2019 Mayor's Work Group on Panhandling Study Report (*A Downtown Northampton for Everyone: Residents, Visitors, Merchants, and People At-Risk*) was the creation of a community day center to serve Northampton's at-risk population; and

Whereas, in line with that recommendation and concurrent with Northampton's climate resiliency efforts, the city is exploring creation of a resilience hub and day program to support vulnerable residents facing chronic and acute stress due to climate change and other disasters, and social and economic challenges; and

Whereas, during normal times a resilience hub would serve those at the frontline of chronic stress (i.e. frontline communities, including homeless, Single Room Occupancy (SRO) residents, those living in extreme poverty, and climate vulnerable populations) and possibly other community needs; and

Whereas, the resilience hub will be designed, however, so that during times of acute stress or major disruption (e.g. a major storm event, disaster, or pandemic) and during the recovery phase, it can serve all residents; and

Whereas, preliminary community discussions of this resilience hub concept as part of the city's Community Development Block Grant (CDBG) Action Plan development have created significant interest and already inspired two substantial donations to support the effort.

Ordered that, Northampton City Council in accordance with Massachusetts General Law Chapter 44, Section 53 A (Grants and gifts; acceptance and expenditure) authorizes the expenditure of funds donated by the public to be used for the ongoing planning and potential implementation of a resilience hub and day program to support Northampton residents who face chronic and acute stress due to climate change and other disasters, and social and economic challenges.

COUNCILORS

AT LARGE

Gina-Louise Sciarra - President
William H. Dwight

WARD

1 Michael J. Quinlan, Jr.
2 Karen Foster
3 James Nash – Vice President
4 John Thorpe
5 Alex Jarrett
6 Marianne L. LaBarge
7 Rachel Maiore

CITY COUNCIL
CITY OF NORTHAMPTON
MASSACHUSETTS

MEMORANDUM

FROM: Laura Krutzler, Administrative Assistant, Northampton City Council

TO: City Council Committee on Finance

DATE: April 14, 2020

Re: FY2021 Independent Audit

As mentioned at the organizational meeting, as the committee charged with making recommendations on financial matters, the Finance Committee typically takes the lead in making recommendations on the Independent Audit.

The Charter adopted in 2012 assigns the City Council the responsibility to annually provide for an outside audit of the city's books and accounts.

Scanlon & Associates has been the city's auditor for at least two decades. The first time the City Council conducted a full procurement process was in 2015. In September of 2015, as the low bidder, the council awarded a three-year contract to Scanlon & Associates for the FY16-FY18 audits. That contract has been extended twice, so we are now in the fifth year of the contract with Scanlon. Last year the Finance Committee recommended extending the contract for another year with the understanding that there would be a full procurement process this year.

Since there is now a new council and in light of recent events, we wanted to initiate a conversation to see if the Finance Committee's recommendation and the council's will is still to conduct a full procurement process. The charter says, "The award of a contract to audit shall be made by the city council on or before September 15 of each year." So if the Finance Committee wants to conduct a procurement process this year, it needs to commence very soon in order to meet this deadline.

Per M.G.L. c. 30B, Section, contracts with labor relations representatives, lawyers or certified public accountants are exempt from the state procurement act. So going out to bid is not legally required, and the procurement process to be followed is not prescribed by Chapter 30B but is at the discretion of the city council.

While going out to bid is not legally required, both the Department of Revenue (DOR) and the Government Finance Officers Association (GFOA) recommend municipalities undertake a full-scale competitive process for the selection of an independent auditor every five to eight years. (see attached)

I prepared two sample timelines for informational purposes. Ideally, accounting firms should be given 30 days to respond to an RFP. And Finance Committee members have to review the proposals, decide which firms to interview and conduct interviews. The Finance Committee's recommendation needs to get to council by its August meeting in order to allow two readings prior to the September 15th deadline.

These timelines show that the process would need to commence with the issuance of an RFP either May 1st or June 1st at the latest.

Mass DOR / Division of Local Services on Rotating Outside Auditors
O'Donnell - 9/5/15

DLS Fact Sheet:

> "It happens that municipalities will rely on one auditor or audit firm for multiple years. In fact, the Government Finance Officers Association (GFOA) recommends that communities engage the same auditor by entering into multi-year agreements, or a series of one-year contracts, for a term of at least five years. A multi-year agreement allows for greater continuity and enables a new auditor to spread initial start-up costs over multiple years, potentially reducing costs in the initial years. However, after this term, GFOA recommends a full competitive selection process and a rotation of auditors after each multi-year agreement, provided there is adequate competition among qualified auditors. Contracting with a new audit firm can not only bring a fresh perspective, but reflects good practice. In general, communities are encouraged to re-advertise for auditing services every five to eight years. GFOA also acknowledges circumstances or locations where there is a lack of competition among fully qualified auditors. In such cases, the participation of the current auditors is acceptable, assuming their past performance has been satisfactory and has conformed to industry standards."

Financial Management Review for the City of Taunton / September 2013:

> "Taunton has contracted with KPMG to conduct annual audits for more than a decade. While staying with one auditor over multiple years promotes continuity and minimizes disruption of everyday activities, the Government Finance Officers Association recommends that outside auditors be changed every five to eight years. Cycling new auditors provides fresh perspective and fosters long-term independence. We therefore also advise Taunton to solicit proposals from multiple firms for the next fiscal year."

Financial Management Review for the Town of Pembroke / December 2013:

> "We recommend that the town advertise for auditing services every five-to-eight years. According to DOR's records, audits conducted since FY1985 have been completed by Raymond Kasperowicz CPA. As a routine practice, we comment on the number of years that a municipality might contract with or rely on the same auditor. The Government Finance Officers Association (GFOA) recommends that communities enter into multi-year agreements with auditors, or a series of one- year contracts, for a term of five-to-eight years. A multi-year agreement allows for greater continuity and enables a new auditor to spread initial start-up costs over multiple years, potentially reducing costs in the initial years. However, after this term, GFOA recommends a full competitive selection process. If auditors are retained over many years, the principal in charge of the town's account should periodically change. Contracting with a new audit firm can not only bring a fresh perspective, but reflects good practice."

Government Finance Officers Association

BEST PRACTICE

Audit Procurement

BACKGROUND:

The Government Finance Officers Association (GFOA) has long recommended that state and local governmental entities obtain independent audits of their financial statements performed in accordance with the appropriate professional auditing standards. Properly performed audits play a vital role in the public sector by helping to preserve the integrity of the public finance functions and by maintaining citizens confidence in their elected leaders.

RECOMMENDATION:

GFOA makes the following recommendations regarding the selection of auditing services:

- The scope of the independent audit should encompass not only the fair presentation of the basic financial statements, but also the fair presentation of the financial statements of individual funds and component units. The cost of extending full audit coverage to the financial statements of individual funds and component units can be justified by the additional degree of assurance provided. Nevertheless, the selection of the appropriate scope of the independent audit ultimately remains a matter of professional judgment. Accordingly, those responsible for securing independent audits should make their decision concerning the appropriate scope of the audit engagement based upon their particular governments specific needs and circumstances, consistent with applicable legal requirements.
- Governmental entities should require in their audit contracts that the auditors of their financial statements conform to the independence standard promulgated in the General Accounting Offices *Government Auditing Standards* even for audit engagements that are not otherwise subject to generally accepted government auditing standards.
- Governmental entities should enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors. Such multiyear agreements can take a variety of different forms (e.g., a series of single-year contracts), consistent with applicable legal requirements. Such agreements allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit. Multiyear agreements can also help to reduce audit costs by allowing auditors to recover certain "startup" costs over several years, rather than over a single year.
- Governmental entities should undertake a full-scale competitive process for the selection of independent auditors at the end of the term of each audit contract, consistent with applicable legal requirements. Ideally, auditor independence would be enhanced by a policy requiring that the independent auditor be replaced at the end of the audit contract, as is often the case in the private sector. Unfortunately, the frequent lack of competition among audit firms fully qualified to perform public-sector audits could make a policy of mandatory auditor rotation counterproductive. In such cases, it is recommended that a governmental entity actively seek the participation of all qualified firms, including the current auditors, assuming that the past performance of the current auditors has proven satisfactory. Except in cases where a

multiyear agreement has taken the form of a series of single-year contracts, a contractual provision for the automatic renewal of the audit contract (e.g., an automatic second term for the auditor upon satisfactory performance) is inconsistent with this recommendation.

- Professional standards allow independent auditors to perform certain types of nonaudit services for their audit clients. Any significant nonaudit services should always be approved in advance by a governmental entitys audit committee. Furthermore, governmental entities should routinely explore the possibility of alternative service providers before making a decision to engage their independent auditors to perform significant nonaudit services.
- The audit procurement process should be structured so that the principal factor in the selection of an independent auditor is the auditors ability to perform a quality audit. In no case should price be allowed to serve as the sole criterion for the selection of an independent auditor.

References:

- *CPA Audit Quality: A Framework for Procuring Audit Services*, General Accounting Office, August 1987.
- *Audit Management Handbook*, Stephen J. Gauthier, GFOA, 1989.
- *An Elected Officials Guide to Auditing*, Stephen J. Gauthier, GFOA, 1992.
- *Governmental Accounting, Auditing and Financial Reporting (GAAFR)*, Stephen J. Gauthier, GFOA.

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TIMELINE FOR PROCUREMENT PROCESS FOR INDEPENDENT AUDIT TO ALLOW CITY COUNCIL AWARD OF CONTRACT BY SEPTEMBER 15, 2020

Note: This timeline would allow the City Council to consider the Finance Committee's recommendation in first reading at its August meeting and award the contract at the first meeting in September (September 3, 2020).

TIMELINE FOR PROCUREMENT PROCESS FOR INDEPENDENT AUDIT TO ALLOW CITY COUNCIL AWARD OF CONTRACT BY SEPTEMBER 15, 2020