

MINUTES
SEPTEMBER 19, 2012

Regular Meeting
Cambridge Redevelopment Authority

Wednesday, September 19, 2012 at 5:30 pm
Marriott Hotel, Two Cambridge Center
Endeavor Room
Cambridge, Massachusetts

MEETING MINUTES

Call

The Chair, Kathleen Born, called the meeting to order. Joined by vice-chair Margaret Drury. Also present were members Christopher Bator, Conrad Crawford, and Barry Zevin, Executive Director Joseph Tulimieri, and CRA Counsel, Jeffrey Mullan and Sandra Shapiro.

Public Comment

Tom Stohlman

The speaker referenced the Parcel 4 Zoning report. He noted that Les Barber, a consultant, stated the lot minimum of open space requirement of 50,000 square feet is met. However, the figures used to calculate the requirement which were supplied by Boston Properties did not appear to match the gross square footages as reported by the Cambridge assessor's office or even literature that Boston Properties has handed out at meetings regarding the square footages in those buildings. The open space that is shown on the engineer's plan does not match the figures provided by Boston Properties to the Board last July. There may also be areas that are used as parking and not open space. The speaker asked previously for a specific breakdown of how the open space is being calculated and how it's being provided. The speaker requested again for specific information regarding how the open space is being calculated.

Regarding the report on the CRA's activities from September 2009 to May of 2012, the speaker noted that the Report confirms that the CRA did not have a quorum for that period. The speaker agrees with the report's statement that any legal requirements that the Board has to meet regarding approval of the Connector have been met since the Board was reconstituted. However, the speaker disagrees very strongly with the Report's repeated assertion that Massachusetts General Law 121B and the CRA's own bylaws permit the staff to take action on behalf of the CRA without the authorization of the CRA Board. Therefore, unless the Board specifically authorized the staff to do so, and even if they were done with the best of intentions, the staff did not have the right to propose the Cambridge Center Connector to the City Council. The staff did not have right to sign checks on behalf of the Authority and even if they did have the proper authorization, that

authorization only applied to cosigning orders and checks. The staff did not have the right to approve sign designs. The staff did not have the right to sign contracts, deeds and other legal instruments. Those rights all reside within the Board. Finally, the speaker noted that it's never a good idea to give a public employee the power to write his own paycheck. The speaker continued that it's never a good idea for legal counsel to write a report reviewing its own activities. Therefore, the speaker recommended that a review of the CRA's contracts and budgets during the Report period is still needed.

Steve Kaiser

The speaker produced a letter expressing his review of the report. He agreed that counsel was right to look for systemic problems as opposed to problems caused by individuals. The Report was much better than anything that could otherwise be expected. In just two months, the speaker said that the public got a report of substance and value.

The speaker pointed out that the CRA actually did have a quorum at all times during the Report period, but no one got all three members together in the same room because no one put a phone call through to Barry Zevin to tell him please come to the meeting. This was an administrative flaw. The speaker blames the Authority and also the City Manager. The Speaker notes that the City Manager came before a City Council subcommittee and took responsibility for the long-term vacancies. The speaker suggested that the City Manager is the key element missing from the Report.

The other problem identified in the Report is the confusion at the time that Barry Zevin was appointed. The speaker faulted the counsel's Report for suggesting that this was an innocent or explainable confusion. The speaker suggested that perhaps the Board, and its former member, Jacqueline Sullivan, intentionally resisted the change and stopped meeting.

The speaker was also concerned that the Secretary of State has not updated CRA membership records since the 1950s, as the Report identified. The speaker also stated concern that Article 7 of Massachusetts Constitution was not covered in the Report. The speaker explained his view that Article 7 prohibits profits to private entities from government operation. The speaker said that Boston Properties' continued role in trying to represent the CRA before the City Council is a concern.

Lastly, the speaker noted that the CRA continues not to have a budget. He suggested that the Board ask Mr. Tulimieri to propose an emergency budget to get the CRA through a month or two.

Mark Levy

The speaker stated that if Mr. Kaiser knows of attempts to warn the City Manager of vacancies, evidence of this should have been included in the Report. The speaker noted that the CRA by laws state that regular meetings of the Authority should be held one day of each calendar month, so the speaker expressed confusion regarding how Mr. Tulimieri and the City Council could have noticed that more than 30 months were passing with no meeting of a board. The speaker's view is that the Report does not examine this question,

and rather spends time looking into things that don't matter. He invited others to show him evidence that this was in any way incorrect.

Heather Hoffman

The speaker stated that the Report represents a conflict of interest for Foley Hoag and hopes that someone independent of the city council or Board members will look into the activities of the CRA during the Report period. The speaker stated that there was a high level of secrecy and deception that went into the CRA's submission to the City Council regarding the Connector. The speaker told the current Board members that they need to make a decision about what kind of board or authority they want to be. She said that many people had high hopes.

Carol Bellew

The speaker stated that attorneys from Foley Hoag authored the Report, but were wrong not to identify that things the CRA did were not correct. The speaker stated that it was wrong that the Microsoft blade sign went up, for instance. The speaker stated her view that there was dysfunction within the CRA board and with Mr. Tulumieri. The speaker said that people still want accountability.

Michael Brandon

The speaker criticized the Board members for "asking the foxes to tell you what went wrong in the chicken coop." He suggested that there needs to be independent review by an outside independent counsel. The speaker would like to see a financial audit of the years to determine if funds were properly managed.

Charles Teague

The speaker asked everyone should step back and ask why there is a CRA. The speaker suggested that it is time to dissolve the CRA.

Minutes and Reports

1. **Motion:** To approve the Minutes of previous Authority meeting as presented to Members of the Authority: August 22, 2012.

Vote: Approved, with amendment to strike reference during Mr. Zevin's deliberation. All in favor.

Correspondence

2. Correspondence, dated August 20, 2012, from Stephen Kaiser.
3. Correspondence, dated August 22, 2012, from James Williamson.
4. Correspondence, dated August 22, 2012, from Tom Stohlman.

Motion: Enter all correspondence and place it on file.

Vote: Approved. All in favor.

Administrative Actions

5. **Report:** On status of commencement of Audit field work on September 4, 2012.

Motion: That the report be tabled and be on the agenda for the following meeting, with an acknowledgement that the activity is just beginning.

Vote: Approved. All in favor.

6. **Report:** On Trial Balance as of August 31, 2012; CD Schedule / All Cash; and Cash Flow 2012.

Mr. Crawford asked: Is there anything different or out of the ordinary about account balances this month? Mr. Tulimieri responded that there is not.

Motion: To receive Finance Committee Report on Trial Balance as of August 31, 2012; CD Schedule / All Cash; and Cash Flow 2012 by budget categories.

Vote: Approved. All in favor.

7. **Motion:** To approve a Resolution designating Cambridge Trust as a depository and to authorize the Chair, Treasurer, Vice Treasurer and the Executive Director to be signatories on the Revolving Fund held at The Cambridge Trust Company.

Ms. Born asked: Would Cambridge Trust be a depository or are there other depositories? Mr. Tulimieri responded that this is the duplicate resolution that every bank when you open a new account as an agency such as the redevelopment authority. He explained that it is typical to have a resolution of every account that we have. Ms. Born asked if there are similar signatures on file at those banks where the funds reside and should they be updated to reflect that. Mr. Tulimieri answered yes and that will be happening. Ms. Born responded that will require a lot of signatures, and could this all be bundled that one motion? Mr. Tulimieri responded that each bank has its own form of resolutions so you really need to have the resolution in front of you.

Ms. Born said she noticed that there is an account at Cambridge Savings Bank that has two million dollars in it and asked: Who are the signatures on that? Mr. Tulimieri responded that the signatures on that account are old and they need to be modified soon, as do the signatures at eight different banks. Mr. Tulimieri continued that Ms. Born, Mr. Crawford, and Mr. Bator will have to provide social security numbers, addresses and picture IDs. Mr. Tulimieri said he would get paperwork out to the members that need to sign.

Amended motion: To approve a resolution designating Cambridge Trust as a depository and to authorize the chair treasurer, vice treasurer and the executive director to be signatures on the revolving fund at the Cambridge Trust Company in addition to arrange for the same signatories to be authorized on the other bank accounts.

Vote: Approved. All in favor.

8. **Motion:** To award a contract GASB 45 Actuarial Valuation for FY 2012 and updates for FY 2013 and FY 2014 in the amount of \$4,250 to Primoris Advisors based upon the receipts of three (3) competitive quotes.

It was noted that this item was on the agenda for the last meeting and was carried over.

Vote: Approved. All in favor.

9. **Report:** On proposed request for written quotes for IT services.

The plan is to circulate quotes next meeting

10. **Report:** On status of Contract with City of Cambridge for Consultant Services to be provided by Ms. Kathy Spiegelman in connection with the Transition Planning and the results of the "kick-off" meeting held on September 7, 2012. Kathy Spiegelman provided a brief introduction or her role.

11. **Report:** On inventory of public and private signs in the Kendall Square Urban Renewal Area prepared by Larry Bluestone and discussion respecting categories of signs on interest to Authority members and Authority Members response thereto.

There was no specific discussion on this item.

12. **Motion:** To approve a blade sign submitted by Boston Properties on behalf of Boston Private Bank and Trust and wall sign submitted on behalf of the Marriott Hotel for *Champions*.

Vote: Approved. All in favor.

13. **Motion:** To accept final report of Authority Counsel on its look back at Authority actions during past two year period including discussion and consideration of the Kendall Square Urban Renewal Plan as amended and future Authority actions.

Vote: Board members noted that specific approval to accept the report was not necessary and agreed to table the item.

Kendall Square Urban Renewal Area / Parcel 4

14. **Report:** On receipt of September 4, 2012 Design Development Phase Submission and Design Review and the results of the Design Review meeting scheduled for September 14, 2012.

Vote: Put off receipt of this submission for another month. Tabled.

Kendall Square Urban Renewal Area / Development Program

15. **Report:** On the relationship between the issuance of a Building Permit by the City of Cambridge, the Authority's Design Review Process and the issuance of a Certification of Gross Floor Area to the Building Inspector by the Authority Executive Director for each

building constructed, as well as the implementation of services to the Building Inspector by Les Barber and correspondence from Boston Properties related thereto.

Vote: Accept the report and place on file. All in favor.

Kendall Square Urban Renewal Area / Parcels 4 and 6

16. **Motion:** To ratify, affirm, and approve the execution by the Authority Executive Director of a License Agreement with the City of Cambridge for locating a bicycle storage facility on Authority-owned land in the Kendall Square Urban Renewal Area.

Vote: Approved. All in favor.

17. **Motion:** To authorize the Executive Director to execute a License Agreement for the temporary use of Authority-owned land for a food service use subject to the advertising of the availability of the site.

Vote: Tabled.

Kendall Square Urban Renewal Area / Parcels 5 and 7

18. **Report:** On status of MassDOT schedule for Innovation Boulevard and Public Hearing, scheduled for October 11, 2012 at 7:00 p.m. at the Volpe Center.

Vote: Report accepted. All in favor.

Other Business

19. **Report:** On new regulation promulgated by the Attorney General including the broadening of the definition of "intentional violation" of the Open Meeting Law.

Vote: Report accepted. All in favor.

20. **Report:** On a Finding of No Significant Impact (FONSI) by the Federal Highway Administration (FHWA) for the Longfellow Bridge Rehabilitation and Restoration Project.

Vote: Report accepted. All in favor.

Executive Session. The Chair requested a motion to convene in Executive Session for the purpose of continuing the Board's discussion about negotiations with its non-union personnel. The motion was made and seconded. Following a roll call vote of 5-0, the Chair indicated that the Board would convene in Executive Session for the purpose of continuing the Board's discussion about negotiations with its non-union personnel and that the Board did not intend to reconvene in open session.

Meeting Adjourned

Next Meeting Date: October 17, 2012

MINUTES

Present

CRA Board members: K. Born (Chair), M. Drury, C. Bator, B. Zevin, and C. Crawford

Others: J. Mullan and S. Shapiro (Counsel to the CRA)

Summary of the Discussion

The Executive Session began at 9:10 pm. Mr. Mullan took the minutes of the session.

The Chair explained that the session would be limited to a discussion about a personnel strategy and negotiations with non-union personnel.

Mr. Mullan explained that the "Look Back Report" had revealed evidence that salary increases and (potentially) benefit adjustments to CRA employees, including the Executive Director, were not properly authorized. This includes a vote purported to have been taken at the March 17, 2010 meeting of the Authority which, as the Board had been made aware, must be treated as void. More specifically, during and immediately prior to the "Look Back Period", it appears that there were three increases in Mr. Tulumieri's salary:

(1) Effective July 1, 2009, his salary increased to \$204,100. This increase is described in a memo dated December 15, 2009;

(2) Effective January 1, 2010, his salary increased to \$214,100. This increase resulted from converting this annual automobile allowance, which by then was \$10,000 per year, to salary. This action is described in the December 15, 2009 memo as well as an unsigned contract amendment dated December 31, 2009 marked with notes of a vote. Items (1) and (2) were addressed in the March 17, 2010 meeting; and

(3) Effective July 1, 2010, his salary increased to \$220,480. This increase is described in a memo dated November 15, 2010. There appears to be no vote associated with this increase in salary.

It was also explained that the full employment records had not been reviewed. The records that have been reviewed, including the salary increases, are in some respects incomplete and also pertain to other CRA staff. When it was discovered during the completion of the "Look Back Report" that the personnel actions taken at the March 17, 2010 meeting were not properly authorized, additional salary information was requested and provided. It was this information

that revealed the additional salary increases during the "Look Back Period." It was explained that no further review prior to the "Look Back Period" had yet been completed.

Board members asked about their reporting responsibilities in light of this information and asked counsel to immediately put together a plan of action and recommended next steps for further consideration.

Conclusion of Meeting

On a roll call vote of 5-0, the members voted to end the Executive Session. The Executive Session ended at 10:05 pm.

Submitted: J. Mullan, Counsel to the CRA