

# “Beyond the Sound Bite”

## In-depth interviews with Haverhill’s Mayoral candidates

### John Michitson

We challenged the candidates in Haverhill’s mayoral race to come to the table with their concrete plans and innovative ideas to address Haverhill’s most significant challenges: 1) projected long term financial deficits; 2) sub par academic performance in the Haverhill schools and 3) economic development strategies.

Former Mayor James Rurak, who served four terms as Mayor, former Greater Haverhill Chamber of Commerce President Sally Cerasuolo-O’Rorke, and local river legend Captain William “Red” Slavit are challenging the incumbent Mayor James Fiorentini for the office. All four got to pitch their proposals for one hour on Haverhill Community Television (HCTV.) Follow-on goals are to post the videos on YouTube, or an alternative web site, for easy access and to initiate a blog discussion with citizens about the interviews at [www.ivalley.org](http://www.ivalley.org).

The candidates’ pitches are summarized below.

**Sally Cerasuolo-O’Rorke:** Sally presented a well thought out, comprehensive plan that integrates City management, public education and economic development initiatives to move Haverhill forward. She believes that such a plan should be kept current, coordinated with all constituents, and used as a tool to guide the City. She correctly stated that such a plan does not exist today.

Her key points include:

1. While the Mayor has kept the City afloat, he has failed to adequately address the projected financial deficits, especially the wide gaps predicted in Fiscal Years 2009 and 2010, last estimated over a year ago by the Mayor to be approximately \$7M and \$9M, respectively. She will implement an action plan to address the gaps, as well as apply zero based budgeting for efficiency gains. She also cited over reliance on one-time revenues, such as selling City land, to address budget deficits and problematic mismanagement, such as the Hale Hospital’s financial woes and the on-going investigations in the Public Works Department. Her plan includes additional revenues through economic development (\$2M), a comprehensive parking plan for downtown (\$2.5M), various cost savings and efficiencies such as bulk purchasing (\$800K), and on-going revenue streams (\$1.5M), such as enactment of the Governor’s Municipal Partnership Act (e.g. meals tax, telecom pole property tax) for a total of approximately \$6.8M against the projected gaps. Sally will support a tax override or debt exclusion only as a last resort;

2. The Haverhill public schools are underachieving. Leadership is needed to reign in the School committee and support the Superintendent. Sally will leverage her business ties to raise at least \$25K per school and allow each school community to determine how to spend it. She will also seek “linkage” funding from developers to raise \$1M for sports, music and arts;

3. Her centerpiece is an aggressive \$100M commercial expansion, which includes about nine projects spread across the City; many of which she has already played a key role in, such as the Woolworth redevelopment and the expansion of the Whittier Rehab Hospital in the Ward Hill industrial park. She also wants to recruit leading edge businesses with high paying jobs to Haverhill, such as green technology, the creative economy, biotech, nanotech and renewable energy.

Follow-on questions:

1. Provide further details of the \$100M commercial expansion proposal. She provides some insight during her pitch on HCTV, but further details are needed to determine realism;

2. Identify some of the direct causes of unacceptable academic performance in our schools and possible solutions to show a practical understanding of the issues that teachers and parents face.

**James Rurak:** Jim described a detailed timeline of the transformation from the Hale Hospital to the Merrimack Valley Hospital (MVH) which was a key accomplishment when he served as Mayor. Jim states that the impact of the Hale debt is being overstated by the Mayor and is being used as a crutch to hold the City back from its potential. He further states that after the sale of the city-owned Hospital, there has been a steady improvement in Haverhill’s financial outlook as evidenced by our increasing bond ratings. He believes that bold leadership and some risk taking are needed to move Haverhill to the next level.

His key points include:

1. A description of the Hale-to-MVH transformation timeline dating back to the 1980s to help support his assertion that about a \$3.5M windfall associated with the sale of the Hospital partially offsets the annual Hale debt of approximately \$6.5M. The \$3.5M figure was rationalized with a combination of straight-forward factors, such as the \$500K or so in property taxes that the City collects from MVH, and estimates of the amount that the City spent to subsidize the Hale as far back as the 1980s; a cost that no longer exists today. Jim also clearly identified that most of \$6.5M in debt has been in place since the 1980s, including Hospital retirees’ pensions and medical insurance benefits and the mortgage on the new building. Moving forward, he plans to attack the “net” deficit from the Hale, which he estimates to be about \$3M, by bulk purchase of citizens’ electricity through the City, health insurance concessions from City workers and to leverage Governor Patrick’s Municipal Partnership Act. He will not support a tax override or debt exclusion under any conditions.

2. Jim believes that leadership is needed to support the Superintendent’s sound multi-year academic performance improvement plan, instead of the negative

bickering that dominates School Committee meetings. He also wants to establish neighborhood centers where parents can gather to learn about how they can help their children succeed in the Haverhill Public Schools. Updated and additional technology is also needed in the schools.

3. The former Mayor stated that he believes that the best approach for economic development is to get the City’s house in order, including its finances, public education and infrastructure, and to have the know-how to approach the right companies. He pointed to his innovative Corporate Connection program, where he asked CEOs for business leads. Major companies, such as Globalware and Pepsi, came to Haverhill under Jim’s watch, in addition to the 400 new private jobs at the Merrimack Valley Hospital, which brought to the City more recurring revenue than the three new “big box” department stores combined.

Follow-on questions for Jim:

1. Are there other factors, such as increased health insurance costs, or payment of the Haverhill High School renovation project, that extend the City’s projected financial deficits beyond the “net” deficit that you attribute to the Hale (\$3M)?

2. If the City’s deficit is greater than the “net” deficit that you attribute to the Hale, what additional revenue opportunities would you pursue?

**William “Red” Slavit:** Captain William “Red” Slavit focused on point issues that are important to him and the many senior citizens that he advocates for. He contends that Haverhill’s Fire and Police Departments are world class and that the schools are much better than the perceptions. Lewis Burton was his favorite Mayor because of the deep understanding that he had of Haverhill due to his many years as a fire fighter and fire chief.

The river served as the basis for many of his recommendations. Red believes that there is illegal dumping of raw sewage into the river taking place behind the wastewater treatment plant on a regular basis and that the Mayor needs to put a stop to it. He wants to clear the brush to expose the river along Water Street so that senior citizens can enjoy the view and he does not support the residential towers that are slated for the former Friends Landing on Water Street, because it will block the view of the river. The feisty retired harbormaster thinks that once the river is dredged and boating traffic extends to the downtown on a regular basis, many people will dock and visit the shops and restaurants downtown, a model that has worked for Newburyport.

**Mayor James Fiorentini:** Mayor Fiorentini’s presentation was all about real results. His administration applied a three-point plan to keep the City afloat by controlling spending, expanding the tax base, and bringing in more state and federal tax dollars. He stated that the City was on life support when he took office. Now, Haverhill is stable as evidenced by

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increasing bond ratings, but its future is challenging as indicated by projected deficits.

His key points include:

1. He has controlled spending by achieving health insurance cost reductions, including concessions from employees, saving \$1.5M on a recurring basis. He listed a total of \$22M that Haverhill he has received in additional State and Federal aid since he took office. He has expanded the tax base primarily through zoning reforms to enable factory buildings in the downtown to be converted to condos and apartments, as well as clearing the way for three big box retailers, namely Lowes, Target and BJ’s to locate in Haverhill. Mayor Fiorentini’s plan for tomorrow includes building a parking deck downtown (secured \$7.2M grant), health insurance reform part 2 (possibly leveraging the State’s buying power) and luring companies to the emerging Hilldale Industrial Park. Mayor Fiorentini will support a tax override or a debt exclusion only as a last resort;

2. Mayor Fiorentini played a key role in establishing merit pay for administrators tied to MCAS scores and mandatory summer school for high risk students, as well as purchasing an MCAS assessment computer program for a pilot;

3. In addition to the high profile big box retailers and downtown condo and apartments, several companies have relocated to Haverhill or expanded during the Mayor’s tenure in office, namely Magellan Aerospace (200 new jobs), Adamson Industries (100 new jobs) and Joseph’s Pasta (100 new jobs.) The Mayor stated that altogether there has been about \$100 million in new investment in Haverhill.

Follow-on questions for Mayor Fiorentini:

1. What is your detailed action plan to attract retail stores for the downtown and emerging industries such as nanotechnology, renewable energy, biotech and green technologies for our industrial parks?

2. Please provide a preliminary three year financial plan for the City that addresses Haverhill’s long term needs, including up-to-date three year expenditure and revenue projections and a three year capital improvement plan for the City.

**John Michitson** was a Haverhill city councilor for 10 years; the last 2 as president. He is a manager and electrical engineer at the MITRE Corporation in Bedford, Mass. John and his wife, Heidi, are enjoying the childhood of their 4-year-old daughter and 6 year-old son. email: [jmichitson@verizon.net](mailto:jmichitson@verizon.net)  
The Innovation Valley initiative seeks to help stimulate economic growth and quality-of-life enhancements in the Merrimack Valley. Every month we will report on innovative businesses, practices, and ideas that are helping to make Merrimack Valley the place to be. Look for our article in print media and online at [www.ivalley.org](http://www.ivalley.org).

