



# Finance Committee Report

## City of Newton In City Council

**Monday, September 12, 2016**

Present: Councilor Gentile, Norton, Brousal-Glaser, Rice, Blazar, Fuller, and Lappin

Absent: Councilor Ciccone

City staff present: Alexandra Ananth (Senior Planner), Steven Smith (Technology Director; Police Department), David MacDonald (Chief of Police), John Daly (Executive Officer; Police Department), Bruce Proia (Chief of Fire), Jim McGonagle (Commissioner of Public Works), Sue Dzikowski (Director of Finance; School Department), and Maureen Lemieux (Chief Financial Officer/Chief of Staff)

**#305-16 Mayor's reappointment of Michael Caramanica as a Constable**

MICHAEL CARAMANICA, 14 Emerald Street, Newton reappointed as a Constable for the City of Newton for a term of office to expire September 15, 2019. (60 days 11/05/16) [08/04/16 @ 11:34 PM]

**Action:** Finance Approved 7-0

**Note:** Michael Caramanica is being re-appointed as a Constable of the City for a second three-year term. The appropriate paperwork was filed with the Clerk's office including a copy of the required \$5,000 bond. The Chair did not feel it was necessary for Mr. Caramanica to be present for the meeting as he is a re-appointment. Councilor Rice moved approval of the re-appointment, which carried unanimously.

**#266-16 Acceptance of a survey and planning grant for an architectural survey**

HIS HONOR THE MAYOR requesting authorization to accept and expend twelve thousand five hundred dollars (\$12,500) from the Massachusetts Historical Commission's Fiscal year 2016 Survey and Planning Grant Program to support the work of the Newton Architectural Survey 1870 to 1915. [08/01/16 @ 12:50]

**Action:** Finance Approved 7-0

**Note:** Senior Planner Alexandra Ananth reviewed the request for acceptance and expenditure of a \$12,500 matching grant to survey 100 properties built from 1870 to 1915. The City received similar grants over the past five years from the Massachusetts Historical Commission. The grant is a reimbursable grant that requires a 50% in-kind match. The plan is to survey buildings that are located in neighborhoods and areas that are considered vulnerable to inappropriate development and demolition. The attached narrative statement provides further details on the grant. The Planning Department's budget has available funds for the upfront cost of the surveys. The City's two Historic Preservation Planners will perform the surveys.

The documentation will be filed with the Newton History Museum and the State. The Planning Department will also have the records available. The information will be easily accessible to the public and researchers and provide details to aid in documentation of historically significant buildings. The surveys would aid in the demo delay review process and could potentially in defining a property as preferably preserved.

Councilor Brousal-Glaser moved approval of the acceptance and expenditure of the grant, which carried unanimously.

**#268-16      Accept Mass Department of Environmental Protection EVIP Grant**

HIS HONOR THE MAYOR requesting authorization to accept and expend fifteen thousand dollars (\$15,000) from the Massachusetts Department of Environmental Protection's EVIP Fleet Grant to be used towards the purchase of a 2016 Nissan Leaf to the City's electric vehicle fleet and the purchase and installation of a charging station for electric vehicles. [08/01/16 @ 12:49]

**Action:      Finance Approved 7-0**

**Note:** Public Works Commissioner Jim McGonagle presented the request to accept a grant from the Massachusetts Department of Environmental Protection that will provide the City with \$7,500 for an electric vehicle charging station and \$7,500 for the purchase of a Nissan Leaf, which is an electric vehicle.

The charging station will be located in War Memorial Circle next to the newly installed charging station. The City will have the ability to charge a fee for electric vehicle charging at both stations in the War Memorial. The base charging station cost is approximately \$6,800. There is an extended warranty available that brings the cost up to \$7,500.

The City's total cost for the Nissan Leaf is \$16,882. The City opted to upgrade to a trim that has fast charge and extended range components to make sure that the car will be available for use all day, every day. The Department of Public Works is currently developing a fleet replacement plan, which includes increasing the electric vehicle fleet. The plan should be available at some point this winter. With that, Councilor Norton moved approval, which carried unanimously.

**Referred to Public Safety & Transportation and Finance Committees**

**#272-16      \$700,000 for replacement of the dispatch consoles at the Police Dispatch Center**

HIS HONOR THE MAYOR requesting authorization to appropriate seven hundred thousand dollars (\$700,000) from bonded indebtedness for the purpose of funding the replacement of the dispatch consoles at the Police Dispatch Center. [08/01/16 @ 4:19 PM]

**Public Safety & Transportation Approved 6-0 Subject to Second Call on 09/07/16**

**Action:      Finance Approved 7-0**

**Note:** Police Chief David MacDonald and Police Information Technology Director Steve Smith presented the request for \$700,000 to replace the combined dispatch consoles at the Police Dispatch Center. The Public Safety & Transportation Committee approved the request subject to second call because there was no supporting material provided. Chief MacDonald and Mr. Smith apologized to the Councilors and explained that the Public Safety & Transportation Committee received additional information via e-mail and that material is attached to this meeting's agenda.

The consoles are the weakest communication in the emergency response system. The consoles are outdated and there are no longer replacement parts available for repairs. The consoles are a networked, voice communication system. It is a well-timed replacement with the fiber project and the Emergency Operations Center at Fire Station #3. The equipment will be purchased through the State contract list. The replacement of the consoles is also listed as Priority #16 in the Fiscal Year 2017 Capital Improvement Plan. Councilor Lappin moved approval, which carried by a vote of seven in favor and none opposed.

**#269-16 Transfer \$800,000 to fund the recently negotiated Patrolman's Association contract**  
HIS HONOR THE MAYOR requesting authorization to transfer the sum of eight hundred thousand dollars (\$800,000) from Fiscal Year 2017 Wage Reserve to fund the Fiscal Year 2015 and Fiscal year 2016 retroactive payments of the recently negotiated contract with the Newton Patrolman's Association, as well as Fiscal Year 2017 current year adjustments. [08/01/16 @ 4:19 PM]

**Action:** Finance Approved 7-0 as amended by appropriating additional \$250k from Free Cash

**Note:** Chief of Staff Maureen Lemieux, Chief of Police David MacDonald and Executive Officer John Daly joined the Committee to discuss the request to fund the retroactive payments for the negotiated contract with the Patrolman's Association. There is a request to amend the item by increasing the total appropriation to \$1,050,000 by appropriating an additional \$250,000 from Free Cash (attached letter). After fully calculating the retroactive payments, it became apparent that the \$800,000 was not enough to fund the contract.

The City and Patrolman's Union was able to avoid entering into arbitration and agreed upon the following: a one-year contract retroactive to Fiscal Year (FY) 2015 and a three-year contract from FY 2016 to FY 2018. The contracts include wage increases of 1.5% in FY 15, 2.5% in FY 16 and a longevity increase, and a 3.5% increase in FY 17. In addition, the agreement includes a change in FY 16 to Steps 7 and 8 in the salary chart. The change will equalize the percentage increase between steps to 4% across the steps. There were no changes to stipends; however, there is an increase in detail pay to \$50 per hour for private details and \$40 per hour for City details, which is an 11% increase. The longevity pay was also changed from a fixed amount based on number of years to a percentage of pay depending on the number of years that an officer has worked for the City. Further details of the salary increases and longevity changes can be found as part of the Memorandum of Agreement that was attached to the agenda. The new contract is in line with contracts offered by other municipalities.

Committee members expressed concern regarding the increase in detail pay. It was pointed out that if detail costs keep increasing, it is going to become a problem for the City to budget for details for its projects. In addition, higher detail costs may result in a harder look at the use of civilian flag people for details. The increase in detail is being used as an incentive to officers, as the department is having a difficult time filling details because of the number of construction projects taking place in the City. The Police Department is working on a system to prioritize details to make sure the projects like ones that require lane closures or are located in busy intersections have police details. The Chief is aware that the Department needs to do a better job managing its details. The Department is using retired police officers on details and is working with other municipalities to use their officers for details.

In addition, there was concern that the contract increases do not fit within the City's revenue growth. Ms. Lemieux explained that the contract increases would be funded through attrition and revenue growth. Police officers are required to retire at age 65. When a senior officer retires, they are replaced with a senior patrol person, who starts at the lowest step on the salary scale and that patrol person is then replaced with a new patrol person, who starts at the lowest step. Attrition generates about 1% in salary savings each year and the City's revenues have been growing. With that, Councilor Lappin moved approval as amended, which carried unanimously.

### **Referred to Public Safety & Transportation and Finance Committees**

**#307-16 Request to bond \$650,000 to purchase a new fire pumper truck**  
HIS HONOR THE MAYOR requesting authorization to appropriate six hundred fifty thousand dollars (\$650,000) from bonded indebtedness for the purpose of purchasing a new Fire Department Pumper Truck – Engine 3 in accordance with the frontline apparatus replacement schedule. [08/25/16 @ 1:18 PM]  
**Public Safety & Transportation Approved 5-0 (Ciccone, Lipof not voting) on 09/07/16**  
**Action: Finance Approved 6-0 (Rice not voting)**

**Note:** Fire Chief Bruce Proia reviewed the request for \$650,000 for a new pumper truck for Station #3 in Newton Centre. The funding for the new truck is included in the Fiscal Year 2017 Capital Improvement Plan. The new truck will replace the existing Engine #3, which has been in service since 2004 and performs over 200 runs per year. The 2004 pumper will replace a 1987 surplus pumper truck. The new truck should coincide with the opening of the new Station #3. Councilor Fuller moved approval, which carried by a vote of six in favor and none opposed.

### **Referred to Public Facilities and Finance Committees**

**#275-16 \$4 million MWRA loan to implement lead service line replacement project**  
HIS HONOR THE MAYOR requesting authorization to borrow up to four million dollars (\$4,000,000) in interest free loans from the Massachusetts Water Resources Authority (MWRA) for the purpose of implementing a lead service line replacement program. [08/01/16 @ 12:49 PM]  
**Public Facilities Approved 8-0 on 09/07/16**

**Action:**            **Finance Approved 7-0**

**Note:**            Commissioner of Public Works Jim McGonagle presented the request to authorize the Mayor to borrow up to \$4 million in interest free loans from the Massachusetts Water Resource Authority (MWRA). If authorized, the funds will be used to execute a lead service line replacement program. The Public Works Department has identified 603 properties with possible lead service lines and marked the streets where those services are located. The average replacement cost of a service line is \$4,000 per property.

The Department of Public Works is currently developing a service line replacement program, which it will present to the Council once complete. Some Committee members felt strongly that the City should not pay for the waterline replacement, as historically all other property owners that have replaced their service lines have paid the entire cost. It may make sense to offer property owners an interest free loan or the opportunity to fund the replacement through the betterment program offered by the City. The Commissioner agrees that many details need to be hashed out before the replacement program is complete.

The above request is only an authorization to borrow \$4 million at 0% interest. It is an excellent opportunity for the City and Commissioner McGonagle will return and present the replacement program to the Council once it is complete. Commissioner McGonagle added that some of the loan monies would be used on the City portion of the water service connection. Councilor Brousal-Glaser moved approval, which carried unanimously.

**Referred to Public Facilities and Finance Committees**

**#273-16            \$216,000 to purchase a new street sweeper**  
**HIS HONOR THE MAYOR** requesting authorization to appropriate two hundred sixteen thousand dollars (\$216,000) from bonded indebtedness to fund the purchase of a new 2016 Elgin Pelican NP dual street sweeper. [08/01/16 @ 12:50 PM]  
**Public Facilities Approved 8-0 on 09/07/16**

**Action:**            **Finance Approved 7-0**

**Note:**            Commissioner McGonagle stated that the request for \$216,000 from bonded indebtedness for the purchase of a street sweeper is included in the Fiscal Year 2017 Capital improvement Plan (CIP). The requested street sweeper will replace a 2002 sweeper that requires extensive repairs and is past its useful life. The standard replacement schedule for sweepers is every eight years, because of the daily use and the dirty environment they work in.

Commissioner McGonagle noted that Public Works Department is increasing its street sweeping operation this year and would like to get data from the increase before purchasing other sweepers. Councilor Fuller moved approval of the item, which carried by a vote of seven in favor and none opposed.

**#267-16 Transfer of FY 2017 Homeless Transportation Grant Funds to the School Budget**  
HIS HONOR THE MAYOR requesting authorization to appropriate and expend thirty-six thousand seventy-seven thousand dollars (\$36,077) from Fiscal Year 2017 revenue from State Homeless Transportation Grant Funds to reimburse the School Department for the Homeless Student Transportation State Reimbursement grant, which was sent as a general fund unrestricted reimbursement in June 2016 from the state rather than an education grant. [08/01/16 @ 12:50]

**Action:** Finance Approved 6-0 (Lappin not voting)

**NOTE:** School Finance Director Sue Dzikowski presented the request to the Committee. When the City received reimbursements from the State’s Fiscal Year 2017 Homeless Transportation Reimbursement Fund, they were applied to the City’s general fund, as required by the Massachusetts Department, instead of the School Department’s budget. The funds should be included in the School budget as the funds are a reimbursement for transportation of homeless children to and from the last school they were enrolled when they first become homeless. The docket request is to appropriate the \$36,077 from the general fund to the School budget. A motion was made to approve the amended docket item, which carried unanimously.

The City provides transportation for 26 students; 21 of which are transported to Newton from other communities and 5 students living in Newton that are transported to other communities. Committee members questioned why the City was paying for transportation to and from. It would seem that other communities would be responsible for the transportation either to Newton or out of Newton. Ms. Dzikowski explained that costs for the transportation are based on agreements between communities that are mutually beneficial. With that, Councilor Rice moved approval, which carried unanimously.

**Referred to Public Facilities and Finance Committees**

**#191-16 Funding to relocate the Zervas modulares to NSHS and Brown Middle School**  
HIS HONOR THE MAYOR requesting authorization to transfer the sum of five hundred thousand dollars (\$500,000) to the Public Buildings Department for the purpose of funding the relocation modular classrooms from the Zervas Elementary School to Newton South High School and Brown Middle School from the following accounts:

<u>Department</u>	<u>Account</u>	<u>Amount</u>
Executive Office	Full-time Salaries	\$40,000
Treasury	Debt Service (010772-582A48)	\$403,784
Treasury	Debt Service (010772-582A49)	\$21,216
Financial Info Systems	Full-time Salaries	\$35,000

**Action:** Finance Held 7-0

**Note:** The Chair explained that the Council just received a letter from the Mayor requesting that the above item be amended by changing the funding sources to Fiscal Year 2017 accounts and increasing the request to \$600,000. The Chair would like the Committee to hold the item to allow the Public Facilities Committee to discuss and act on the amended request. The School Department is providing the upfront costs for the project; therefore, there is no urgency to act on the item. Council Fuller moved hold, which carried by a vote of seven in favor and none opposed.

All other items before the Committee were held without discussion and the Committee adjourned at 8:45 PM. Draft Council Orders for the above items that are recommended for City Council action are attached.

Respectfully submitted;

Leonard J. Gentile, Chair

CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, in accordance with the recommendation of His Honor the Mayor and with the confirmation of the CITY COUNCIL pursuant to MGL Chapter 41, Section 91, be it known that Michael Caramanica, 14 Emerald Street, Newton, is hereby re-appointed as a CONSTABLE of the City of Newton for a term of office to expire on September 15, 2019. In accordance with MGL Chapter 41, Section 92, a surety bond in the amount of \$5,000 has been filed with the City Clerk.

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON

City Clerk

(SGD) SETTI D. WARREN

Mayor

Date: \_\_\_\_\_



CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chair Leonard J. Gentile, His Honor the Mayor is hereby authorized to expend a reimbursable grant in the amount of twelve thousand five hundred dollars (\$12,500) awarded by the Massachusetts Historical Commission, to be used for the purpose of surveying and documenting historic buildings in the City of Newton.

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chair Leonard J. Gentile, His Honor the Mayor is hereby authorized to expend a grant in the amount of fifteen thousand dollars (\$15,000) awarded by the Massachusetts Department of Environmental Protection through the EVIP Fleet Grant to be used towards the purchase of a 2016 Nissan Leaf to add to the City' electric vehicle fleet and the purchase and installation of a charging station for electric vehicles.

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, for the purpose of paying costs of purchasing new dispatch consoles for the Police Dispatch Center, and any and all other costs associated therewith, there be and hereby is appropriated and authorized to be borrowed under and pursuant to Chapter 44, Section 7(9) of the Massachusetts General Laws, as amended and supplemented or pursuant to any other enabling authority, the sum of seven hundred thousand dollars (\$700,000).

Under Suspension of Rules  
Readings Waived and Adopted

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_



**City of Newton, Massachusetts**  
**Office of the Mayor**

SETTI D. WARREN  
 MAYOR

**#269-16**

Telephone  
 (617) 796-1100

Telefax  
 (617) 796-1113

TDD  
 (617) 796-1089

E-mail  
 swarren@newtonma.gov

September 8, 2016

Honorable City Council  
 Newton City Hall  
 1000 Commonwealth Avenue  
 Newton Centre, MA 02459

RECEIVED  
 Newton City Clerk  
 2016 SEP - 8 PM 2: 28  
 DAVID A. OLSON, CLERK  
 Newton, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Council amend *Docket Item #269-16 HIS HONOR THE MAYOR requesting authorization to transfer the sum of eight hundred thousand dollars (\$800,000) from Fiscal Year 2017 Wage Reserve to fund the Fiscal Year 2015 and Fiscal year 2016 retroactive payments of the recently negotiated contract with the Newton Patrolman's Association, as well as Fiscal Year 2017 current year adjustments by adding the following:*

"And to appropriate the sum of \$250,000 from June 30, 2016 Certified Free Cash to Acct # 0120101-511001 Police Department Full Time Salaries to provide additional funding for the contract."

Annual costs are as follows:

<b>FY15</b>	<b>\$ 109,263.64</b>	<b>1.5% ACROSS THE BOARD</b>
<b>FY16</b>	<b>\$ 326,208.11</b>	<b>2%, EQUALIZE STEPS 7 AND 8 AT 4%, LONGEVITY INCREASE</b>
<b>FY17</b>	<b>\$ 623,025.36</b>	<b>3.5% INCREASE ABOVE THAT FOR FY16</b>
	<b>\$ 1,058,497.11</b>	

A copy of the MOA is attached. Thank you for your consideration of this matter.

Very truly yours,

Setti D. Warren  
 Mayor

CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, in accordance with the recommendation of the Finance Committee through the Chair Leonard J. Gentile, the sum of two hundred and fifty thousand dollars (\$250,000) be and is hereby appropriated from Free Cash to the Police Department’s Salaries Account and the transfer of the sum of eight hundred thousand dollars (\$800,000) from the Current Year Wage Reserve to the Police Department’s Salaries Account for the purpose of funding FY 2015 and FY 2016 retroactive payments and the current year salary adjustments related to the recently settled collective bargaining agreement between the City of Newton and Newton Patrolman’s Association; be and are hereby approved as follows:

FROM:	Wage Reserve (0110498-5197).....	\$800,000
	Free Cash (01-3497).....	\$250,000
TO:	Police Salaries (0120101-5197).....	\$1,050,000

Under Suspension of Rules  
Readings Waived and Approved  
23 yeas 0 nays 1 absent (Councilor Lipof)

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, for the purpose of paying costs of purchasing a new pumper truck for the Fire Department, and any and all other costs associated therewith, there be and hereby is appropriated and authorized to be borrowed under and pursuant to Chapter 44, Section 7(9) of the Massachusetts General Laws, as amended and supplemented or pursuant to any other enabling authority, the sum of six hundred fifty thousand dollars (\$650,000).

Under Suspension of Rules  
Readings Waived and Adopted

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, in accordance with the recommendation of the Public Facilities Committee through its Chair Deborah Crossley and the Finance Committee through its Chair Leonard J. Gentile, His Honor the Mayor be and is hereby authorized to borrow up to four million dollars (\$4,000,000) in interest free loans from the Massachusetts Water Resources Authority for the purpose of implementing a lead service line replacement program.

Under Suspension of Rules  
Readings Waived and Approved

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, for the purpose of paying costs of purchasing a new Elgin Pelican NP dual street sweeper for the Public Works Department, and any and all other costs associated therewith, there be and hereby is appropriated and authorized to be borrowed under and pursuant to Chapter 44, Section 7(9) of the Massachusetts General Laws, as amended and supplemented or pursuant to any other enabling authority, the sum of two hundred sixteen thousand dollars (\$216,000).

Under Suspension of Rules  
Readings Waived and Adopted

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTI D. WARREN  
Mayor

Date: \_\_\_\_\_



CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chair Leonard J. Gentile, the sum of thirty-six thousand seventy-seven dollars (\$36,077) be and is hereby appropriated from Fiscal Year 2017 Revenue to be expended under direction and control of the of the Superintendent of Schools.

FROM: Revenue - 2017  
(0130101-433018).....\$36,077

TO: Homeless Student Transportation  
(C301058-538301).....\$36,077

Under Suspension of Rules  
Readings Waived and Adopted

(SGD) DAVID A. OLSON  
City Clerk

(SGD) SETTID. WARREN  
Mayor

Date \_\_\_\_\_