



Finance Committee Report

City of Newton In City Council

Monday, September 26, 2016

Present: Councilors Gentile (Chair), Ciccone, Norton, Brousal-Glaser, Rice, Blazar, and Lappin;
absent: Councilor Fuller

City staff present: Angela Smagula (Deputy City Solicitor), Maura O'Keefe (Assistant City Solicitor), Marc Welch (Superintendent of Urban Forestry), James McGonagle (Commissioner of Public Works), and Maureen Lemieux (Chief of Staff/Chief Financial Officer)

#320-16 Request to appropriate \$50,000 to settle a claim

HIS HONOR THE MAYOR requesting authorization to ~~appropriate~~ settle a claim of fifty thousand dollars (\$50,000) from the Judgments and Settlements Account as full and final settlement of a claim against the Newton Public Schools. 09/14/16 @ 1:10 PM]

Action: Finance Held 7-0

Note: Deputy City Solicitor Angela Smagula joined the Committee to discuss a claim against then Newton Public Schools. Any claim for damages that exceeds \$5,000 requires authorization from the City Council to settle the claim per City Ordinance. The docket item language should reflect a request for authorization to settle the claim. There is no appropriation required to settle the claim. The proposed funding source is not the Judgments and Settlements Account in the Law Department but from the Public Schools budget.

The claim relates to incidents that occurred in September 2013 involving staff at the Oak Hill Middle School and a student. In 2015, the student and the parents made claims for injuries, emotional distress and loss of consortium for total damages of \$250,000. The Law Department and the claimants have negotiated a settlement of \$50,000 for full and final settlement contingent on Council approval.

The Committee wished to discuss details of the claim and on the advice of Attorney Smagula that as there is potential pending litigation and not discussing the item in Executive Session would be detrimental to the case, the Committee should discuss the item in Executive Session. The Committee took a roll call vote and all seven members present voted unanimously to move into Executive Session to discuss the item. At the conclusion of the discussion in Executive Session, the Chair took a roll call vote that carried 7-0 to end Executive Session.

The Committee continued discussion regarding the funding source for the claim. Although the School Committee is not required to take a vote on expending the \$50,000 from the School Budget, the Committee was not comfortable taking an action on the request without at least some input from the School Committee. Therefore, Councilor Lappin moved hold on

item until the School Committee has an opportunity to review the settlement and request for \$50,000 from the School Department's budget. The motion to hold carried unanimously.

#321-16 Request to appropriate \$10,488.03 to settle a claim

HIS HONOR THE MAYOR requesting authorization to appropriate settle a claim of ten thousand four hundred eighty-eight dollars and three cents (\$10,488.03) from the Judgments and Settlements Account as full and final settlement of Commerce Insurance Company's claim against the City of Newton. 09/14/16 @ 1:10 PM]

Action: Finance Approved 7-0

Note: The docket item language should reflect a request for authorization to settle a claim instead of a request to appropriate funds. Assistant City Solicitor Maura O'Keefe presented the request to settle a claim against the City brought by Commerce Insurance Company related to a motor vehicle accident involving a City vehicle. On August 28, 2015, a City pickup truck operated by an employee was in an accident at the intersection of St. Thomas More Road and Beacon Street. The City pickup was attempting to cross traffic on Beacon Street from St. Thomas More Road after coming to a complete stop at the stop sign. A vehicle was waiting in the left lane of Beacon Street and the driver waved for the City truck to come out of St. Thomas More Road; however, there was third vehicle in the right hand land going straight on Beacon Street. The City vehicle collided with the third vehicle and the driver of the third vehicle sustained injuries, as well as significant damage to the vehicle. After investigation of the accident, it was determined that the City would likely be found liable for the damages.

The City's Law Department entered into negotiations with Commerce Insurance Company and offered a settlement of \$10,488.03 for full and final settlement, which is 75% of the original claim. The offer was accepted and the Mayor is seeking authorization from the City Council to settle the claim.

The Administration does take safety issues seriously and is working to improve safe driving practices among its employees. The Public Works department is considering courses of action to take to improve the City employee's driving skills like a possible safe driver course. With that, Councilor Ciccone moved approval, which carried unanimously.

Referred to Programs & Services and Finance Committees

#322-16 Request for \$500,000 for removal of 2,500 tree stumps

HIS HONOR THE MAYOR requesting authorization to appropriate five hundred thousand dollars (\$500,000) from Free Cash for the purpose of funding the removal of approximately 2,500 tree stumps located throughout the City, as a result of the city's aggressive tree removal program to remove the most dangerous trees throughout the City. [09/12/16 @ 3:48 PM]

Programs & Services Approved 6-1 (Auchincloss opposed)

Action: Finance Approved 7-0

Note: Superintendent of Urban Forestry, Marc Welch explained that the Parks and Recreation Department is requesting \$500,000 to fund stump grinding to remove 2,500 tree stumps that are a result of the City's aggressive dangerous tree removal program over the past couple of years. The cost for the stump grinding is \$330,000. Parks and Recreation's forestry staff and a contractor will be grinding the stumps, and Parks and Recreation staff will be cleaning up. The remaining funds are to fund the purchase of stump-grinding equipment and to remove dangerous trees and tree limbs.

Mr. Welch explained that each year he drives through the streets of Newton to identify dangerous trees. On average 900 trees are identified for removal each year. Due to the aggressive tree removal program, the Parks and Recreation Department has addressed the backlog of trees needing removal. Going forward, the dangerous trees will be removed the year they are identified and the Parks and Recreation staff should be able to grind all stumps without hiring a contractor. Chief of Staff Maureen Lemieux informed the Committee that the plan going forward is to include money within the Parks and Recreation Department's budget for costs associated with tree removal like stump grinding.

There was concern that the City is removing trees at a faster pace than they and the Tree Conservancy are planting. Mr. Welch informed the committee the City currently plants between 400 and 500 trees per year but there is plan to ramp up the tree planting program

Councilor Ciccone made a motion for approval and it carried unanimously.

Referred to Public Facilities and Finance Committees

#323-16 Request for \$300,000 for funding to purchase sand and salt spreaders
HIS HONOR THE MAYOR requesting authorization to appropriate three hundred thousand dollars (\$300,000) from Free Cash for the purpose of providing funding for sand and salt spreaders for the Public Works Department's snow operations.
[09/14/16 @ 1:10 PM]

Public Facilities Approved 6-0 (Lappin, Laredo not voting) on 09/21/16

Action: Finance Approved 7-0

Note: Commissioner of Public Works Jim McGonagle presented the request for \$300,000 to purchase salt, sand and magnesium chloride spreaders for large trucks and sidewalk tractors to improve snow operations. The spreaders include software to regulate the flow of the salt, sand and/or magnesium chloride. The spreaders will be used during the upcoming snow season. The request is not part of the Capital Improvement Plan but the spreaders are integral to the department's snow operations.

Councilor Ciccone moved approval, which carried by a vote of seven in favor and none opposed.

Referred to Public Safety, Public Facilities and Finance Committees

- #324-16** **Request for \$75,000 for design of two intersection improvement projects**
HIS HONOR THE MAYOR requesting authorization to appropriate seventy-five thousand dollars (\$75,000) from Free Cash for the purpose of funding design engineering services for the Dedham at Nahanton and Dedham at Brookline Streets Intersection Improvement Project. [09/12/16 @ 3:48 PM]
Public Safety Approved 6-0 on 09/21/16
Public Facilities Approved 8-0 on 09/21/16
Action: **Finance Approved 6-0 (Brousal Glaser not voting)**

Note: Docket Items #324-16 and #325-16 were discussed in unison. Please see the below note.

Referred to Public Safety, Public Facilities and Finance Committees

- #325-16** **Request for \$250,000 for design services for the West Newton Square rehab**
HIS HONOR THE MAYOR requesting authorization to appropriate two hundred fifty thousand dollars (\$250,000) from Free Cash for the purpose of funding design engineering services for the West Newton Square Rehabilitation Project. [09/12/16 @ 3:48 PM]
Public Safety Approved 6-0 on 09/21/16
Public Facilities Approved 8-0 on 09/21/16
Action: **Finance Approved 5-0 (Cicccone recused; Brousal Glaser not voting)**

Note: The Committee discussed #324-16 and #325-16 together, as they are both requests to fund design and engineering services for traffic improvement projects. Docket Item #324-16 is a request for \$75,000 to design two intersections on Dedham Street: Dedham at Nahanton Street and Dedham at Brookline Street. Docket Item #325-16 is a request for \$250,000 from Free Cash for conceptual designs of West Newton Square from the jurors' lot to just past the Dunkin Donut on Washington Street.

The Public Works Department is using two different design firms for the projects. The firm handling the Dedham Street project is a local firm and the one designing West Newton Square is a national firm with local offices. The City is not required to go out to bid for conceptual design projects; however, the Public Works Department does look at proposals and compare hourly rates. It is difficult to develop a bid process for conceptual designs because the City does not want to limit what a conceptual design includes by defining requirements for design. The department is currently using three different firms for all design projects and chooses the best of those three firms for each project based on their skills and capacity to do the work.

The costs for design services for both projects are estimates. Either project could come in lower or higher than the requested funding. The Department of Public Works will return with requests for construction funding for both projects in late winter or early spring.

Construction on the Dedham Street intersections is expected to start in the spring. The West Newton Square construction should begin by August 2017. The final designs for the projects will come before the Public Facilities Committee for review and approval.

Councilor Lappin moved approval of Docket Item #324-16, which carried unanimously. Councilor Norton moved approval of Docket Item #325-16, which carried by a vote of five in favor and one recused.

Referred to Programs & Services and Finance Committees

#306-16 Request to review and possibly adjust the City Clerk's salary
COUNCILORS LENNON AND LAPPIN requesting a salary review and possible ordinance amendment to adjust the salary of the City Clerk/Clerk of the City Council pursuant to Article XI of the Rules and Orders of the City Council 2016-2017. [08/24/16 @ 2:41 PM]
Prog & Serv Approved 6-0-1 (Sangiolo abstaining) @ \$128,269 on 09/21/16
Action: Finance Held 6-0 (Brousal Glaser not voting)

Note: The item was held without discussion at the request of the President of the Council.

#319-16 Acceptance of \$3,497 from the Middlesex Attorney's Office for overtime costs
HIS HONOR THE MAYOR requesting authorization to accept and expend three thousand four hundred ninety-seven dollars (\$3,497) which was allocated on February 23, 2016 from the Middlesex District Attorney's Office to fund overtime costs for conducting an inventory of evidence under the NIJ Post-conviction Testing of DNA Evidence to Exonerate the Innocent Program. 09/12/16 @ 3:48 PM]
Action: Finance Approved 6-0 (Brousal-Glaser not voting)

Note: Chief of Staff Maureen Lemieux explained that this a request to accept \$3,497 to reimburse the Police Department for overtime costs for DNA testing as part of the NIJ Post-conviction Testing of DNA Evidence to Exonerate the Innocent Program. A motion to approve the item was made and it was approved unanimously.

#318-16 Mayor's reappointment of Shawn Murphy as a Constable
SHAWN T. MURPHY, 11 Morrill Street, West Newton reappointed as a Constable for the City of Newton for a term of office to expire September 15, 2019. (60 days 11/17/16) [09/12/16 @ 4:27 PM]
Action: Finance Approved 6-0 (Brousal-Glaser not voting)

Note: Shawn Murphy 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. Murphy to be

present for the meeting as he is a re-appointment. Councilor Ciccone moved approval of the re-appointment, which carried unanimously.

Referred to Public Facilities and Finance Committees

#191-16 Funding to relocate the Zervas modulars 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

Public Facilities Approved 7-0 as amended (Laredo not voting) on 09/21/16

Action: Finance Approved 6-0 as amended @ \$600,000 from Free Cash (Brousal-Glaser not voting)

Note: Chief of Staff Maureen Lemieux referred the Committee to a letter from the Mayor (attached) requesting amendment to the item by increasing the requested funds to \$600,000 and changing the funding source to Free Cash.

During the Public Facilities Committee’s discussion on this item, there was concern that the costs to relocate the modular seemed high. Commissioner of Public Buildings Josh Morse provided costs estimates (attached) for four new modular classrooms based on a 2011 modular classroom project. Commissioner Morse included annual construction cost escalations from 2011 to 2016 to come up with an estimated cost of \$1,167,492 for construction only, which results in a per modular classroom cost of \$291,873.

The requested funds for the relocation of the modular classrooms from Zervas Elementary School to Newton South High School and Brown Middle School include design and contingency. The construction cost is \$515,000 for the relocation, which yields a per modular classroom cost of \$128,750. In addition, there is added cost of a covered walkway to the modular classrooms at Brown Middle School. Ms. Lemieux added that the money will be under control of the Public Buildings Department and every effort will be made to keep project costs as low as possible.

The additional \$100,000 is needed because the City lost its original contractor and the project needs to be rebid. There is also the added cost of adding the covered walkway. With that, Councilor Rice moved approval as amended, which carried unanimously.

All other items before the Committee were held without discussion and the Committee adjourned at 9:20 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 the Finance Committee through its Chairman Leonard J. Gentile, authorization to settle a claim of ten thousand four hundred eighty-eight dollars and three cents (\$10,488.03) from the Law Department's Judgments and Settlements Account for the purpose of settling a claim that arose as an automobile accident involving a City vehicle, be and is hereby approved.

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 Programs & Services Committee and the Finance Committee through their respective Chairs John B. Rice and Leonard J. Gentile, the sum of five hundred thousand dollars (\$500,000) be and is hereby appropriated from Free Cash to be expended under the direction and control of the of the Commissioner of Parks and Recreation for the purpose of funding tree stump removal, removal of trees, and stump grinding equipment.

FROM: Free Cash
(01-3497)..... \$500,000

TO: Stump Removal
(C602063-52409) \$500,000

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 and the Finance Committee through their respective Chairs Deborah J. Crossley and Leonard J. Gentile, the sum of three hundred thousand dollars (\$300,000) be and is hereby appropriated from Free Cash to be expended under the direction and control of the of the Commissioner of Public Works for the purpose of funding the purchase of sand and salt spreaders for snow operations.

FROM:	Free Cash	
	(01-3497).....	\$300,000
TO:	DPW Equipment	
	(0140110-58502).....	\$300,000

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 Safety & Transportation Committee, Public Facilities Committee and the Finance Committee through their respective Chairs Allan L. Ciccone, Jr., Deborah J. Crossley and Leonard J. Gentile, the sum of seventy-five thousand dollars (\$75,000) be and is hereby appropriated from Free Cash to be expended under the direction and control of the of the Commissioner of Public Works for the purpose of funding design engineering services for the Dedham at Nahanton Streets and Dedham at Brookline Streets Intersections improvement project.

FROM:	Free Cash (01-3497).....	\$75,000
TO:	Intersection Impv Design (C401058-530203)	\$75,000

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 Safety & Transportation Committee, Public Facilities Committee and the Finance Committee through their respective Chairs Allan L. Ciccone, Jr., Deborah J. Crossley and Leonard J. Gentile, the sum of two hundred fifty thousand dollars (\$250,000) be and is hereby appropriated from Free Cash to be expended under the direction and control of the of the Commissioner of Public Works for the purpose of funding design engineering services for West Newton Square rehabilitation project.

FROM:	Free Cash (01-3497).....	\$250,000
TO:	West Newton Sq Rehab Project Design (C401057-530203)	\$250,000

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 authorization to accept and expend the amount of three thousand four hundred ninety-seven dollars (\$3,497) allocated on February 23, 2016 from the Middlesex District Attorney's Office to fund police overtime costs for conduction an inventory of evidence under the NIJ Post-conviction Testing of DNA Evidence to Exonerate the Innocent Program; be and is hereby approved.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

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, be it known that Shawn T. Murphy, 11 Morrill Street, West newton is hereby re-appointed as a Constable for the city of Newton for a term to expire on September 15, 2019.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk



City of Newton, Massachusetts
Office of the Mayor

SETTI D. WARREN
MAYOR

#191-16

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September 9, 2016

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

RECEIVED
NEWTON CITY CLERK
2016 SEP -9 PM 12: 56
DAVID A. OLSON, CHIEF
NEWTON, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Council amend *Docket Item # 191-16 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 of modular classrooms from the Zervas Elementary School to Newton South High School and Brown Middle School* by replacing the sum of \$500,000 with the sum of \$600,000 and by replacing the source of funds from the following accounts:

- 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

With the following source of funds:

\$600,000 from June 30, 2016 Certified Free Cash.

Timing delays and the covered walkway have caused the projected cost increase. Thank you for your consideration of this matter.

Very truly yours,

Setti D. Warren
Mayor

Shawna Sullivan

From: Joshua R. Morse
Sent: Monday, September 26, 2016 1:34 PM
To: lennypmgi@aol.com; Shawna Sullivan
Cc: Maureen Lemieux
Subject: Modular Costs

Lenny/Shawna,

I wanted to provide some additional insight on the cost of modular classrooms. I know Shawna sent out the cost estimates for the 2011 modular project that installed 4 mods at 3 schools. The Bid with alternate 1 is what we went with. The construction cost estimate was \$858,375, and the bid came in at \$922,880, which yielded a per mod cost of \$230,720. That said, 2011 was a very favorable bid climate due to the economic collapse from the housing bubble. 2009-2011 actually had deflation, leading to much lower construction prices, to the point that our estimators had trouble determining how low the bids would come in. We saw annual construction cost escalations since 2011 as follows:

2011: 1.8%
2012: 2.2%
2013: 4.8%
2014: 5.7%
2015: 5.8%
2016: Appx 1.25%/Qtr

That said, the aforementioned modular project escalated to today dollars would be \$1,167,492 for construction only. This would yield a per mod cost of \$291,873.

The requested \$600K, includes design and contingency. The construction is a total of \$515K, which yields a per mod cost of \$128,750 which is about 44% of what these mods would cost if bought and installed new today.

As is always the case, we will squeeze every penny we can out of the contractor and turn back as much money as possible.

Regards,

Josh Morse
Public Buildings Commissioner
Public Buildings Department
City of Newton

**Design and Installation of (4) four ModularClassrooms @ (3) Threse Schools - Estimated Cost
(Zervas (2), Horace Mann & Burr Schools)**

6/27/2011

#191-16

Base Bid		Alternate #1 (New units meeting stretch code and the Oak Hill modular base bid from 2010)		Alternate #2 (New units meeting stretch code, Oak Hill 2010 base bid plus all alternates from the bid)	
Modulars (4)	142,500 \$	142,500 \$	142,500 \$	142,500 \$	570,000
Storm Water Mitigation	\$	\$	\$	\$	35,000
Site Work	\$	\$	\$	\$	75,000
Utilities	\$	\$	\$	\$	50,000
Unit Upgrades	\$	\$	\$	\$	175,000.00
SUBTOTAL	\$ 730,000	\$ 817,500	\$ 817,500	\$ 905,000	
5% Contingency	\$ 36,500	\$ 40,875	\$ 40,875	\$ 45,250	
Construction	\$ 766,500	\$ 858,375	\$ 858,375	\$ 950,250	
Design Fee	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	
Modulars	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	
Sprinkler System	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	
Project Total	\$ 906,500 *	\$ 998,375 *	\$ 998,375 *	\$ 1,090,250 *	
Less Original Schematic Design Appropriation	\$ (75,000)	\$ (75,000)	\$ (75,000)	\$ (75,000)	
Additional Funding Request	\$ 831,500	\$ 923,375	\$ 923,375	\$ 1,015,250	

* does not include
FFE & Technology

CITY OF NEWTON

IN CITY COUNCIL

2016

ORDERED:

That, in accordance with the recommendation of the Public Facilities Committee and the Finance Committee through their respective Chairs Deborah J. Crossley and Leonard J. Gentile, the sum of six hundred thousand dollars (\$600,000) be and is hereby appropriated from Free Cash to be expended under the direction and control of the of the Commissioner of Public Buildings for the purpose of funding the costs associated with the relocation of modular classrooms from the Zervas Elementary School to Newton South High School and the Brown Middle School.

FROM:	Free Cash	
	(01-3497).....	\$600,000
TO:	NSHS Modulars	
	(31Q2935-5795).....	\$600,000

Under Suspension of Rules
Readings Waived and Adopted

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date _____