

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, MARCH 24, 2014

Present: Ald. Gentile (Chairman), Ciccone, Norton, Rice, Blazar, Fuller and Lappin

Absent: Ald. Salvucci

Also present: Robert Garrity (Director of Sustainability), Maureen Lemieux (Chief Financial Officer), Lou Taverna (City Engineer), Dave Wilkinson (Comptroller), and Dave Turocy (Commissioner of Public Works)

REFERRED TO PUBLIC FACILITIES & FINANCE COMMITTEES

#107-14 HIS HONOR THE MAYOR requesting authorization to transfer the following funds into a capital account to purchase and install LED streetlights throughout the City:

<u>Account</u>	<u>Amount</u>
Capital Stabilization – Bonded Capital Projects	\$887,346
Capital Stabilization – Energy Conservation Projects	\$208,890
Capital Stabilization – Unrestricted Capital Purposes	\$7,817
Receipts Reserved for Appropriation – Sale of Municipal Assets ...	\$46,684

[03/17/14 @ 10:09 AM]
PUBLIC FACILITIES APPROVED 7-0 on 03/19/14

ACTION: APPROVED AS AMENDED 7-0 @ \$1,300,736.47

NOTE: Director of Sustainability Rob Garrity presented the request for funds to replace the City’s 8,400 streetlights with LED streetlights to the Committee. The Public Facilities Committee approved the request unanimously. Since the Public Facilities Committee meeting, the Mayor has submitted a request (attached) to amend the transfer amount from the Bonded Capital Projects Capital Stabilization Account by increasing it by \$150,000. The Committee also needs to authorize the acceptance of a \$250,000 grant. The total required funding for the project is \$1,550,736.47. A \$250,000 Green Community Grant will be used to fund a portion of the project.

The City requested bids for the labor and materials (streetlights) separately for this project. The City estimated the cost of labor at \$600,000 but received two bids for under \$400,000. The City is in the process of negotiating a contract with the low bidder. The low bid for the lights is \$1,139,000 for remote ready lights. The City did request a quote for remote controlled lights that would allow the City to remotely dim streetlights. However, the quoted cost was prohibitive and NStar does not provide a rate differential for dimmed streetlights at this time.

The new streetlights will result in significant savings on energy usage. The City's current streetlights are at the end of their useful life and maintenance costs for bulb replacement has increased. The project is expected to generate \$276,000 a year in savings through energy savings and maintenance savings. There is a ten-year warranty on the new lights but they have a useful life of approximately 23 years. The attached memo from Mr. Garrity provides further details on the project, a breakdown of the costs, and projected savings associated with the streetlight replacement project.

Mr. Garrity informed the Committee that the City would receive at least \$450,000 as an incentive rebate from NStar. Once the rebate is received, the funds will be deposited into the City's Energy Conservation Projects Capital Stabilization Fund to be used for future energy projects.

Chief Financial Officer Maureen Lemieux explained that the Administration's original intent was to bond this project. However, there are substantial monies leftover from a number of bonded capital projects that must be spent on a capital project. By funding the streetlight project with the capital stabilization funds, the City will realize the savings from the project right away. With that, Ald. Ciccone moved approval of the item, which carried unanimously.

#317-03(8) HIS HONOR THE MAYOR requesting authorization to appropriate the sum of sixty-nine thousand six hundred seventeen dollars (\$69,617) from the Shaw's/Hammond Pond Development Mitigation Fund for the purpose of implementing storm water management on an existing drainage pipe owned by the Massachusetts Department of Conservation and Recreation per Condition #4 of Special Permit #401-03, approved on December 15, 2003. [03/10/14 @ 5:42 PM]

ACTION: **APPROVED 7-0**

NOTE: Chief Financial Officer Maureen Lemieux presented the request to authorize the appropriation and expenditure of \$69,617 from the Shaw's/Hammond Pond development Mitigation Fund for installing storm water treatment devices on two pipes that run through the Chestnut Hill Shopping Center (a/k/a "The Street") into Hammond Pond. The Planning Department and Department of Public Works reviewed the project and recommended the installation of a Vortechnic treatment unit to provide the storm water treatment.

Director of Planning provided a memo that was attached to the agenda explaining that the mitigation fund was established per a condition of a special permit (#401-03) for Star Markets Company. The fund originally contained \$150,000 but \$80,383 was used last year to install the treatment device on one of the two pipes. The City wishes to move forward with the installation of the second treatment device on the other pipe. The Massachusetts Department of Conservation and Recreation has agreed to pay any additional costs that may arise and will provide all future maintenance.

Ald. Fuller moved approval, which carried unanimously.

REFERRED TO PUBLIC FACILITIES & FINANCE COMMITTEES

#106-14 **HIS HONOR THE MAYOR** requesting authorization to transfer and appropriate the sum of two million seven hundred thousand dollars (\$2,700,000) from the City's Water Operating Reserve Fund to fund Water System Improvements for calendar year 2014. [03/17/14 @ 10:09 PM]

PUBLIC FACILITIES APPROVED 6-0 (Lennon not voting) on 03/19/14

ACTION: **APPROVED 7-0**

NOTE: City Engineer Lou Taverna presented the request for \$2.7 million to continue with the 10-year water improvement project. This is the second year of the project and the funds will be used to address deficient water flow in the Adams and Nevada Streets area that does not meet the current International Organization for Standardization (ISO) fire flow standards. The deficient fire flow issues should be addressed in one more year and then improvements will focus on water quality.

The Adams and Nevada Streets area is designed and is expected to go out to bid in a week. The project includes water main cleaning and relining with a small amount of replacement of water mains. The City is developing a strategic plan to develop a plan to address water quality based on priority.

Mr. Taverna also informed the Committee that the City is using a 0% interest loan from the Massachusetts Water Resources Authority to address fire flow deficiencies in the Lake Street area in Newton Centre in 2014. Ald. Lappin moved approval of the item, which carried by a vote of seven in favor and none opposed.

#105-14 **HIS HONOR THE MAYOR** requesting authorization to transfer the sum of one hundred thousand dollars (\$100,000) from Budget Reserve for the purpose of covering the costs incurred as a result of the February 2014 Bond Sale. 03/17/14 @ 10:09 AM]

ACTION: **APPROVED AS AMENDED 7-0 @ 104,415.77**

NOTE: Chief Financial Officer Maureen Lemieux presented the request for a transfer and expenditure of funds to pay bond sale costs. The Mayor submitted the attached letter requesting that the item be amended to cover the actual costs of the bond sale at \$104,415.77. The bond sale costs are a result of fees paid to bond counsel, the City's financial advisors, Moody's Investment Services, and other associated administrative fees.

The bond sale went well. There were nine bids, which ranged between 3.56% and 3.66% for total interest charged. The City went with the low bid of 3.56% in total interest charged. The City sold close to \$21,000,000 in bonds and received almost \$750,000 in premium payments. Approximately \$100,000 of the premium payments is associated with the Angier School Project; therefore, that \$100,000 must be used to pay down the Angier debt as that project is funded through a debt exclusion override. The rest of the money from the premiums will be placed in Free Cash. Ald. Lappin moved approval of the item as amended at \$104,415.77, which carried unanimously.

Re-appointment by His Honor the Mayor

#102-14 MATTHEW CHAO, 95 Columbia Avenue, re-appointed as a member of the NEWTON TAXATION AID COMMITTEE for a term of office to expire March 1, 2017 (60 days 05/16/14) [03-10-14 @ 3:46 PM]

ACTION: **APPROVED 7-0**

NOTE: The Mayor is reappointing Matthew Chao as a member of the Newton Taxation Aid Committee for a three-year term of office. Mr. Chao has served as a trustee since 2011 and provided a detailed resume to the Committee, which was attached to the agenda. The resume details Mr. Chao's experiences and qualifications to serve as a trustee. Ald. Ciccone moved approval, which carried unanimously.

The Taxation Aid Committee is comprised of the Chairman of the Board of Assessors, the Collector-Treasurer and three residents of the City. They meet once a year to determine how to disburse funds taxpayers voluntarily donated to provide tax aid to the elderly and disabled residents of Newton.

Re-appointment by His Honor the Mayor

#103-14 ROSEMARY LARKING, P.O. Box 620066, Newton Lower Falls re-appointed as a member of the NEWTON TAXATION AID COMMITTEE for a term of office to expire March 1, 2017 (60 days 05/16/14) [03-10-14 @ 3:46 PM]

ACTION: **APPROVED 7-0**

NOTE: Ms. Rosemary Larking is being reappointed for a three-year term of office to the Newton Taxation Aid Committee. The Committee did not feel it was necessary for Ms. Larking to be present for the reappointment discussion, as she is well known to most Committee members. Ms. Larking provided a detailed resume to the Committee, which was attached to the agenda. The resume details Ms. Larking's experiences and qualifications to serve on the Taxation Aid Committee and Ald. Fuller moved approval, which carried unanimously.

The Committee adjourned at 7:50 PM and all other items before the Committee were held without discussion. Draft Board Orders for the above items that are recommended for Board of Aldermen action are attached.

Respectfully submitted,

Leonard J. Gentile, Chairman



City of Newton, Massachusetts
Office of the Mayor

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SETTI D. WARREN
MAYOR

E-mail
swarren@newtonma.gov

March 21, 2014

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

RECEIVED
Newton City Clerk
2014 MAR 21 PM 12:36
David A. Oison, CM
Newton, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to amend Docket #107-14 HIS HONOR THE MAYOR requesting authorization to transfer the following funds into a capital account to purchase and install LED streetlights throughout the City:

Account Amount

<i>Capital Stabilization – Bonded Capital Projects</i>	<i>\$887,346</i>
<i>Capital Stabilization – Energy Conservation Projects</i>	<i>\$208,890</i>
<i>Capital Stabilization – Unrestricted Capital Purposes</i>	<i>\$7,817</i>
<i>Receipts Reserved for Appropriation – Sale of Municipal Assets ...</i>	<i>\$46,684</i>

[03/17/14 @ 10:09 AM]

by transferring an additional \$150,000 from Capital Stabilization – Bonded Capital Projects and by appropriating \$250,000 from the Green Communities Grant for this project.

Total projected costs for this project are \$1.5 million. The City expects to receive more than \$450,000 in rebates, \$250,000 from a Green Communities Grant, and annual energy savings of \$250,000.

Thank you for your consideration of this matter.

Sincerely,

Setti D. Warren
Mayor



To: Public Finance Committee
 From: Robert Garrity, Director of Sustainability
 Date: March 21, 2014
 Re: Citywide Streetlight LED Conversion

The Administration is seeking an appropriation to undertake the replacement of approximately 8,400 streetlights with new, energy efficient Light Emitting Diode (LED) lights. Newton last undertook a full-scale light replacement in 2006, switching out mercury vapor lights in favor of high pressure sodium lights. These high pressure sodium lights are reaching the end of their useful lives (we are replacing 80-100 lights per month) and replacing them with LED fixtures will save considerable electricity and labor costs.

Costs

The City issued an IFB for the labor to switch over the 8,400 lights, as well as an RFP for the supply of lights. We received six responses for each part of the project. The lowest bidders in each category have been determined to be responsive and we are developing contracts now. We are also asking for funding to cover police details we will require for certain roads.

	Cost
8,425 lights of various wattages	\$1,139,000
Labor to install 8,400 lights in three months	\$386,000
Police details	\$25,000
Total request	\$1,550,000

The cost of this project is further reduced as we have received a Green Communities grant for \$250,000, and will be receiving an incentive from NStar of at least \$454,000.

Savings

The new LED lights emit much more light per watt, allowing dramatic energy savings. We also expect to save a consider amount on maintenance, as the lights will be warrantied for 10 years but have useful lives of 100,000 hours, or about 23 years.

	Old cost	Project cost	Savings
Energy	\$350,000	\$124,000	\$226,000
Maintenance	\$100,000	\$50,000	\$50,000
Total	\$450,000	\$174,000	\$276,000

CITY OF NEWTON

IN BOARD OF ALDERMEN

2014

ORDERED:

That, in accordance with the recommendation of the Public Facilities and Finance Committees through their respective Chairmen Deborah J. Crossley and Leonard J. Gentile, the transfer of the sum of one million one hundred fifty thousand seven hundred thirty-six dollars and forty-seven cents (\$1,150,736.47) from the following accounts to the LED Street Lighting Account for the purpose of providing funding to purchase and install LED streetlights throughout the City is hereby approved, as follows:

FROM:	Capital Stabilization Fund	
	(39A104-5930).....	\$1,037,345.57
	(39B104-5930).....	\$7,815.85
	(39D104-5930.....	\$208,891.35
	Receipts Reserved -Sale of Real Estate	
	(14A115-5930).....	\$46,683.70
TO:	LED Streetlight Project	
	(34B002-586015).....	\$1,300,736.47

AND:

The Board of Aldermen hereby authorizes His Honor the Mayor to accept and expend a grant in the amount of two hundred fifty thousand dollars (\$250,000) from the Department of Energy Resources, awarded as a result of the City's designation as a *Green Community*, to provide additional funding for the LED Streetlight Project.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____



Setti D. Warren
Mayor

City of Newton, Massachusetts
Department of Planning and Development
1000 Commonwealth Avenue Newton, Massachusetts 02459

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Candace Havens
Director

MEMORANDUM

APPROVED

DATE: March 10, 2014

FROM: Candace Havens, Director of Planning and Development

SUBJECT: #317-03(8): HIS HONOR THE MAYOR requesting authorization to appropriate the sum of sixty-nine thousand six hundred seventeen dollars (\$69,617) from the Shaw's/Hammond Pond Development Mitigation Fund for the purpose of implementing storm water management on an existing drainage pipe owned by the Massachusetts Department of Conservation and Recreation.

CC: David Turocy, Commissioner, Department of Public Works
Donnalyn Kahn, City Solicitor
John Lojek, Commissioner, Inspectional Services Department
Frank Nichols, Project Engineer
Jennifer Steel, Environmental Planner
James Freas, Chief Planner for Long-Range Planning
Howard Levine, K&L Gates

RECEIVED
Newton City Clerk
2014 MAR 10 PM 5:42
David A. Olson, CMC
Newton, MA 02459

I respectfully request the Finance Committee's consideration of appropriation of \$69,617.69 to complete installation of a stormwater management system for Hammond Pond.

BACKGROUND

As part of a 2009 "Hammond Pond Stormwater Management Fund Agreement," dated September 21, 2009, Chestnut Hill Shopping Center, LLC, S.R. Weiner Associates, Inc. (The Street), and Star Markets Company, Inc. agreed to establish a fund under the City of Newton's control for the purpose of installing stormwater treatment devices on two pipes running through the shopping center property and discharging into Hammond Pond. This agreement was a condition of a Special Permit that was granted to the above mentioned parties on December 15, 2003 (Board Order No. 401-03) when improvements to the shopping center were approved by the Board. The fund created under this agreement made \$150,000 available

towards these stormwater improvements and this money was received by the City in November 2012. At this time, the City is prepared to move forward with installation of a treatment device on the second of the two pipes and is seeking approval of an appropriation of \$69,617.69 out of the \$150,000 received.

PROJECT DESCRIPTION

The City Planning Department and the Engineering Division propose to install a "Vortechnic" unit within the parking lot of The Street and in line with the DCR-owned 24-inch pipe that runs from the Hammond Pond Parkway to Hammond Pond. City staff will oversee the installation process, coordinating with the Massachusetts Department of Conservation and Recreation (DCR) and the property owner, both of which have approved the proposed project. DCR will be responsible for future maintenance of the system and is working with the property owner to secure the necessary easement. The work will be performed by the same contractor who completed the first phase of this project under a contract extension agreement.

The requested funds will be used to pay for necessary site planning design work (\$4,000) as well as the acquisition and installation of the "Vortechnic" treatment device. Any remaining funds will be returned to the shopping center as per the requirements of the Board Order and Agreement. While the funds requested should be sufficient to complete this project, there is also the possibility that environmental conditions on the site, for example the presence of "ledge" or the need for extensive "dewatering," could bring the total cost to exceed the remaining funds. DCR has agreed to cover any additional costs that may arise.

CITY OF NEWTON
IN BOARD OF ALDERMEN

2014

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman Leonard J. Gentile, the sum of sixty-nine thousand six hundred seventeen dollars and sixty-nine cents (\$69,617.69) to be appropriated from Shaw's/Hammond Pond Development Mitigation Fund for the purpose of implementing storm water management via an existing drainage pipe that runs across the Chestnut Hill Shopping Center (a/k/a *The Street*), be and is hereby appropriated, granted, and expenditure authorized under the direction of the Department of Public Works.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

CITY OF NEWTON

IN BOARD OF ALDERMEN

May 2, 2011

ORDERED:

That, in accordance with the recommendation of the Public Facilities and Finance Committees through their respective Chairmen Deborah Crossley and Leonard J. Gentile, a transfer of funds in the amount of two million seven hundred thousand dollars (\$2,700,000) from the Water Reserve Fund Account to the Water Capital Fund to fund the water system improvements for 2014, be and is hereby approved as follows:

From:	Water Reserve (28A10498-5790).....	\$2,700,000
To:	Transfer – Water Capital Fund (36A10499-586011).....	\$2,700,00

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____

#105-14

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SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

March 21, 2014

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to amend *Docket #105-14 HIS HONOR THE MAYOR requesting authorization to transfer the sum of one hundred thousand dollars (\$100,000) from Budget Reserve for the purpose of covering the costs incurred as a result of the February 2014 Bond Sale. 03/17/14 @ 10:09 AM* by replacing the sum of \$100,000 with the sum of \$104,415.77.

Thank you for your consideration of this matter.

Sincerely,

Setti D. Warren
Mayor

RECEIVED
Newton City Clerk
2014 MAR 21 PM 12:36
David A. Olson, CMC
Newton, MA 02459



CITY OF NEWTON
IN BOARD OF ALDERMEN

2014

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman Leonard J. Gentile, a transfer of funds in the amount of one hundred four thousand four hundred fifteen dollars and seventy-seven cents(\$104,415.77) from Budget Reserve t to the Treasury Department for the purpose of funding the costs of the City's bond sale in February 2014, be and is hereby approved as follows:

From:	Budget Reserve (0110498-5790).....	\$104,415.77
To:	Treasury - Expenses (0110701-5316).....	\$104,415.77

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____

CITY OF NEWTON
IN BOARD OF ALDERMEN

2014

ORDERED:

That in accordance with the recommendation of His Honor the Mayor and with the confirmation of the Honorable Board of Aldermen, be it known that MATTHEW CHAO is hereby re-appointed as a member of the NEWTON TAXATION AID COMMITTEE for a term to expire on March 1, 2017.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

CITY OF NEWTON

IN BOARD OF ALDERMEN

2014

ORDERED:

That in accordance with the recommendation of His Honor the Mayor and with the confirmation of the Honorable Board of Aldermen, be it known that ROSEMARY LARKING is hereby appointed as a member of the NEWTON TAXATION AID COMMITTEE for a term to expire on March 1, 2017.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk