

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, APRIL 23, 2012

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

Also present: Ald. Albright and Hess-Mahan

Present: Ald. Gentile, Ciccone, Linsky, Salvucci, Rice, Blazar, Fuller, and Lappin

Also present: Ald. Albright, and Hess-Mahan

City officials present: Robert Rooney (Chief Operating Officer), Maureen Lemieux (Chief Financial Officer), David Wilkinson (Comptroller), Julie Ross (Assistant City Solicitor), Alan Mandl (Assistant City Solicitor), Joseph Mulvey (Interim Director of Information Technology), Ann Cornaro (Director of Financial Information Services), Dolores Hamilton (Director of Human Resources), Stephanie Gilman (Commissioner of Public Buildings), Maciej Konieczny (Project Manager, Public Buildings Department), Lou Taverna (City Engineer), and David Turocy (Commissioner of Public Works)

#89-12 HIS HONOR THE MAYOR submitting the final report from the IT Advisory Committee for presentation to the Board of Aldermen. [03/26/12 @ 4:37 PM]

ACTION: **NO ACTION NECESSARY 8-0**

NOTE: The Chairman of the IT Advisory Committee Michael Cipriano gave the attached PowerPoint presentation that highlighted the IT Advisory Committee's assessments and recommendations contained in its report. The IT Advisory Committee was formed in April 2011 and its membership consisted of citizens with IT expertise and city staff. The charge of the Committee was to analyze the City's IT network and provide recommendations in regards to improving and addressing the City's IT needs. The IT Advisory Committee submitted its final report in March 2012, which was distributed to the Board and was attached to the agenda for the meeting.

The Advisory Committee met with the five departments that have staff dedicated to IT to learn what was working well within the departments and what could be improved upon. The Advisory Committee was impressed with the IT staff as they provide a multitude of services but the City has substantial needs in terms of funding the City's IT infrastructure. In addition, there is a lack of coordination between the five departments and no one is looking at the City's IT resources as a whole.

The Advisory Committee first recommendation was for the City to hire a Chief Information Officer. The new position is included in the Fiscal Year 2013 Budget and the City is in process of interviewing for the position. The second recommendation is to fund and install a citywide fiber network. The City has responded by including funding for the fiber network in the Fiscal Years 2013-2017 Capital Improvement Plan. Other key recommendations include development of a five-year technology plan, leverage Cloud and other outsourcing options, implement workflow and agenda management software, establish an Executive Review and

continue with the IT Advisory Committee. Further details on the recommendations are available in the IT Advisory Committee Report.

The IT Committee discussed the possibility of centralizing the five major departments that have IT personnel. The Advisory Committee did not see a barrier in having five departments with IT staff. It was determined that it was better to leave the IT functions within each department, as the City is hiring a Chief Information Officer (CIO). When that person is hired, it is expected that the CIO will take a collective approach with the five departments. The CIO will have the power of the purse, which will necessitate collaboration between the departments and the CIO. The decision not to centralize the IT functions at this time does not preclude changes to the organizational structure in the future.

The city's current fiber network is impeding the ability to upgrade software, speed up network connections, network capacity, provide voice over IP phone technology, and connect all city buildings to the fiber network. A new fiber network would enable the City to take advantage of efficiencies like those associated with voice over IP technology for phones and allowing the City to use Cloud-like services. The cost of a new citywide fiber network has yet to be determined, but further information should be available by next year. It is critical that the City begin building the actual costs of the project into the capital improvement plan as soon as possible.

The new network will be implemented in phases over the next few years. The funding for the first phase of the project has been docketed. Most of the project will be contracted out but there may be opportunities to use the city's Fire and Wire employees to install portions of the fiber network. The new network will benefit city employees, students, and citizens.

The IT Advisory Committee is also recommending that the City appoint an Executive Review Board composed of department heads and executive staff to review and prioritize IT capital projects. This approach should keep the IT capital projects on a strategic, detached path. It was suggested that a member of the IT Advisory Committee be appointed to the Executive Review Board as an ex-officio member to provide advice and expertise.

The Committee asked if the Advisory Committee had investigated the possibility of partnerships with companies and/or institutions. The Advisory Committee did investigate but found there were not many opportunities in terms of partnerships. The City does take advantage of grant programs and institutions within the City have provided donations related to information technology.

The Finance Committee was pleased to see some progress on the city's information technology infrastructure, as it has been inferior for years. The Committee will have many opportunities to discuss the recommendations of the IT Advisory Committee, as funding for new information technology projects will come before the Committee. Therefore, Ald. Ciccone moved no action necessary on the item, which carried unanimously. The Finance Committee Chairman thanked the IT Advisory Committee members, especially the citizen members, for all the time and effort they had put in on behalf of the City.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#113-12 **HIS HONOR THE MAYOR** requesting authorization to appropriate the sum of three hundred thousand dollars (\$300,000) from bonded indebtedness for the purpose of funding Phase I (evaluation, hazardous material testing, code review, and schematic design) of the Carr School renovations. [04-09-12 @ 3:39 PM]

PUBLIC FACILITIES APPROVED 6-0 on 04/18/12

ACTION: **APPROVED 7-0 (Salvucci not voting)**

NOTE: The request for an appropriation of \$300,000 is to fund Phase I of the Carr School renovation. The funds will be used for the completion of the feasibility study including schematic design, testing, and code review at the Carr School. The City plans to use the Carr School as a swing school during elementary school renovation/replacement projects. The Angier Elementary School Project is expected to commence in the fall of 2012 and the Carr School needs to be renovated and ready to house the Angier students and administration by June 2014.

The cost of the complete project is expected to be in the \$8 to \$10 million range. The project is currently carrying a very large contingency, which will be pared down along with the overall estimate after the feasibility study, testing, and code review are completed. The requested \$300,000 is approximately 20% of the soft costs for the construction and should fully fund Phase I of the project. Committee members requested that a breakout of the soft costs and contingency be provided to the Board of Aldermen.

The City has advertised a Request for Qualifications (RFQ) and received two responses. The Administration has checked with the City's Law Department to determine if the City could proceed with the designer selection process with only two designers. The Law Department is of the opinion that the City can proceed. The Designer Selection Committee will begin interviewing the firms in the near future and if it is determined that neither firm is qualified, the City will re-advertise the RFQ.

There was concern that the estimate for the project seems to have fluctuated a great deal in the past few months. The project as it originally appeared in the Capital Improvement Plan in October 2011 was estimated to cost approximately \$5 million. Public Building Commissioner Stephanie Gilman explained that the original estimate did not include building envelope repairs such as the windows. It makes more sense to renovate the building completely instead of doing it piecemeal. The \$8 to \$10 million dollar estimate has not changed since the building envelope repairs were included in the project. The attached cost estimate breakout from the Real Property Reuse Committee meeting of March 27, 2012 show the same \$8-10 million estimate. The Chairman of Finance added that he would be asking that the Board Orders related to construction projects include a breakout of the budget for the project by line item.

Although the renovation of the Carr School does not qualify for any type of reimbursement from the Massachusetts School Building Authority, the window replacement at the school may qualify for funding through the Community Preservation Act. With that, Ald. Lappin moved approval, which carried unanimously.

#100-12 COMPTROLLER recommending a one-year extension of the financial audit contract to June 30, 2013, based upon the same terms as the existing four-year agreement. [04-03-12 @2:33 PM]

ACTION: **APPROVED 7-0 (Salvucci not voting)**

NOTE: Comptroller David Wilkinson explained that in 2008 the Board of Aldermen extended the financial audit contract with Sullivan, Rogers, and Company for five years. The contract should have run for five fiscal years but ended up as an extension for five calendar years. Therefore, the auditors' contract ends with the completion of the Fiscal Year 2012 audit.

The Comptroller and the Financial Audit Advisory Committee are recommending a one-year extension of the existing agreement. Sullivan, Rogers, and Company is willing to extend the contract at the current fee arrangement through the end of the Fiscal Year 2013 audit. By extending the audit contract, it will give the City's new Financial Audit Advisory Committee a year to familiarize themselves with the audit process before going through an audit procurement process.

Ald. Linsky moved approval, which carried unanimously.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#105-12 HIS HONOR THE MAYOR requesting authorization to appropriate the sum of one hundred seventy thousand dollars (\$170,000) from the stormwater reserve account for the purpose removing sediment from the three basins of the City Hall ponds. [04-09-12 @ 3:39 PM]

PUBLIC FACILITIES APPROVED 3-0-1 (Lappin abstaining) on 04/18/12

ACTION: **APPROVED 5-0-2 (Ciccone, Gentile abstaining, Salvucci not voting)**

NOTE: The above request is to use \$170,000 from the Stormwater Reserve Account to partially fund a project to remove sediment from the three ponds located at the front of City Hall. The total cost of the project is expected to be \$320,000 and the additional funds of \$150,000 will be set aside from the Fiscal Year 2012 stormwater operating budget.

The Public Facilities Committee approved the item but requested further information be provided to the Finance Committee including a summary of the Stormwater Reserve Account. The Stormwater Reserve Account balance is currently \$364,528. The \$170,000 designated to the sediment removal project will bring the reserves down to \$194,528, which is well within the City' reserves policy that states operating reserves should have a balance equal two months of expenditures, which would be \$125,000. The additional information requested by the Public Facilities Committee included a rough draft of a ten to fifteen year operations and maintenance plan for the ponds, cost of maintenance, and a cost breakdown of the project was provided to the Committee and is attached.

The project is included in the Fiscal Year 2013 Capital Improvement Plan and is a priority. If the sediment is not removed from the ponds, the stormwater capacity of the ponds will decrease. The ponds hold the stormwater from two culverts that drain into the ponds.

Sediment removal from the culverts will also be included in the project. If the project is not done in the near future, it could worsen flooding in the library parking lot and portions of Homer Street. In addition, it will improve the aesthetics of the ponds.

The largest cost of the sediment removal is the disposal of the sediment. After testing the sediment, it was determined that the sediment material contained contaminants and cannot be used for regular filler. However, the sediment is appropriate for covering at Department of Environmental Protection approved landfills.

The Department of Public Works has established a maintenance plan for the ponds going forward. The first pond, which is closest to the library, is designed to capture most of the sediment. However, since the ponds are not cleaned on a regular basis, sediment overflows into the other two ponds. With regular cleaning of the first pond, less sediment will make its way to the other ponds. Once the ponds are cleaned, the Department of Public Works plans to test the sediment depth in the first pond on a regular basis and perform in-house sediment removal in that pond every one or two years. A larger sediment removal program would take place every five to ten years. With a regular maintenance plan in place, future sediment removal and disposal should be approximately \$30,000.

There was some concern that the Department of Public Works had recently done a similar project and expended a similar amount of funds. Ald. Rice moved approval of the item, which carried five in favor and two abstentions. Ald. Ciccone and Gentile abstained for information on when the last sediment removal project took place. The Chairman asked Comptroller David Wilkinson to investigate. Subsequently, it was determined that the last sediment removal project involving the City Hall Ponds was in the mid-1990s. The City received a \$418,000 grant to remove sediment from the City Hall Ponds and Bullough's Pond.

The Committee adjourned at 10:15 p.m. 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

**IT Advisory Committee
Report**

Assessment and Recommendations

April 23, 2012



Agenda

- ◎ **Background**
- ◎ **Approach**
- ◎ **Findings**
- ◎ **Recommendations**

Background

- ◎ **Advisory Committee**
 - > Recommendations of CAG and Transition team
 - > Team formed April 2011; Final Report March 2012
 - > Compliment of Citizens and City Staff
- ◎ **Goals**
 - > Assess current viability of City IT
 - > Identify areas for reform and investment
- ◎ **Three sub-committees**
 - > Network, Applications, Procurement

Why Review Information Technology?

- ⊙ Critical backbone for government interface with constituents
- ⊙ Support city operations from work orders to finance to education
- ⊙ Permits the reinvention and efficiency in the way city staff work:
 - public access to information via the website
 - applications improving efficiency (e.g. city inspectors share files real time)
 - Emergency response more timely and accurate (e.g. Mobile Device Technology and GIS)

**Why Review Information Technology?
(cont)**

- ⊙ Workflow management across government branches
- ⊙ Facilitate data sharing across departments - common data common databases
- ⊙ Information and Communications now multi-modal any place, any time (e.g. email, land-line telephone, cellular devices, web-based).

Discovery

- ⊙ Reviewed structure of 5 departments
 - > City, Schools, Police, Fire, Library
- ⊙ Studied other cities and towns:
 - > Andover, Boston, Brookline, Cambridge
 - > Melrose, North Andover, Somerville
- ⊙ Governance- management of operations
- ⊙ Integrated Technology- merging hardware & software
- ⊙ Fiscal impacts- desired vs affordable

Committee Findings

- ⊙ Network infrastructure Inadequate
- ⊙ Governance structure could improve
- ⊙ IT investments inconsistent:
 - > Lagging at a growing rate
 - > Underinvested by industry standards

Committee Findings (cont)

- ⊙ Dated technology with mix of applications; uneven levels of vendor support
- ⊙ Risk of failure increasing
- ⊙ Staff doing much with few resources

Key Recommendations

1. Hire the City's first Chief Information Officer
2. Invest to complete City-wide fiber network
3. Produce 5-yr technology plan
4. Leverage Cloud/outsourcing options

Key Recommendations (cont)

4. Implement workflow & agenda management software
5. Centralize Approval of IT Investments
6. Establish standards
 - databases
 - applications
 - communications

Key Recommendations (cont)

7. Favor solutions that enable
 - mobility
 - virtualization
 - device independence
9. Set up Executive Review Board for capital investment needs
8. Continue IT Advisory Committee

Thank You

Carr Renovation Estimate

<u>CARR RENOVATIONS NEEDED</u>	<u>BUDGET ESTIMATE</u>
EXTERIOR:	
Roofs, Masonry, Windows / Doors, Ramp / Stairs / Railings	\$900K-\$1M
INTERIOR:	
Mechanical, Electrical, Plumbing	\$2.2M-\$2.5M
Interior Finishes	\$900K-\$1M
Accessibility	\$400K-\$500K
Sprinklers / Fire Alarm	\$600K-\$700K
Interior Subtotal:	\$4.1M-\$4.7M
SITE:	
Parking, Walks, Grounds, Lighting	\$100K-\$200K
OTHER PROJECT COSTS:	
Soft costs, Contingency	\$3M-\$4M
Total	\$8.1M-\$9.9M

Note: Scope and budget are based on building condition assessment and estimate completed by HMFH Architects, Inc. as part of the Newton Public Schools Facility Study.

City of Newton



DEPARTMENT OF PUBLIC WORKS

OFFICE OF THE COMMISSIONER
1000 Commonwealth Avenue
Newton Centre, MA 02459-1449Setti D. Warren
Mayor

April 19, 2012

To: Alderman Len Gentile, Chair, Finance Committee

From: David Turocy, Commissioner of Public Works

Re: Docket No. 105-12
Sediment Removal and Maintenance of City Hall Ponds
Estimate of Probable Construction Cost, and Future Maintenance Costs

Public Facilities Committee approved this request for funding of sediment removal in City Hall Ponds at their meeting of 4/18/12. However, they requested follow-up information regarding the construction cost estimates, as well as future maintenance costs of the sediment removal and maintenance of City Hall Ponds, be provided as part of the Finance Committee's review.

Public Works estimates the total construction cost to be \$320,000; \$170,000 to come from this transfer request and \$150,000 is currently in the FY12 budget. A detailed estimate of costs is attached.

Once the project is completed, Public Works will monitor the future sediment build-up on an annual basis, using in-house personnel. This three pond system is designed to initially capture all sediment in the first pond (the southerly pond). Proper maintenance and cleaning of this first detention basin will reduce the sediment spillage to the other ponds and reduce future maintenance costs. Our initial projections are to use our vactor truck or other suitable means to clean this pond on an annual or two year schedule. This would be followed by a larger sediment removal process every 5 to 10 years. We estimate the cost of this future sediment removal and disposal to be on the order of approximately \$30,000.

Public Works also anticipates a reduced amount of future sediment to be deposited in the ponds, as compared to previous years, due to a reduction in the amount of sand used for snow and ice removal operations throughout the City, and due to tighter erosion controls methods now required at construction sites city wide.

The consequences of not maintaining the City Hall Ponds could include exacerbated flooding in the immediate vicinity, increased sediment loading downstream and the allowance for the proliferation of invasive plant species. This project is anticipated to mitigate localized flooding at the library parking lot during severe storm events. Accordingly, the maintenance of City Hall Ponds is a priority initiative for the Department of Public Works.

cc: F. Russell, Director of Utilities
L. Taverna, City Engineer
M. Rose, Environmental Engineer

City Hall Ponds
Docket Item 105-12

City Engineers Estimate of Probable Cost

4/19/2012

No.	Items	Quantity	Unit	Unit Cost	Total Cost
02020-1	Mobilization	1	LS	\$10,000.00	\$10,000
02050-1	Sediment Control Tubes	260	LF	\$12.00	\$3,120
02050-2	Silt Fence	400	LF	\$6.00	\$2,400
02050-3	Geotextile	3600	SF	\$2.00	\$7,200
02050-4	Catch Basin Inlet Protection	3	EA	\$200.00	\$600
02050-5	Erosion Control	1	LS	\$6,000.00	\$6,000
02080-1	Construction Access	1	LS	\$5,000.00	\$5,000
02080-2	Temp Pedestrian Safety Fence	1775	LF	\$6.00	\$10,650
02080-3	Uniformed Traffic Officer	0	Allowance	N/A	\$5,000
02090-1	Control & Diversion of Water	1	LS	\$20,000.00	\$20,000
02210-1	Sediment Excavation	3800	CY	\$25.00	\$95,000
02260-1	Disposal of Excavated Sediment	1	LS	\$150,000.00	\$150,000
02900-1	Restoration of Disturbed Areas	1	LS	\$5,000.00	\$5,000
				Eng. Estimate	\$319,970
					\$320,000

CITY OF NEWTON
IN BOARD OF ALDERMEN

, 2012

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman Leonard J. Gentile, the following item be and is hereby voted NO ACTION NECESSARY:

#89-12 HIS HONOR THE MAYOR submitting the final report from the IT Advisory Committee for presentation to the Board of Aldermen. [03/26/12 @ 4:37 PM]

Under Suspension of Rules
Readings Waived and Item Voted NO ACTION NECESSARY

(SGD) DAVID A. OLSON, City Clerk

CITY OF NEWTON
IN BOARD OF ALDERMEN

, 2012

ORDERED:

That for the purpose of paying for evaluation, hazardous material testing, code review and schematic design associated with the renovation of the Carr Elementary School 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(21) of the General Laws, as amended and supplemented, or pursuant to any other enabling authority, the sum of three hundred thousand dollars (\$300,000).

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTID. WARREN
Mayor

Date _____

CITY OF NEWTON
IN BOARD OF ALDERMEN

2012

ORDERED:

That in accordance with the recommendation of the Finance Committee through its Chairman, Leonard J. Gentile, a one-year extension of the financial audit contract with Sullivan, Rogers, and Company, LLC to June 30, 2013, based upon the same terms as the existing four-year agreement 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 BOARD OF ALDERMEN

, 2012

ORDERED:

That, in accordance with the recommendation of the Public Facilities Committee through its Chairman Anthony J. Salvucci and the Finance Committee through its Chairman Leonard J. Gentile, the sum of one hundred seventy thousand dollars (\$170,000) be and is hereby appropriated from the Stormwater Reserve Account to be expended under the direction of the Commissioner of Public Works for the purpose of removing sediment from the three basins of the City Hall Ponds.

FROM:	Stormwater Surplus (26-3497).....	\$170,000
TO:	Stormwater Fund Capital Improvements (26B4018A-586004).....	\$170,000

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____