

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, SEPTEMBER 24, 2012

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

Absent: Ald. Rice and Blazar

City officials present: Ouida Young (Associate City Solicitor), Julie Ross (Assistant City Solicitor), Nicholas Read (Chief Procurement Officer), Candace Havens (Director of Planning and Development), Maureen Lemieux (Chief Financial Officer), and David Wilkinson (Comptroller)

#279-12 HIS HONOR THE MAYOR appointing Nicholas Read Chief Procurement Officer, effective September 10, 2012, pursuant to §3-3 of the City Charter. (30 days 10/23/12). [09-10-12 @ 6:55 PM]

ACTION: **APPROVED 6-0**

NOTE: Chief Financial Officer Maureen Lemieux introduced the newly appointed Chief Procurement Officer Nicholas Read. Mr. Read brings a great skill set to the position. He is an attorney and comes to the City from the State Inspector General's Office. Mr. Read assisted the Inspector General in legal matters related to procurement particularly construction and designer selection laws, the Uniform Procurement Act and municipal finance laws. Mr. Read has also had the opportunity to teach a number of continuing education courses to city and town officials, as part of training offered by the Inspector General's Office. Before working at the Inspector General's Office, Mr. Read managed trusts and provided counsel for a number of financial institutions, as reflected in the resume that was attached to the agenda.

Mr. Read does not have experience as a Chief Procurement Officer but has all the necessary skills and is looking forward to the challenge of learning the ins and outs of his new position. Ald. Linsky moved approval, which carried unanimously.

#103-12(2) HIS HONOR THE MAYOR requesting authorization to transfer the sum of seventy-five thousand dollars (\$75,000) from Forestry Services Full Time Salaries to Forestry Services – Forestry Services – Forestry/Tree Services. [08/23/12 @ 4:34 PM]

ACTION: **APPROVAL AS AMENDED RECOMMENDED @ 40K 3-0 (Ciccone, Lappin, Linsky not voting)**

NOTE: The above item was recommitted to the Finance Committee on September 19, 2012 at the request of the Executive Office. Since the item was first discussed and approved by the Committee, the City has received verbal acceptance of job offers from two candidates for the tree crew positions. The two candidates are expected to start with the Parks and Recreation Department in the next two weeks. Therefore, the Executive Office is requesting that the item be

amended by reducing the requested \$75,000 to \$40,000. The two new candidates will be starting earlier than anticipated necessitating a need for additional money in the Forestry Services full-time salaries account.

The \$40,000 will be used to hire an outside contractor to provide a 2-person crew with equipment for tree removal at a cost of \$220 per hour. The contracted crew and the City's crew should be able to remove over half of the backlog of over 400 trees tagged for removal. Commissioner DeRubeis feels that it will be beneficial for the City's crew to work with the contractor for a few weeks.

The Committee asked if the issues with the Union regarding the salaries for the new tree crew had been resolved. Ms. Lemieux explained that an "on call stipend" of \$350 for one week of on call service had been negotiated. Each week one person on the three-person tree crew will be on call and required to respond to any tree emergencies. The crew will rotate the on call shifts. Ald. Fuller moved approval of the item, which carried unanimously.

#127-12 HIS HONOR THE MAYOR requesting authorization to appropriate the sum of twenty thousand dollars (\$20,000) from the Newton Marriott Norumbega Park Maintenance Account for the purpose of improvements at Norumbega Park per Condition #26 of Special Permit #385-08, approved on February 17, 2009, for the Newton Marriott. [04/30/12 @5:09 PM]

ACTION: **APPROVED 6-0**

NOTE: The Committee held the above item on May 14, 2012, for further details on the improvements to Norumbega Park. Director of Planning and Development Committee joined the Committee and explained that the Conservation Commission has identified the following four areas of improvement:

1. Trail improvements to the paths that lead from the Marriott to Norumbega Park
2. Shoring up the riverbank on the north side of the park
3. Installing signs or a memorial marker to highlight the historic use of the area as an amusement park
4. Repair to the kiosk near Woodbine Road.

The Conservation Commission submitted a letter to the Chair of the Finance Committee that provides additional detail on the project, which is attached. The Mayor, the Planning and Development Department and the Conservation Planner have reviewed the proposed improvements and are in support of the proposals.

There was concern that the \$20,000 would not be enough to complete all the proposed improvements. The path improvements and the shoring of the riverbank are expected to be Eagle Scout projects, which should result in substantial savings. The Conservation Commission expects to meet with interested citizens and neighbors of the park to determine appropriate signage or markers for the historic amusement park and Totem Pole Ballroom. The Committee suggested that the Conservation Commission or Planning Department pursue moving a

Norumbega Park exhibit from the Newton History Museum to either the Auburndale Library or the Marriott Hotel. With that, Ald. Fuller moved approval, which carried unanimously.

#205-12 HIS HONOR THE MAYOR requesting an amendment to the F.A. Day Middle School Construction Project Appropriation Schedule included in Board Order #115-12 approved June 18, 2012 by reducing the amount of thirty-five thousand three hundred thirty-four dollars (\$35,334) from the appropriation for “General Contractor” and adding that sum to the “Undistributed Project Budget.”
[07/02/12 @ 5:03 PM]

ACTION: **APPROVED AS AMENDED 3-0-3 (Fuller, Lappin, Linsky abstaining)**

NOTE: The Mayor is requesting amendments to the F. A. Day Middle School Board Order appropriation schedule. Chief Financial Officer Maureen Lemieux provided the attached revised budget appropriation schedule that includes the proposed adjustments to three line items. The accepted bid came in \$35,334 under the projected budget. However, the overall project budget will remain the same at \$7,538,396.19. The line items need to be reconfigured to reflect the contractor’s actual breakout of costs per line item and a reallocation of the \$35,334 to contingency. The sprinkler system and related work came in \$803,453 under the original line item of \$1,168,840; however, the general contractor’s price came in \$768,119 above the estimate \$4,446,696 line item for the general contractor. As a result, those line items need to be adjusted to reflect the changes in costs in those line items. Once those adjustments are made, there will be \$35,334 remaining that should be added to the Undistributed Project Budget line item.

There was concern among some Committee members that the City had overestimated the sprinkler work by over \$800,000 and underestimated the general contractors cost by over \$750,000. Ms. Lemieux could not provide the Committee with the reason for the figures that the estimator provided in the original bid. However, she will pursue an answer and provide it to the Committee. It may difficult to determine how the contractor costed out the sprinkler system, as it is not a file sub bid. The Committee also inquired about the line item for Building Improvements (not by GC) for \$80,000. Ms. Lemieux will contact the Public Buildings Department to determine exactly how the funding in that line item is to be used. Ald. Ciccone moved approval, which carried by a vote of three in favor, none opposed and three abstentions. Ald. Fuller, Lappin and Linsky abstained in order to review the information to be provided by Maureen Lemieux.

#56-07(5) HIS HONOR THE MAYOR requesting that Board Order #56-07(2) be amended by reducing the amount to be used from borrowing by fifty-three thousand four hundred forty-six dollars (\$53,446) and appropriating the fifty-three thousand four hundred forty-six dollars (\$53,446) from the Capital Stabilization Fund for the purpose of closing out the project. [09/12/12 @ 2:15 PM]

ACTION: **APPROVED 6-0**

NOTE: The purpose of this docket item is to request an amendment to the City’s financing plan for the Newton North High School Project in order to reduce interest costs associated with the project. The Massachusetts Building Authority (MSBA) is currently holding \$2,238,858 in construction grant retainage that would be released to the City when all final

invoices are paid and a possible project audit completed. The MSBA has audited the Newton North Project regularly, which may negate the need for a final audit. The State regulations require that any retainage not needed to fund project costs be used to subsidize the project debt service requirements over the term of the bonds issued for the project.

The Administration would like to propose to the State that instead of using the retainage to subsidize the debt service over twenty-seven years that the full amount of the retainage be used immediately to retire an equal amount of the \$11 million project loan from the MSBA that the City took out in 2011. By doing this the City will free up debt capacity and save over \$650,000 in interest costs over 27 years. In order to consider doing this, the Board of Aldermen needs to authorize the appropriation of \$53,446 from the Capital Stabilization Fund to be used to create an even conversion of the grant retainage to loan pre-payment.

The Administration expects to discuss the proposal with the State during the upcoming week. The Administration expects to know whether the State will accept the City proposal by the Board of Aldermen meeting on October 1, 2012. Ald. Ciccone moved approval, which carried unanimously.

#278-12 HIS HONOR THE MAYOR requesting adoption of Chapter 40, Section 21E of the Massachusetts General Laws authorizing municipalities to set interest rates for any overdue charges or bills. [09/10/12 @ 6:44 PM]

ACTION: **APPROVED AS AMENDED 6-0**

NOTE: The above docket item should be amended to request the creation of an ordinance based on Chapter 40 Section 21E of the Massachusetts General Laws. The law allows municipalities to establish due dates for the payment of municipal charges and bills and set interest rates for overdue charges and bills. The current interest rate allowed by the law is 14% per year.

If the City has the ability to collect interest on overdue charges or bills, it may help address the overdue bills for police details and fire watches. The utility companies currently owe the City approximately \$165,000 for police details. The City would inform all the utility companies and contractors that payment for details are due within 30 days or an interest charge will be incurred. The City is investigating the possibility of establishing a prepay program for smaller contractors and residents who require a police detail. It was suggested that the City might want to look at an incentive program for prepaying.

Committee members raised concern that it did not appear that the proposed ordinance was limited to interest charges for police and fire details and it would be possible for the Administration to charge interest on other charges and bills. Chief Financial Officer Maureen Lemieux stated that the Administration would work with the Board of Aldermen if there were other areas where interest would be charged. The Committee members were not comfortable approving an ordinance without language specifying that interest charges will only be added to overdue police and fire detail bills. It was pointed out that while this Administration would work with the Board of Aldermen that did not mean that future Administrations were obligated to extend the same courtesy.

Ald. Linsky moved approval of the item as amended to create an ordinance to establish due dates for the payment of municipal police and fire detail invoices and set interest rates for overdue invoices.

The Committee adjourned at 8:35 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

CITY OF NEWTON

IN BOARD OF ALDERMEN

2012

ORDERED:

That, in accordance with the recommendation of His Honor the Mayor, NICHOLAS READ is hereby appointed as CHIEF PROCUREMENT OFFICER for the City of Newton pursuant to Sec. 3-3(a) of the City Charter.

Under Suspension of the Rules
Readings Waived and Approved

(SGD DAVID A. OLSON, City Clerk

CITY OF NEWTON
IN BOARD OF ALDERMEN

2012

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman Alderman Leonard J. Gentile, the transfer of the sum of forty thousand dollars (\$40,000) from Forestry Services Full Time Salaries to Forestry –Services Forestry/Tree Services for the purpose of contracting for tree removal services is hereby approved as follows:

FROM:	Forestry Services – Full Time Salaries (01602011-511001).....\$40,000
TO:	Forestry Services – Forestry/Tree Services (01602011-5243).....\$40,000

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____

September 11, 2012

Alderman Lennard J. Gentile, Chair
Finance Committee
City of Newton Board of Aldermen
1000 Commonwealth Avenue
Newton, MA 02459

Dear Alderman Gentile,

The City of Newton has received from the Newton Marriott the sum of \$20,000 to be used, pursuant to the Board Order (copy attached), “ for public improvements in Norumbega Park, such as for a study and/or implementation of pathways to access the shoreline or other features that enhance its use as a public conservation area...” The Order provides that the funds shall be contributed to the Newton Conservation Commission: “The petitioner will provide funds towards the installation of a pedestrian-activated crossing signal in front of the subject property in order to improve pedestrian access across Commonwealth Avenue; but if the City determines that the signal should not be installed, then a portion of said funds will be contributed to the Newton Conservation Commission to be used to improve recreation opportunities at Norumbega Park.” As discussed below, we have developed a plan for the use of the money at Norumbega Park and are open to further input from the committee and others in Newton. We understand this matter is on the agenda for the September 24, 2012 meeting and we will attend to discuss.

In order to develop an appropriate plan, two members of the Commission, Norm Richardson and Jane Sender, along with our associate Commissioner Nathan Robbins walked from the Newton Marriott to Norumbega Conservation Area on Friday, August 2 and discussed project options that could enhance either the conservation value and/or recreational enjoyment of the park as well as ideas concerning preservation of some of the rich archeological features of this historic site. A number of potential needs were identified and some consideration given on how to maximize the value to the park of the generous donation. The Commission has adopted this proposal including a preliminary budget range for each component, which is as follows:

(1) There are many trails, some well defined and some not so well defined which lead from the Marriott to Norumbega, some of which access the shoreline and some that simply link the Marriott property to the park. Some of the paths can be seen here: <http://www.newtonconservators.org/map1norumbega.htm>. Before any work is initiated, we recommend that a proposal be drafted, with consultation with Marriott managers and park users as appropriate, about which paths should be improved. The Conservation Commission is willing to prepare a proposal for consideration by the Land Use Committee. If it is decided to go forward with one or more trail improvement project(s), the Commission suggests, depending on the nature of the necessary improvements and project scale, that some might be of interest to local Boy Scout troops as potential

Eagle Scout Community Service projects. As the Committee is aware, the Commission has worked with the local scouting organization for decades and has provided oversight on many similar projects that have been successfully completed. If a particular trail improvement project was determined to require professional services, the Commission would work with the Planning Department to scope and then solicit and review bids for such work. Depending on the number of trails, the project scope and the suitability as scout projects this category could range from \$2,000 - \$10,000.

(2) Part of the bank down to the river on the north side of the park, closest to the property at 166 Islington Road, is severely eroded by overuse posing a public safety hazard as well as creating an environmentally degraded section of the bank. We propose that this might be suitable as another Eagle Scout project that would include the shoring up of the bank and planting of low-bush blueberry, to stabilize the soil. Although heavily shaded, we observed blueberry bushes growing well on the part of the bank which is not used. Now the bare soil washes into the river during rain events. Without attention, this bank will continue to erode continuing to impact water quality in the Charles River and threatening the loss some of the mature canopy evergreens. Norm Richardson has agreed to be the liaison to the Eagle Scouts for these two projects and would work with Anne Phelps, the Senior Environmental Planner, to coordinate the planning and implementation phases of these projects. Approximately \$1,500 - 2,500 would be required for purchase of the plants

(3) There should be some discussion about a memorial marker for the historic Norumbega Park and Totem Pole Ballroom. Many Newtonites still remember this site fondly and it is our belief many would welcome a marker preserving the historic nature of this site. Some of the \$20,000 could be used for this. In addition, to the purchase and installation of a memorial marker, other ideas including removing vegetation that have obscured historically significant stone walls and improving the visibility and general awareness of historical lighting features). The funding towards such improvements could be scaled to the budget remaining after other projects have been implemented ranging from \$5,000 - \$10,000.

(4) The Kiosk closest to Woodbine Road is in serious need of repair. Approximately \$500 - \$1,000 could be set aside for this.

As stated above, we look forward to discussing this at the September 24 meeting.

Sincerely yours,

Newton Conservation Commission

By:

Norm Richardson

Jane Sender

Nathan Robbins

Cc Candace Havens, Director of Planning

CITY OF NEWTON
IN BOARD OF ALDERMEN

2012

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman, Alderman Leonard J. Gentile, the sum of twenty thousand dollars (\$20,000) to be appropriated from the Receipts Reserved – Special Permit #385-08 Account be and is hereby appropriated, granted, and expenditure authorized for the purpose of improving Norumbega Park be and is hereby approved as follows:

FROM:	Receipts Reserved –Sp Permit #385-08 (14K101W-5901).....\$20,000
TO:	Norumbega Park Improvements (0111401-513001).....\$20,000

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 Finance Committee through its Chairman Leonard J. Gentile, the amendments to the F.A. Day Middle School Construction Project Board Order (#115-12) as described in the attached amended F.A. Day Addition & Renovation Project Budget, are hereby approved.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____

REVISED FA DAY ADDITION & RENOVATION PROJECT BUDGET

9/24/2012

revised 10:20 am

#205-12

ACCOUNT NUMBER	CATEGORIES OF THE BUDGET	REVISED BUDGET 09/24/2012
310115B923		
5301	CONSULTANTS	\$ 59,959.00
530202	ARCHITECTURAL SERVICES	\$ 750,000.19
530205	CONSTRUCTION CLERK OF THE WORKS	\$ 125,000.00
530219	BUILDING SYSTEM COMMISSIONING	\$ 15,000.00
5825	GENERAL CONTRACTOR	\$ 5,215,088.00
582501	SPRINKLER & RELATED WORK	\$ 884,950.00
5793	CONSTRUCTION ISSUE CONTINGENCY	\$ 100,000.00
5795	UNDISTRIBUTED PROJECT BUDGET	\$ 253,399.00
52407	BUILDING IMPROVEMENTS (NOT BY GC)	\$ 80,000.00
58520	TELEPHONE COMMUNICATIONS EQUIPMENT - PA SYSTEM	\$ 25,000.00
585FFE	FURNISHINGS, FIXTURES & EQUIPMENT	\$ 30,000.00
	TOTAL PROJECT EXPENDITURE BUDGET	\$ 7,538,396.19

Budget line item total has been changed to reflect revised contract split values

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 sum of fifty-three thousand four hundred forty-six dollars and thirty-one cents (\$53,446.31) to be appropriated from the Capital Stabilization Fund Account, be and is hereby transferred to the Newton North High School Improvement Fund to be used as alternative funding for the MSBA grant reimbursement funds which are to be used in full to retire outstanding MSBA loans.

FROM:	Capital Stabilization Fund 39B104-5930.....	\$53,446.31
TO:	High School Improvement Fund (NNHS) Transfer from Other Funds 32A115F9-49703039	\$53,446.31

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

ORDINANCE NO. A-

BE IT ORDAINED BY THE BOARD OF ALDERMEN
OF THE CITY OF NEWTON AS FOLLOWS:

That the Revised Ordinances of Newton, Massachusetts, 2012, as amended, relative to **Chapter 17 LICENSING AND PERMITS GENERALLY**, are hereby further amended as follows:

By adding a new section 17-15 as follows:

Section 17-15, Overdue Police and Fire Detail Invoices

Pursuant to General Laws, chapter 40, section 21E, the City may establish due dates for the payment of municipal police and fire detail charges and bills, and may fix a rate at which interest shall accrue if such charges remain unpaid after such due dates; provided, however, that the rate of interest shall not exceed the rate of interest which may be charged on tax bills under the provisions of section fifty-seven of chapter fifty-nine of the Massachusetts General Laws.

Approved as to legal form and character:

DONNALYN B. LYNCH KAHN
City Solicitor

Under Suspension of Rules
Readings Waived and Adopted

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor