

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, MARCH 14, 2011

Finance Members Present: Ald. Gentile (Chairman), Ciccone, Linsky, Salvucci, Rice, Danberg, and Freedman

Also present: Ald. Shapiro

City officials present: Maureen Lemieux (Chief Financial Officer), David Wilkinson (Comptroller), Nancy Grissom (Chair of the Committee on Community Preservation), Alice Ingerson (Community Preservation Planner), Brian Lever (Senior Preservation Planner), Matthew Cummings (Chief of Police) Robert Rooney (Chief Operating Officer), Marie Lawlor (Assistant City Solicitor), David Turocy (Acting Commissioner of Public Works)

REFERRED TO COMMITTEE ON COMMUNITY PRESERVATION AND FINANCE

#365-10(2) COMMITTEE ON COMMUNITY PRESERVATION recommending that the sum of \$98,780 be appropriated from the fiscal 2011 historic reserve of the Community Preservation Fund to the control of the Commissioner of Public Buildings, to assess and prioritize the preservation needs of the most historically significant City buildings, as detailed in the Committee's funding recommendation to the Board of Aldermen. This study will be a component of the Comprehensive Citywide Capital Assessment docketed as #365-10. [02-18-11 @ 1:06PM]

ACTION: **COMMITTEE ON COMMUNITY PRES. APPROVED 6-0**
FINANCE APPROVED 8-0

NOTE: The Committee met jointly with the Committee on Community Preservation on the item. Please refer to the report for the joint meeting for the notes on the item.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#365-10 HIS HONOR THE MAYOR requesting authorization to appropriate and expend the sum of three hundred ninety-five thousand dollars (\$395,000) from the FY 2011 Overlay Surplus Reserve Account for the purpose of funding a Comprehensive Citywide Capital Assessment. [11/29/10 @ 3:23 PM]

ACTION: **PUBLIC FACILITIES APPROVED 5-0-1 (Gentile abstaining) on 12/08/10**
APPROVED 7-0-1 (Linsky abstaining)

NOTE: The Committee discussed the item in conjunction with Docket Item #365-10(2). Please refer to the Committee on Community Preservation and Finance Committee Report dated Monday, March 14, 2011 for further information on the item. Ald. Rice moved approval of the item, which carried by a vote of seven in favor and one abstention. Ald. Linsky abstained, as he would like to be sure that language concerning the database inclusion into the deliverables portion of the RFQ is added as noted in the joint report before taking an action on the item.

REFERRED TO CMTE ON COMMUNITY PRES & FINANCE COMMITTEES

- #32-11 **COMMUNITY PRESERVATION COMMITTEE** recommending that \$37,500 be appropriated from the fiscal 2011 historic resources reserve of the Community Preservation Fund to create or update under the direction and control of the Planning & Development Department the Massachusetts Historical Commission survey forms for the city's approximately 140 buildings constructed between 1830 and 1840. [01-11-11 @3:35 PM]
COMMITTEE ON COMMUNITY PRESERVATION APPROVED 6-0 on 03/01/11

ACTION: **APPROVED 8-0**

NOTE: A few months ago, the Planning and Development Department received a grant from the Massachusetts Historical Commission to document and update inventory forms on private and municipal buildings built prior to 1830. During that process, it was determined that many of the properties that were designated as being built in the early 1800's were actually built after 1830. The Community Preservation Act funds would allow the Planning Department to survey properties between 1830 and 1840. There are approximately 140 properties built in that decade. The surveys would provide the Planning and Development Department with a complete record of all buildings within the City built before 1840. The surveys would aid in the delay review process and updating the Assessor's Department records as well as assist the Community Preservation Committee to assess funding requests. The survey records would also be available to the public seeking information on specific properties. Ald. Danberg moved approval of the item, which carried unanimously.

REFERRED TO PS&T, PUB. FACIL. AND FINANCE COMMITTEES

- #310-10 **ALD. DANBERG, ALBRIGHT, BAKER, BLAZAR, CROSSLEY, FISCHMAN, FREEDMAN, HESS-MAHAN, JOHNSON, LINSKY, MERRILL, RICE AND SCHNIPPER** requesting that §26-8 and §20-21 of the City of Newton Rev. Ords., 2007, be amended to establish criteria and provisions for requiring removal of snow in all districts by property owners, occupants, and property managers to sidewalks abutting their property and to review and amend enforcement provisions including structure of fines, for snow removal violations. [10/25/10 @ 4:39 PM]
PUBLIC FACILITIES APPROVAL AS AMENDED FAILED TO CARRY 3-3 (Gentile, Lappin, Lennon opposed) on 01/19/11
PS&T APPROVAL AS AMENDED FAILED TO CARRY 2-3-1 (Ciccione, Shapiro, Swiston opposed; Harney abstaining) on 01/19/11
ACTION: **APPROVED AS AMENDED 5-3 (Ciccione, Gentile, Salvucci opposed)**

NOTE: The Public Safety and Transportation Committee and the Public Facilities Committee met jointly to discuss the item on November 17, 2010, December 8, 2010, and January 19, 2011. The reports on those discussions are available on the Board of Aldermen website under the Public Facilities Committee link. The item was moved in both Committees as amended to include language to exempt residents with a financial and physical hardship from compliance with the ordinance. The attached draft language incorporates the amendment.

Assistant City Solicitor Marie Lawlor reviewed Massachusetts General Law regarding whether the City could assess residents or charge a fee for the cost of snow and ice removal from

the sidewalks. At the request of the Chairman, Ms. Lawlor submitted a confidential memorandum summarizing Massachusetts laws that apply to charging fees and assessing property owners for snow removal. The City cannot charge a fee for snow removal from sidewalks. However, under Massachusetts law the City can require property owners to remove snow and ice from sidewalks abutting at their expense. In order for the City to assess costs to abutting property owners, it would need to accept Massachusetts General Law Chapter 85, Section 6. There was some question as to whether the City had the authority to accept the law, as it only provides for towns and not cities. The Law Department consulted with the Department of Revenue and the Department of Revenue responded that it is their opinion that the City has the authority to adopt the law.

Chief Operating Officer Robert Rooney stated that he has seen the desire and preference of residents to keep Newton a walkable City increase each year. Walking has become more prevalent throughout the year. The Mayor will support the proposed ordinance in any way that he can. The proposed ordinance would require residents to clear a 36" path or the width of the sidewalk for any sidewalk narrower than 36 inches. The ordinance is a two-year trial that would take effect on November 1, 2011 and stay in place until November 1, 2013. The proposed ordinance does not contain any punitive fines, as it is not the intent to fine people but make Newton walkable in the winter.

The ordinance would not result in any impact bargaining with the parking control officers, as they will not be needed for enforcement of the ordinance. The Administration plans to send letters to residents who neglect to shovel encouraging them to clear their sidewalks. There will be no cost for enforcement except the cost of the letters. Ald. Danberg added that residents could use the new 311 system to report an impassable sidewalk.

Ald. Shapiro suggested that the City extend its indemnification for slip and falls to residents. Ms. Lawlor responded that the City could not do that without getting Home Rule Legislation.

The Committee reviewed the cost of shoveling the 20 extra miles of sidewalk that the City agreed to clear this winter. Commissioner of Public Works David Turocy stated that the additional cost was approximately \$100,000. Committee members inquired what the cost would be for the City to clear all sidewalks. Mr. Turocy responded that it is difficult to estimate but he believed that the cost including wages, benefits, and equipment would be approximately \$3 million. The City could not do the clearing in-house but would have to contract out. Unfortunately, in City cannot afford to clear all of the sidewalks at this time.

Ald. Fuller moved approval, which carried by a vote of five in favor and three opposed.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#264-10 **ALD. CROSSLEY, SCHNIPPER & FULLER** requesting a discussion of the status of new water meter installations, and to consider payment mechanisms to help customers if they receive an extraordinary, one-time, water bill from an accurate accounting of past usage over an extended period of time. [09/16/10 @11:59 am]

PUBLIC FACILITIES VOTED NO ACTION NECESSARY 8-0 on 09/22/10

ACTION: NO ACTION NECESSARY 8-0

NOTE: The Public Facilities Committee discussed the item on September 22, 2010 and voted the item no action necessary after receiving an update on the water meter installations. The Public Facilities Committee felt that the portion of the docket item related to creating a mechanism to help property owners deal with extraordinary water bills should be discussed by the Finance Committee. Since the Public Facilities Committee discussed the item, the Executive Office implemented a payment program for water and sewer charges. The attached application provides details on how the payment program is administered. There are approximately 50 residents taking advantage of the program. It allows property owner a year to pay off water and/or sewer charges.

The contractor has replaced 90% of the commercial meters and approximately 40% of the residential meters. There is still an issue with the transmission of data from the meters to the City. The City is only capturing data from 75% of the installed residential meters. The contractor is installing repeaters to capture data from all of the water meters. It is expected that the meter replacements will be complete in December 2011.

Ald. Fuller moved no action necessary as the update on installations was provided and a payment mechanism established. The motion carried unanimously.

Chairman's Note: The Committee reviewed the attached e-mail related to the February sewer revenues. The revenues for February are \$400,000 less than what was forecast. The year-to-date revenues are \$15.6 million against a budget estimate of \$25.1 million. The City has had an increase in the number of abatements it has given this year. The abatements are a problem as the City is abating just over 9% of everything billed, which has resulted in \$440,000 in collected revenue being refunded. It is hoped that once the new meters are installed and fully operational, the number of abatements will decrease.

The impact of the revenue shortfall is likely to be on the City's Free Cash, as there is no sewer fund surplus. It is likely that the Free Cash would be reduced by approximately \$2,000,000. In order to reduce the impact the on Free Cash to \$800,000, the City would need to turn back sewer fund salary, fringe benefits, and debt services and forego \$600,000 in sewer capital projects.

Committee members were concerned that capital projects would not be done, as the City desperately needs curtail its inflow and infiltration. Inflow and infiltration effects the City's payment to the MWRA. Unfortunately, there are no alternatives in the short term but the City will need to look at its water and sewer rate structure.

The Committee will have a further discussion regarding the sewer revenue during the budget discussions.

The meeting adjourned at 8:50 p.m. and all other items before the Committee were held without discussion. Draft Board Orders for the above items are attached.

Respectfully submitted,

Leonard J. Gentile, Chairman

CITY OF NEWTON
IN BOARD OF ALDERMEN

2011

ORDERED:

That, in accordance with the recommendation of the Public Facilities Committee through its Chairman Sydra Schnipper and the Finance Committee through its Chairman Alderman Leonard J. Gentile, the sum of three hundred ninety-five thousand dollars (\$395,000) be and is hereby appropriated from the Overlay Surplus to be expended under the direction of the Commissioner of Public Buildings for the purpose of funding the Comprehensive Citywide Capital Assessment:

FROM:	Overlay Surplus (01-3497).....	\$395,000
TO:	Capital Asset Assessment (C115037-5301).....	\$395,000

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

2011

ORDERED:

That, in accordance with the recommendations of the Community Preservation Committee through its Chairman Nancy Grissom; the Committee on Community Preservation through its Chairman Alderman Susan Albright; and, the Finance Committee through its Chairman Alderman Leonard J. Gentile, the sum of thirty-seven thousand five hundred dollars (\$37,500) be appropriated from the Community Preservation Fund's fiscal 2011 historic reserve and expended under the direction and control of the Director of Planning and Development, for a survey of Newton's remaining buildings from the early industrial period, 1830-1840.

FROM:	CPA Historic Reserve (21R10498-5790B)\$98,780
TO:	(21B11518-5301).....\$98,780

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____

Docket Item #310-10

March 10, 2011 proposed draft language:

1. Insert a new section **26-8D** as follows:

Sec. 26-8D Trial program for removal of snow and ice from sidewalks.

In order to allow for safe pedestrian and wheelchair passage, every owner or occupant of a building or lot of land abutting upon a paved sidewalk or any person having charge of such property shall cause snow to be removed from the sidewalk and handicap access ramps, and ice on the sidewalk and handicap access ramps to be removed, sanded or salted to allow for a passageway of at least thirty-six (36) inches in width, provided that where such sidewalk is less than thirty-six (36) inches in width, the passageway shall encompass its entire width and handicap access ramps. Snow shall be removed and ice shall be removed, sanded or salted within thirty (30) hours after such snow has ceased to fall or such ice has formed. This section shall apply to snow and ice which falls from buildings, other structures, trees or bushes, as well as to that which falls from clouds. This section shall not apply to owners or occupants of a building or lot covered by Section 26-8. The Mayor or his designee is authorized to coordinate volunteer snow-clearing assistance or to grant an exemption, renewable annually, for citizens who upon written petition demonstrate hardship due to a combination of health and financial duress. The provisions of this section shall take effect on November 1, 2011 and shall expire on November 1, 2013 unless terminated earlier or renewed or modified by the board of aldermen. During this trial period, warnings may be issued for violations of any provision of this section.

DATE: _____
CUSTOMER(S): _____
PROPERTY ADDRESS: _____
ACCOUNT NO.: _____
AMOUNT DUE: _____ Bill # _____ Issued _____

WHEREAS, the Customer acknowledges that water and sewer charges in the amount stated above are owed to the City of Newton; and
WHEREAS, the Customer intends to pay said amount in total but wishes to make installment payments; and
WHEREAS, the City of Newton is willing to accept payment of the total amount due in installments;

NOW THEREFORE, the Customer and the City of Newton, through its Commissioner of Public Works, hereby agree as follows:

- 1. Customer shall make _____ payments of \$ _____ on or before the _____ day of each month commencing on _____ and a final payment of \$ _____. Checks shall be made payable to the City of Newton. Monthly payments shall be apportioned as follows: Water: \$ _____. Sewer: \$ _____. Stormwater: \$ _____.
- 2. Payments under this Agreement shall be made only as follows:
 - a) in person at the Water and Sewer Division Office at City Hall, or
 - b) by mail or delivery to the following address (check or money order only):

City of Newton
Water and Sewer Department
Water and Sewer Payment Plan
Newton City Hall, Room 105
1000 Commonwealth Ave.
Newton Centre, MA 02459
Attention: Karen Griffey

PAYMENTS UNDER THIS AGREEMENT SHALL NOT BE MADE AT THE TREASURER-COLLECTOR'S WINDOW AT CITY HALL OR MAILED TO THE TREASURER-COLLECTOR.

- 3. No interest shall accrue on the amount due from the date of this Agreement provided that the Customer makes payment in accordance with this Agreement.
- 4. In the event that the Customer fails to make payments in accordance with this Agreement, the City shall be entitled to exercise all legal remedies available to it including the assessment of interest on the unpaid amount from the original due date.
- 5. Additional or early payments by the Customer are permitted.
- 6. Acceptance by the City of Newton of payments in amounts less than that required hereunder shall not constitute a waiver of the City's rights or a modification of the payment terms stated in this Agreement.
- 7. This Agreement addresses only the amount due hereunder. Payments of bills for water and sewer charges not included in the amount to be paid under this Agreement are expected to be made when due.
- 8. Please be advised that if the property location is sold during the term of this agreement, the balance due will revert back to the water/sewer account and will be recorded on your interim statement and/or MLC.

IN WITNESS WHEREOF the parties hereto have executed this Agreement this _____ day of _____, 20____.

CUSTOMER:

CITY OF NEWTON

(print name) and sign

David F. Turocy, P.E.
Commissioner of Public Works

(print name) and sign

(print name) and sign

From: "Wilkinson David, Comptroller City of Newton" <dwilkinson@newtonma.gov>
To: lgentile@newtonma.gov,
jfreedman@newtonma.gov,
acicconejr@newtonma.gov,
slinsky@newtonma.gov,
asalvucci@newtonma.gov,
jrice@newtonma.gov,
vdanberg@newtonma.gov,
rfuller@newtonma.gov
Date sent: Mon, 14 Mar 2011 10:43:55 -400
Subject: february sewer revenue
Copies to: ssullivan@newtonma.gov
Priority: normal

----- Forwarded message follows -----

From: Wilkinson David, Comptroller City of Newton
<dwilkinson@newtonma.gov>
Subject: february sewer revenue
Date sent: Fri, 11 Mar 2011 15:16:13 -400

Finance Committee members,

February sewer revenue of \$2.1 million came in about \$400,000 under what our model was forecasting. This is the first month this year that actual revenue has been less than the amount that the model predicted.

Total ytd revenue is now \$15.6 million against a budget estimate of \$25.1 million.

If collections are in line with the predictions of our model thru June 30, 2011, total revenues (including a \$2.9 million revenue accrual) should be \$25.9 million - \$800,000 in excess of the budget estimate. All things being equal, however, since there continues to be no sewer fund surplus, the revenue accrual will reduce the City's free cash position by \$2 million.

It looks to me like all but \$800,000 of the \$2 million free cash impact can be eliminated with sewer fund salary; fringe benefit; and debt service turnbacks, AND if approximately \$600,000 in capital appropriations are not spent or encumbered.

Abatements continue to be the major reason for the problems of the sewer fund. Thru the first eight months of the year, \$2 million or 9.1% of all billed water has been abated and \$440,000 in collected revenue has been refunded.

----- End of forwarded message -----David Wilkinson, Comptroller
City of Newton, Massachusetts
(617) 796-1305
dwilkinson@newtonma.gov