

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, JUNE 1, 2009

Present: Ald. Coletti (Chair), Lennon, Salvucci, Schnipper, Gentile and Parker

Absent: Ald. Freedman and Johnson

City Staff: Josh Morse (HVAC Technician of Public Buildings Department)

**REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES**

#131-09      HIS HONOR THE MAYOR requesting authorization to appropriate and expend from Budget Reserve the sum of eighty thousand dollars (\$80,000) for the purpose of upgrading the automatic temperature control system at the library.  
[04/28/2009 @ 6:04 PM]

*Note: A letter from His Honor the Mayor was received on 05/12/09 requesting that the funding source be changed from budget reserve to capital stabilization.*

**PUBLIC FACILITIES APPROVED 7-0 on 05-20-09**

**ACTION:      APPROVED 6-0**

**NOTE:**      Josh Morse, HVAC Technician of Public Buildings Department joined the Committee for discussion on this item.

Mr. Morse reviewed with Committee members backup information provided by Arthur Cabral, Public Buildings Department on the Main Library HVAC Systems Maintenance Costs from 1993 through 2013. This material included the existing HVAC systems, repairs, as well as anticipated future capital and maintenance costs through 2013.

Mr. Morse stated the automatic temperature control system at the library needs to be upgraded due to the failure of the variable frequency drives on the HVAC equipment. These units adjust the speed or frequency of the motors, which drive the air handlers and either cooling or heating the building. When these units do not work properly, they have to be placed in the bypass mode meaning they are operating at one hundred percent. When operating correctly, they operate as low as ten to fifteen percent, especially when the building temperature is where it needs to be.

Mr. Morse recommends the City replacing the variable speed drives and motors because when the variable speed drivers are started they increase slowly to one hundred percent, which reduce your peaks and your peak demands. Now, when the drivers are turned on they immediately go to one hundred percent making the demand higher. The motors were designed to operate slowly and to increase as needed, however they have been operating inefficiently at one hundred percent making the motors work harder. The City's engineers evaluated these motors and agree the motors should be replaced.

The City is seeing an increase on how much the City is consuming by how much higher the bills are which is based on the calculation of peak consumption hours. If the City were to replace only the variable frequency drives, it would cost approximately \$30,000, which would pay for themselves in approximately a month and a half. With the motors, it may take longer. Mr. Morse anticipates payback in a year to a year and a half. The estimated annual savings in electricity is approximately \$25,000 to \$30,000. There will be some additional significant savings in heating and cooling as well.

Ald. Salvuci made the motion to approve this item. Ald. Parker also moved the approval of changing the funding source from Budget Reserve to Capital Stabilization and approving an Emergency Preamble to allow the project to move forward as quickly as possible. Committee members voted in favor without hesitation.

#197-07(4) HIS HONOR THE MAYOR requesting that for the purpose of clearing the books for FY09 that board order #196-07(3) be amended by rescinding a balance of \$25 that remains authorized but unissued debt for bonds issued in April 2009 pursuant to board order #196-07(3). [05/12/09 @ 5:02 PM]

**ACTION:** **APPROVED 6-0**

**NOTE:** The Comptroller, David Wilkinson prepared a "First Call Report" for this item dated May 26, 2009. Attached to this report. The committee after reviewing said report along with submitted backup information voted without debate to approve this item.

#148-09 HIS HONOR THE MAYOR requesting authorization to appropriate and expend ninety thousand two hundred sixty dollars (\$90,260) from Capital Stabilization for the purpose of paying issuance costs related to the sale of bonds in March 2009. [05/12/09 @ 5:01 PM]

**ACTION:** **APPROVED 6-0**

**NOTE:** The Comptroller, David Wilkinson prepared a "First Call Report" for this item dated May 26, 2009. Attached to this report. The committee after reviewing said report along with submitted backup information voted without debate to approve this item.

#149-09 HONOR THE MAYOR requesting a transfer of twelve thousand dollars (\$12,000) from Unemployment in Human Resources to Legal Services and an additional four thousand dollars (\$4,000) from Unemployment to the Human Resources Consultants. These transfers will allow Human Resources to pay legal and consulting fees related to multiple pending arbitrations through FY09. [05-12-09 @ 5:02 PM]

*Note: A letter from His Honor the Mayor was received on 05/26/09 requesting to increase the transfer from Unemployment in Human Resources to legal and consulting in Human Resources from \$16,000 to \$25,000.*

**ACTION:** **HELD 6-0**

**NOTE:** The Comptroller, David Wilkinson prepared a “First Call Report” for this item dated May 26, 2009. Attached to this report.

Ald. Lennon expressed his concerns indicating he was made aware of some instances, especially in the Fire Department, that arbitration hearings were scheduled for long periods but eventually cancelled due to late settling of cases. He indicated the City in some instances has waited too long asking individuals to settle their case, the day before an arbitration hearing was to be held wanting to settle the case but do to the late notification, the City still had to pay for the arbitrator.

Ald. Coletti proposed to Committee members to hold this item pending additional material from Human Resources on the City’s arbitration cases. The Committee plans to discuss this item again on June 8, 2009.

#113-09        HIS HONOR THE MAYOR requesting to transfer seventy-five thousand (\$75,000) from Unemployment to the Municipal Worker’s Compensation Medical Account for the purpose of recent medical procedures that were more costly than anticipated. [04/14/09 @ 5:33 PM]

**ACTION:**    **APPROVED 6-0**

**NOTE:**        The Comptroller, David Wilkinson prepared a “First Call Report” for this item dated May 26, 2009. Attached to this report. The committee after reviewing said report along with submitted backup information voted without debate to approve this item.

#129-09        THE COMMUNITY PRESERVATION COMMITTEE requesting to transfer two thousand six hundred dollars (\$2,600) within the Community Preservation Program’s current-year (FY09) administrative budget from personnel to “other costs”. [04/24/09 @ 3:57 PM]

**ACTION:**    **APPROVED 6-0**

**NOTE:**        The Comptroller, David Wilkinson prepared a “First Call Report” for this item dated May 26, 2009. Attached to this report. The committee after reviewing said report along with submitted backup information voted without debate to approve this item.

#114-09        HIS HONOR THE MAYOR requesting authorization to appropriate and expend thirteen thousand dollars (\$13,000) from Budget Reserve for the purpose of supplementing the FY09 appropriation for veterans’ benefits. [04/14/09 @ 5:31 PM]

*Note: A letter from His Honor the Mayor was received on 05/26/09 requesting to increase veteran’s benefits by \$3,000 to a total of \$16,000.*

**ACTION:**    **APPROVED 6-0**

**NOTE:**        The Comptroller, David Wilkinson prepared a “First Call Report” for this item dated May 26, 2009. Attached to this report. The committee after reviewing said report along with submitted backup information voted without debate to approve this item.

#115-09      HIS HONOR THE MAYOR requesting authorization to accept and authorize the expenditure of a reimbursement grant in the sum of eighty-five thousand one hundred fifty four dollars (\$85,154) from the Massachusetts Highway Department to the Fire Department for the purpose of replacing of fire communications equipment in conjunction with the reconstruction of Commonwealth Avenue. [04/14/09 @ 5:31 PM]

**ACTION:**      **APPROVED 6-0**

**NOTE:**      The Comptroller, David Wilkinson prepared a “First Call Report” for this item dated May 26, 2009. Attached to this report. The committee after reviewing said report along with submitted backup information voted without debate to approve this item.

At approximately, 7:25 pm Ald. Salvucci moved for adjournment, which was approved 6-0.

Respectfully Submitted,

Paul E. Coletti, Chairman