

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, DECEMBER 22, 2008

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

Absent: Ald. Gentile

Also Present: Ald. Baker

City Staff: Mayor David Cohen, Susan Burstein (Chief Budget Officer), Nick Parnell (Commissioner Department of Public Buildings), Josh Morse (HVAC Technologist Department of Public Buildings), Chief Joseph LaCroix (Newton Fire Department), Ron Mahan (Superintendent of Equipment Maintenance Department of Public Works), Tom Lopez (Newton Fire Department Union President), James Reardon (Treasurer/Collector), Bob DeRubeis (Deputy Commissioner of Parks & Recreation Department) and Dave Turocy (Deputy Commissioner of Public Works)

#484-08 HIS HONOR THE MAYOR requesting authorization to appropriate and expend twelve thousand five hundred dollars (\$12,500) from Budget Reserve for the purpose of making repairs, and replacing, as necessary, kitchen equipment at City Hall. [12-09-08 @ 5:31 PM]

ACTION: **APPROVED 4-2-1 (Ald. Schnipper and Johnson abstaining; Ald. Freedman not voting)**

NOTE: Nick Parnell, Commissioner Department of Public Buildings and Josh Morse, HVAC Technologist Department of Public Buildings joined the Committee for discussion.

Mr. Parnell provided the Committee with a breakdown of the costs of repairs and replacements are as follows:

- Southbend 300 Series Range \$6,950 (replacement)
- Hoshizaki Ice Machine \$4,000 (replacement)
- Repairs/Service other equipment \$1,550

Mr. Parnell indicated the stove is older than thirteen years old and has corroded. The approximate cost to repair the stove is \$3,400 a replacement will cost \$6,950. He informed the Committee these were the repair and replacement recommendations made by the City's Health Department.

Mr. Parnell indicated there is no contract at this time for kitchen service.

Ald. Johnson asked Mr. Parnell for a copy of the needs assessment form completed by the people at City Hall.

Committee members suggested perhaps installing vending machines. They requested from Mr.

Parnell to refrain from purchasing the stove until a contract is signed.

Ald. Coletti made the motion for approval.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#267-08(2) HIS HONOR THE MAYOR requesting a supplemental appropriation in the amount of thirty-four thousand dollars (\$34,000) from bonded indebtedness to increase the original appropriation (Board Order #267-08, approved on 7/21/08) for the purpose of replacing the boiler at the Underwood School. [12-09-08 @ 5:31 PM]

PUBLIC FACILITIES APPROVED 7-0 on 12-17-08

ACTION: APPROVED 6-0-1 (Ald. Freedman not voting)

NOTE: Nick Parnell, Commissioner Department of Public Buildings and Josh Morse, HVAC Technologist Department of Public Buildings once again joined the Committee for discussion.

Mr. Parnell stated the bid received was an estimate for \$197,000 for one boiler. This cost will include parts in both boilers being replaced, adjustments made to make the boiler more efficient with the pipes being insulated.

Mr. Morse will check the condition, age and volume of the current heater and if necessary will report to the Committee if it will also need replacement to ask for an additional appropriation.

Ald. Coletti made the motion for approval.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#196-07(3) HIS HONOR THE MAYOR requesting a supplemental appropriation in the amount of three hundred thirty-six thousand twenty-five dollars (\$336,025) from bonded indebtedness to increase the original appropriation (Board Order #196-07 approved on 7/21/08) for the purpose of the rehabilitation of Fire Station #4. [12-09-08 @ 5:31 PM]

PUBLIC FACILITIES APPROVED 6-0-1 (Ald. Gentile abstaining) on 12-17-08

ACTION: APPROVED 6-0-1 (Ald. Freedman not voting)

NOTE: Nick Parnell, Commissioner Department of Public Buildings once again joined the Committee for discussion.

Mr. Parnell indicated the bids received on December 2, 2008 exceeded the current budget as established by the Maguire Group Project Architects raising the original appropriation from \$2,152,000 to \$336,025.00.

Ald. Salvucci made the motion for approval.

#485-08 HIS HONOR THE MAYOR recommending a transfer of funds in the amount of twenty-two thousand, nine hundred thirty-eight dollars and ninety cents (\$22,938.90) from Wage Reserve to the Fire Department payroll account for the purpose of providing retroactive payment to a firefighter who was on active military leave. [12-09-08 @ 5:31 PM]

ACTION: **APPROVED 6-0-1 (Ald. Freedman not voting)**

NOTE: Chief Joseph LaCroix, Newton Fire Department and Susan Burstein, Chief Budget Officer joined the Committee for discussion of this item.

Ms. Burstein informed the Committee that Firefighter Ortiz was on active military leave for 68 weeks. At the time of his leave, Mr. Ortiz did not qualify for supplemental pay from the City. Subsequent to his return, the Commonwealth enacted a statute changing the calculation for supplemental pay that was retroactive to include the entire duration of his leave. Based on this new law and the recently settled contract with the Firefighters, he is now due \$22,938.90 for his previously unpaid leave.

Ald. Coletti made the motion for approval.

#486-08 HIS HONOR THE MAYOR requesting the establishment of a memorial fund entitled the Jordan Bennett Weiss Fund with an authorization to expend up to \$50,000 in FY09. [12-09-08 @ 5:31 PM]

ACTION: **APPROVED 7-0-1 (Ald. Freedman not voting)**

NOTE: Committee members moved approval without debate on this item.

#250-01(5) HIS HONOR THE MAYOR requesting authorization to appropriate and expend ten thousand dollars (\$10,000) from Receipts Reserved for the purpose of planting trees along Cypress Street. These funds resulted from a condition in a special permit #250-01 granted to The Newton Terraces and Andover Newton Theological School on November 19, 2001 and must be spent or encumbered by March 16, 2009 or they revert to the petitioners. [12-09-08 @ 5:30 PM]

ACTION: **HELD 6-0-1 (Ald. Freedman not voting)**

NOTE: Candace Havens, Chief Planner asked the Committee to hold this item until January 26, 2009 meeting in order to allow new home owners the opportunity to review the planting plan.

Ald. Johnson made the motion to hold this item until their January 26, 2009.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#487-08 HIS HONOR THE MAYOR requesting authorization to appropriate and expend one hundred thousand dollars (\$100,000) from the Environmental Solid Waste Fund for the purpose of contracting rock-crushing services at Rumford Avenue. [12-09-08 @ 5:30 PM]

PUBLIC FACILITIES APPROVED 5-0-2 (Ald. Gentile and Lennon abstaining) on 12-17-08

ACTION: APPROVED 6-1-0 (Ald. Johnson opposed)

NOTE: Dave Turocy, Deputy Commissioner of Public Works joined the Committee for discussion.

Mr. Turocy informed the Committee he estimates that the rock crushing process provides the City with a suitable construction material at a cost of \$8.00 per cubic yard. A comparable State Dense Mix Crusher Run currently sells for \$14.85 per cubic yard. With this contract, the City should be able to process 12,500 cubic yards of material for \$100,000. Purchasing this same amount of material would cost \$185,625; therefore a direct savings of \$85,265 by crushing our own excavate and reusing it for future construction work.

Mr. Turocy stated the storage space for all of the construction excavate at Rumford Avenue is limited and ultimately the City would have to pay to have the material hauled away if not used. By recycling the material, the City realizes avoided costs of disposing of this material, which could run as high as \$8.00 cubic yard to haul away and dispose, the same amount that the City anticipates the rock crushing process would cost. Thus, the potential savings could be another \$100,000.

Mr. Turocy indicated this would be sent out for bid and the project would take approximately two to three months to complete. Hours of operation for this project would be Monday through Friday 7:30 am to 2:30 pm and possibly Saturdays 8:00 am to 2:30 pm. Mr. Turocy informed the Committee he is not aware of any encroachment and offered to meet with neighbors regarding the noise. He also indicated there is not a health issue of reusing this material. Mr. Turocy indicated that private contractors are not allowed to use the City yard to dispose of construction waste.

Mr. Turocy would like to start this project early in the year.

Ald. Parker made the motion for approval.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#467-08 HIS HONOR THE MAYOR requesting to appropriate six hundred thousand dollars (\$600,000) from bonded indebtedness for the purpose of purchasing heavy equipment and heavy duty trucks for the Department of Public Works. [11-25-08 @ 4:54 PM]

PUBLIC FACILITIES APPROVED 7-0 on 12-17-08

ACTION: APPROVED 7-0

NOTE: Dave Turocy, Deputy Commissioner of Public Works once again joined the Committee for discussion.

Mr. Turocy indicated this appropriation for \$600,000.00 is for the purchase of four large construction trucks (Doall) at the cost of approximately \$120,000 to \$150,000 each that will also be used for snow removal.

Department of Public Works would like to replace the following equipment:

- #48 1992 International large construction truck with 101,190 miles
- #70 1980 International Doall with 149,508 miles
- #87 1984 International Doall with 144,553 miles
- #68 1983 International large construction truck with 249,500 miles

Ald. Coletti made the motion for approval.

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

#398-08 **HIS HONOR THE MAYOR** requesting to A) appropriate for expenditure a gift of forty thousand dollars (\$40,000) from individuals who have joined together as *the Friends of Newton Tennis*, and B) appropriate the matching sum of forty thousand dollars (\$40,000) from budget reserve to the Park and Recreation Department to repair the tennis courts at Newton South High School. [11-10-08 @ 4:33 PM]

PROGRAM & SERVICES APPROVED 4-0 on 11-19-08

ACTION: APPROVED 7-0

NOTE: Tonight, Committee members received an updated letter dated December 19, 2008, from the Executive Department requesting the funding source be changed from Budget Reserve to Free Cash (attached to report).

Bob DeRubeis, Deputy Commissioner of Parks & Recreation Department and Mayor David Cohen joined the Committee for discussion of this item.

Mr. DeRubeis informed the Committee that the tennis courts have needed repair for some time and the work that is being proposed is to crack fill the courts utilizing the RiteWay Crack Repair System, which employs a micro-technology that allows the existing cracks on the court to move without breaking the membrane of the system and is guaranteed for three years.

The project will include the filling of approximately 2400 linear feet of cracks in twelve tennis courts at the Newton South High School using this system plus acrylic resurface of one court, two coats of coloring and the line markings.

Ald. Coletti indicated the proposed sign size of 4 x 12 violates the sign Ordinance. Mayor Cohen agreed the sign does not have to be 4 x 12 and the sign will be within the guidelines of the the Ordinance without having to file a special permit.

Ald. Coletti made the motion for approval.

ITEM RECOMMITTED TO FINANCE COMMITTEE on 12-1-08
REFERRED TO ZONING & PLANNING AND FINANCE COMMITTEES

#397-08 HIS HONOR THE MAYOR requesting to appropriate and expend One-hundred fifty three thousand three hundred dollars (\$153,000) from Free Cash to the Purchasing Department for the purpose of purchasing three hybrids and seven economy vehicles for the Assessing and Inspectional Services Departments.
ZONING & PLANNING APPROVED 5-0-2 (Ciccone and Harney abstaining)
FINANCE APPROVED 4-3-1 (Ald. Coletti, Johnson and Gentile opposed; Parker abstaining) SUBJECT TO 2nd CALL, on 11-24-08
ACTION: APPROVED 4-1-2 (Ald. Johnson opposed; Ald. Parker and Freedman abstaining)

NOTE: Mayor David Cohen and Ron Mahan, Superintendent of Equipment Maintenance Department of Public Works joined the Committee for discussion on this item.

Ald. Coletti informed the Committee that he was satisfied with the list provided by John Lojek, Commissioner of Inspectional Services, dated December 12, 2008 (attached to report) which noted the employee, what vehicle they are currently driving and indicating if their current vehicle would be surplus, what new vehicle the employee would be receiving and the mileage on vehicle they will be receiving.

Inspectional Services Department is requesting seven new vehicles including five Ford Fusion and two Prius hybrid vehicles. The Assessing Department is requesting three new vehicles including one Ford and one hybrid vehicle.

Currently, six vehicles are now going to be surplus within the Inspectional Services Department which may be re-assigned.

Mayor Cohen indicated that Dave Wilkinson, Comptroller has agreed with the Mayor and the Department of Public Works Department for Mr. Mahan to attend the auction on December 26, 2008 to purchase these vehicles by using funds from their general account in the Department of Public Works and once the Board approves this request to replenish the Department of Public Works general account.

Ald. Coletti stated the Inspectional Services Department need at least five new vehicles and will purchase seven to create two new vehicles for the two department heads that currently do not have vehicles. Mr. Lojek, Mr. DeToma and Mr. Norton will share two new vehicles to use on calls they make. The new cars will still require swapping of cars amongst the staff, but will make their functions of visiting sites for inspections much easier. Hybrids would seem to be suited to the short trips by inspectors within the city.

Building Inspector # 4 does not have vehicle and will be provided a surplus vehicle.

Ald. Schnipper made the motion for approval.

#354-08 ALD. COLETTI requesting monthly report on cash and receivable reconciliations by Treasurer and status of Consultant work in Treasurer's Office. [09-30-08 @ 1:54 PM]

ACTION: **HELD 7-0**

NOTE: James Reardon, Treasurer/Collector joined the Committee for discussion on this item.

Mr. Reardon updated the Committee on the status of the reconciliation work being performed in the Treasurer's office indicating the office is still at September 2008 for the reconciliation of the cash accounts.

Mr. Reardon informed the Committee the City hired a consultant, Randy Murser who has made sufficient progress indicating they may receive the \$200,000 variance significantly down. Mr. Murser will meet with Comptroller, David Wilkinson to confirm their figures and if so, they will move forward with the audit.

After receiving the update, the Committee recommended holding this item until their January 12, 2009 meeting.

#352-08 ALD. COLETTI requesting discussion monthly reports from the Chief Budget Officer and Comptroller on the status of the Health Insurance Trust Fund. [09-30-08 @ 1:54 PM]

ACTION: **HELD 7-0**

NOTE: Susan Burstein, Chief Budget Officer joined the Committee for discussion on this item.

Ms. Burstein updated the Committee indicating the Tufts Trust Fund claims have exceeded contributions to the fund by approximately one million dollars in the past five months. The City account has depleted the surplus of approximately one million dollars to date this year. This time last year the City added approximately one-half million dollars.

Ms. Burstein indicated there has been a 14% increase in claims over the past five months between both Tufts and Harvard Funds.

Currently there is a surplus of approximately three million dollars over the two-month cushion.

Harvard has exceeded last year bringing down approximately one half million dollars.

Ms. Burstein indicated the City will be looking at next years rate when they know where the surplus is at that point and will continue to track these funds.

Ald. Coletti made the motion to hold.

#351-08 ALD. COLETTI requesting discussion on the status of School Building Authority reimbursements to the City of \$46.6 million for the Newton North High School project. [09-30-08 @ 1:54 PM]

ACTION: **HELD 7-0**

NOTE: Susan Burstein, Chief Budget Officer once again joined the Committee for discussion on this item.

Ms. Burstein provided the Committee with a brief update, stating the City was hoping to sign the agreement today. The City has already submitted \$44 million dollars in claims where the receivable will be booked at approximately \$29 million for the Newton North High School project.

Ms. Burstein indicated if the agreement is executed by the end of December, 2008 and the processing of the City claim beginning thereafter the City will expect payment in January 2009.

The motion was made to hold this item pending a future update from the Executive Department.

#349-08 ALD. COLETTI requesting discussion on preparation and submission of a new Capital Improvement Plan by the Executive Office. [09-30-08 @ 1:54 PM]

ACTION: **HELD 7-0**

NOTE: Susan Burstein, Chief Budget Officer once again joined the Committee.

Ms. Burstein indicated the Executive Department plans on completing a one-year Supplemental Budget for this year and will be completing a five-year plan.

Ald. Coletti made the motion to hold this item pending a future update from the Executive Department.

#348-08 ALD. COLETTI requesting discussion on the Executive Department submission of a new 5-year forecast for FY2010 budget preparation. [09-30-08 @ 1:54 PM]

ACTION: **HELD 7-0**

NOTE: Susan Burstein, Chief Budget Officer once again joined the Committee.

Ms. Burstein informed the Committee the 5-year forecast is not complete.

Ald. Coletti made the motion to hold this item pending a future update from the Executive Department.

#246-08 ALD. COLETTI proposing a RESOLUTION to His Honor the Mayor and the School Committee to prohibit immediately the use of any city-owned vehicle for commuting purposes in excess of ten miles from the physical boundaries of Newton and to limit use of city-owned vehicles to circumstances where an emergency response is likely during non-business hours and in which the necessary equipment is carried for such emergency response. [7-2-08 @ 12:12 PM]

ACTION: HELD 7-0

NOTE: Ron Mahan, Superintendent of Equipment Maintenance Department of Public Works once again joined the Committee for discussion on this item.

Mr. Mahan informed the Committee that in 1992, a Committee of approximately five members developed the Vehicle Policy. At that time, eight employees were hired on the condition a vehicle be provided to them was a part of the condition of employment to use the vehicle to transfer to and from work on the condition they would be available 24 hours per day, 7 days per week.

The grandfather clause was adopted for people hired prior to 1992 with the agreement of mileage of a fifteen mile radius of Newton. Employees who lived outside the fifteen-mile radius were subject to a mileage charge. To Mr. Mahan's knowledge the City has never implemented the mile charge although it is stated in the 1992 Vehicle Policy.

Also addressed in the policy and developed was an eight to ten questionnaire based on criteria by department heads that had to justify a vehicle going home this would then be submitted to the Chief Administrative Officer who determined employees taking vehicles going home or not.

At that time, if employees violated this procedure they could lose the benefit of having a vehicle that was decided by individual department heads. Mr. Mahan also indicated that in time employees took advantage of the policy.

Ald. Coletti asked Committee members to review the two provided policies in order to discuss this item at their January 12, 2009 meeting.

Ald. Parker made the motion to hold.

REFERRED TO PUB. SAFETY/TRANS. AND FINANCE COMMITTEES

#455-05 HIS HONOR THE MAYOR requesting an appropriation in the amount of
(21-05.2) \$6,000 from the Riverside Traffic Mitigation Fund for the purpose of funding the installation of a radar-controlled speed limit sign at the intersection of Concord and Grove Streets. (#65-05)

PUBLIC SAFETY & TRANSPORTATION HELD 6-0 (Ald. Swiston not voting) on 1-23-08

PUBLIC SAFETY & TRANSPORTATION NO ACTION NECESSARY 6-0 on 12-17-08

ACTION: **NO ACTION NECESSARY 7-0**

NOTE: Without debate, Committee members voted No Action Necessary.

At approximately, 10:20 pm Ald. Salvucci moved for adjournment, which was approved 7-0.

Respectfully Submitted,

Paul E. Coletti, Chairman