

CITY OF NEWTON

IN BOARD OF ALDERMEN

PROGRAMS AND SERVICES COMMITTEE REPORT

WEDNESDAY, NOVEMBER 7, 2001

Present: Ald. Parker (Chairman) Ald. Baker, Sangiolo, Tattenbaum, Merrill, Coletti, Johnson

Absent: Ald. Gentile

Also Present: President Lipsitt, Sandy Pooler (Chief Budget Officer) Ellie Goldberg (Green Decade) Sandy Guryan (Director of Business and Finance, School Department) VerneVance (School Committee) Anne Larner (School Committee) Michael Rourke (Chief Administrative Officer) Steve Gartrell (Associate Director of Planning and Development) Jeff Knight (Fire Dept. Superintendent of Fire Alarm/Wires)

#229-01 HIS HONOR THE MAYOR appointing on June 11, 2001 the following individuals to the URBAN TREE COMMISSION for a term of office expiring 07-30-01. (Board action date 08-17-01)

A. Jacob Jacobson
91 Exeter Street
Newton, MA 02465

D. Deborah Howard
43 Fairfax Street
Newton, MA 02465

ACTION: HELD 6-0

#374-01 ALD. LIPSITT on behalf of the Green Decade Coalition/Newton requesting adoption of resolution requesting The Great & General Court to adopt Producers Take-Back bills for motor oil, products containing mercury, and cathode ray tubes.

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

NOTE: Vice Chair Amy Sangiolo chaired the discussion of this item.

The item was presented by President Lipsitt. The Committee was also joined by Ellie Goldberg of 79 Elmore Street and Nancy Lopin of 26 Lombard Street. President Lipsitt began by reminding Committee members that the Board of Aldermen adopted a resolution requesting legislation be developed to encourage manufacturers to be responsible for debris they produce. During the intervening period several pieces of legislation were introduced before the legislature regarding recycling of cathode ray tubes, motor oil, and mercury. Clean Water Action, which has been spearheading this effort requests Newton and other communities to send resolutions to our legislators

asking them to adopt this. President Lipsitt also suggested that such a resolution be forwarded to Governor Swift as well. Ellie Goldberg and Nancy Lopin added further comments. Ms. Goldberg stated that this resolution makes a lot of environmental and economic sense. It sets a high standard for other communities to follow. Alderman Johnson asked about opposition. Ms. Goldberg stated that very few people have raised opposition. Alderman Johnson inquired whether such legislation would change the way we collect these items. Ms. Goldberg responded that people would need to rethink how they package and what they produce. Alderman Lipsitt added that such legislation would add to the responsibility of manufacturers. According to President Lipsitt, the trick is to convince manufacturer's that there is a certain investment they should make in terms of packaging. Ultimately the cost is reduced to society.

Alderman Coletti cautioned that there would be a price impact. He brought up recycling of toner cartridges as an example of successful program where manufacturer's pay to pick up the material. However, he believes that if we force distributors to pick up waste oil, that it would not help the cause. He stated that the biggest use of waste oil are greenhouses and that they wouldn't exist if they didn't use recycled oil. Ms. Goldberg responded by saying that the intent of the legislation or the goal is to create a life cycle of uses, reuse the products so it doesn't end up in landfills and create hazards. President Lipsitt also added that the impact to the City would be to have reduction of waste. The less manufacturer's produce, the less waste that has to be picked up. Ms. Lopin added that this is a new way of looking at what you produce.

With the conclusion of the discussion, Alderman Merrill moved approval citing potential savings to cities and towns across the State. The Committee voted 6 – 0 in favor.

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

#113-01(6) HIS HONOR THE MAYOR requesting that the FY02 DPW Operating Budget be decreased by the sum of \$150,000 and that said funds be appropriated to the FY02 School Department Operating Budget. It is anticipated that the reduction in the DPW budget will be more than made up by increases in Chapter 90 payments from the State for road and sidewalk work.

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

#113-01(7) HIS HONOR THE MAYOR requesting that the FY02 School Department budget appropriation be increased by the sum of \$881,420. The source of funding will be FY02 revenue. This increase in estimates of revenue is possible because the final figure for property tax revenue is higher than the original estimate from the spring of this year.

ACTION: APPROVED 7-0

NOTE: These items relate to the School Department budget. The Committee was joined for discussion of both #113-01(6) and #113-01(7) by Chief Budget Officer Sandy Pooler and School Department Chief Financial Officer Sandy Guryan. Sandy Pooler explained that the genesis of both of these items was that the School Department budget could not be made whole through state aid because it seemed as though some of the state aid that we had originally

anticipated was not available and, therefore, the level of commitment at \$113 million that the Mayor had made to the School Department would not be able to be kept relying solely on the additional state aid to make up the million plus gap that remained. Therefore, the administration had been seeking alternative sources of funds to make up this gap. #113-01(6) is \$150,000 from the Department of Public Works, which would be transferred to the School Department. Mr. Pooler explained that the money would hopefully be replenished to the Public Works Department from Chap. 90 State Aid for roadwork. Based on recent discussions of the state budget, there might not be that Chap. 90 increase so there are several other possibilities that could happen with this \$150,000. Mr. Pooler explained several scenarios. Bad scenario #1 is that there could be a cutback in roadwork to make up the gap. Bad scenario #2 is there could be a cut in capital spending. He added that there are some better scenarios. There might be more free cash than anticipated or the school aid numbers could improve from the state.

Ald. Coletti said he is opposed to moving anything from Public Works. Chief Budget Officer Pooler had explained that the \$881,000 (Docket Item #113-01(7)) needed to be approved before the tax rate was set because the assessor had determined there was more new growth than had originally been anticipated and, therefore, those funds were now being made available for the fiscal year 2002 budget, but to be billed in the December bill, it had to be voted before the November 28 hearing. Ald. Coletti wanted to approve the \$881,000 in new growth right away but he did not want to transfer \$150,000 from Public Works. He said he could transfer the money from budget reserve. Sandy Guryan said the shortfall is in the health insurance line item. She was asked where the shortfall in their budget was and what the effect would be of this money not being approved. She said that, obviously, they won't need it immediately, but they were hoping the administration would keep the commitment to fund the full amount.

Ald. Coletti asked whether the School Department had slowed purchasing of books and materials or capital improvements and repairs to the schools. Sandy Guryan said they have not slowed purchasing of books and materials, but they are being very careful with charter maintenance, only doing essential work, but that is not part of any recent problems, that is part of a very austere budget plan already. Sandy Pooler added a technical point saying the appropriation is from the expense side of the Public Works budget. Ann Larner and Verne Vance of the School Committee said the budget plan included this amount. The Commitment was made and they would like to get the money now for planning purposes. Ald. Johnson said it seemed like the problem was with the legislature and agreed with Ald. Coletti that money should not be taken from Public Works. Ald. Merrill said that the appropriation fulfills a commitment the Mayor made but it shouldn't come from Public Works. He asked if there was another source. The Committee had a little more discussion of the source.

Ald. Parker suggested that two things happen at the meeting tonight. The \$881,000 that needs to be included in the tax rate for the schools be passed

tonight and second, that the Committee commit to the remaining \$150,000. There were some discussion of whether doing that involved splitting the item as Ald. Baker suggested at one point or whether it involved attaching a resolution. On a straw vote, the Committee voted 4 in favor, 0 opposed with 3 abstentions to attach a resolution. The Committee voted the following resolution:
#113-01(9) PROGRAMS AND SERVICES COMMITTEE urging His Honor the Mayor to look at all available options to locate a different funding source for \$150,000 needed to make up the School Department gap rather than cut the funds from the Public Works Department budget. That item was approved 7-0.

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

#113-01(8) HIS HONOR THE MAYOR requesting that the FY02 Purchasing Department Operating Budget be increased by \$80,000 for capital outlays. The source of funding will be FY02 revenue. These funds will come from increases in fees that AT&T and RCN will pay to the City of Newton for their cable franchises. These funds are necessary to replace the 20-year-old telephone system in all municipal and school buildings.

ACTION: APPROVED 7-0

NOTE: The Committee was joined for discussion of this item by Chief Administrative Officer Mike Rourke, Associate Director of Planning and Development Steve Gartrell and Jeff Knight, Superintendent of Fire Alarm/Wires.

Mike Rourke began the presentation and explained the current phone system is 20 years old and badly outdated.

Steve Gartrell explained some of the features and functionality of the system. He explained that voice mail doesn't mean you use the automated answering which is also available, but every employee can have a voice mail box and can have their own number and the phone numbers coming into the city are more efficiently used so that we pay for only what we need, not for lines that are just sitting there unused most of the time. We will be getting rid of Centrex fees we currently pay to Verizon. The total system will cost \$225,000. It will be funded from three sources. This appropriation of \$80,000 from cable, also an appropriation as part of the school project. Ald. Baker moved approval of the item. There was some discussion as to whether more details on the way the system worked could be provided to the committee and to the Board. Ald. Parker also asked whether the amount in operating expense that would be saved by the system could be provided prior to the Finance Committee's consideration and Ald. Baker moved approval and Ald. Parker spoke in favor and Ald. Merrill said he didn't have any technical expertise in this but trusted his colleagues recommendation in favor and the item ended up in favor and none opposed with Ald. Sangiolo not voting and the administration promised to provide greater detail on the nature of the system and the long-term fiscal implications for cities adopting the systems.

REFERRED TO PROGRAMS AND SERVICES AND FINANCE COMMITTEES

#392-01 HIS HONOR THE MAYOR requesting authorization to pay the sum of \$24,304 to Chartwells, the food management company that manages the school lunch program, to settle a dispute over personnel charges for school lunch monitors during FY01. These funds will be paid from the School Department FY02 budget.

ACTION:

APPROVED 6-0 (Ald. Sangiolo not voting)

NOTE:

The Committee was joined for this discussion by Chief Budget Officer Sandy Pooler and Sandy Guryan, Director of Business and Finance for the School Department. This item relates to a payment being made to Chartwells, which is the contractor for the School Department. Chartwells has had a shortfall in their budget. They provide school lunches to Newton students. The problem dates back to three years ago when the city required that Chartwells include all costs including staffing costs in their budget and to make that possible a fee increase in school lunch costs was allowed. It turns out that some of these personnel costs have to do with the way Newton manages its school lunches because Newton doesn't have cafeterias, there is some supervision of students that is required by personnel including taking the kids out to recess. Some of those costs don't relate directly to the providing food to the students so the School Department agreed to pay \$31,000 of Chartwell's expenses out of a gap of more than \$100,000 from this past year and there is about \$24,000 left to pay of that. The reason why the item had to come before the Board of Aldermen is because it is moving funds from one fiscal year to another fiscal year and state laws require that under those circumstances, there be a legislative approval at a local level.

Ald. Baker moved approval. Ald. Coletti asked whether Chartwells had threatened to walk out on their contract. Sandy Pooler explained that issue had gotten resolved in discussions between the City and the vendor. Sandy Guryan added that there was a fifty-fifty agreed to at the end of this year to make up any remaining deficit that Chartwell still has. The item was approved 6 in favor, 0 opposed with Ald. Sangiolo not voting.

Respectfully submitted,
Ken Parker, Chair