



Finance Committee Report

City of Newton In City Council

Monday, February 25, 2019

Present: Councilors Lappin (Acting Chair), Ciccone, Norton, Cote, Noel, and Grossman

City staff present: Captain Paul Anastasia (Police Department), Jim McGonagle (Commissioner of Public Works), and Maureen Lemieux (Chief Financial Officer)

#81-19 **Amend 17-23(d) to include fines for overtime parking violations**
PUBLIC SAFETY & TRANSPORTATION COMMITTEE requesting amendments to Section 17-23(d) of the City of Newton Ordinance by deleting "other, in any other area where parking is permitted for a limited period of time in excess of the time allowed (Sec. 19-166)" where it appears in Sec. 17-23(d) under the listing for Sec. 19-9 penalty for parking violations, and insert in its place the following:

Overtime parking in excess of posted time limits (Sec. 19-181):

- a) metered space \$15.00
- b) non-metered time restricted space \$15.00

Action: **Finance Approved 5-0 (Cote not voting)**

Note: Police Captain Paul Anastasia and Commissioner of Public Works joined the Committee for discussion of this request for an Ordinance amendment. The Public Safety & Transportation Committee passed an ordinance that clarifies the definition of overtime parking and changes the section where the overtime parking ordinance is located. The previous overtime parking ordinance fell under Chapter 19, Division 2 Parking Meters. The new ordinance location is now under the general parking provisions in Chapter 19 to reflect that it refers to both metered and unmetered parking spaces.

The above request is to provide language in Chapter 17 that clearly states that a ticket is being issued for violation of the overtime parking ordinance. Previously, the parking penalty for violation of the ordinance was designated as "Other" and referred to the general provisions in Chapter 19. This creates problems during the parking ticket appeals process because it is not apparent to people why they received a ticket. By adding the proposed language, it is clear why a person is receiving a parking ticket.

There was proposal that the penalty be increased to \$25 per violation of the overtime parking ordinance because there was concern that the \$15 was not enough of a deterrent. There was opposition to the proposal to raise the fine. The Chair of Public Safety & Transportation and Captain Anastasia stated that it would make more sense to do a comprehensive review of all the parking fines. Many of the parking fines are linked and should be looked at together. There was a suggestion that a request to review all parking fines should be docketed. The Committee agreed with the suggestion. Councilor moved approval of the item, which carried unanimously.

#541-18 **Amendments to the Stormwater Use Charge**

HER HONOR THE MAYOR requesting Chapter 29, Section 120 (a) Stormwater Use Charge of the City of Newton Revised Ordinance, 2017 be amended by deleting the current rate structure and replacing it with the following effective July 1, 2019:

Every owner of property in the city shall pay a charge for use of public main drains and stormwater facilities, which shall be based on the following annual rates. Such charge shall be billed quarterly:

1. 1-4 family dwellings \$100.00
2. All other properties: \$0.0425 per square foot of impervious surface area, except that if the square footage charge multiplied by the total impervious area of the parcel equals a sum less than \$150.00, then the annual fee shall be \$150.00.

Public Facilities Approved as Amended 5-0 on 02/06/19

Action: **Finance Approved as Amended 5-0 (Cote not voting)**

Note: Chief Financial Officer Maureen Lemieux presented the above requested ordinance amendment. The Mayor is proposing three amendments (letter attached) to the request because of comments made at the City Council public hearing on the item on January 22, 2019 and previous Public Facilities Committee discussions on the item. The first amendment is an increase in the per square foot charge from \$0.0425 to \$0.0470. The second amendment is a change to the stormwater use charge credit policy to increase the credits from up to 25% to up to 50% to be applied against the stormwater use charge for properties with on-site stormwater mitigation. The third proposed amendment exempts cemeteries from paying a stormwater use charge.

There is only one privately owned cemetery within the City, which retains almost all its stormwater runoff on-site, does not have a parking lot, and is not connected to the city's water service. The cemetery draws its water from retention ponds and wells. The city owns burial grounds, but they do not have parking lots or water service. The private cemetery and city-owned burial grounds would see significant increases in their storm water use charge which is hard to justify due to their miniscule contribution to stormwater runoff.

There are a few commercial entities in Newton that have invested significant money into on-site stormwater mitigation systems that have substantially reduced their storm water runoff. It was pointed out at the public hearing and committee discussions that entities that have invested heavily in mitigation should recognize greater savings on their storm water use charge. The credit percentage that entities receive would vary depending on their investment in storm water mitigation. Most entities would not receive a 50% credit.

The increase in the fee is needed to cover the loss in revenue due to the increase in credits and the exemption of the cemetery. Ms. Lemieux is confident that the proposed charge of \$0.0425 per square foot of impervious surface is enough to cover all loss in revenue especially as most properties will not qualify for

the full 50% credit. With that, Councilor Norton moved approval as amended, which carried by a vote of five in favor and none opposed.

Referred to Public Facilities and Finance Committees

#84-19 Approve a \$500,000 for snow and ice removal

HER HONOR THE MAYOR requesting authorization to transfer the sum of five hundred thousand dollars from the Budget Reserve – Snow and Ice Removal Account to the following accounts:

Rental - Vehicles (0140110-5273).....	\$350,000
Regular Overtime (0140110-513001).....	\$150,000

Public Facilities Approved 7-0 on 02/20/19

Action: Finance Approved 6-0

Note: Commissioner of Public Works Jim McGonagle and Chief Financial Officer Maureen Lemieux presented the request to transfer \$500,000 to supplement the Department of Public Works’ snow and ice budget. The City has spent \$3.3 million on cleanup of 24” of snow and a large amount of ice. The current cost per inch of snow is \$135,000, however, that figure includes ice cleanup, which is costlier than snow as it requires larger amounts of brine, salt, and sand to remove. In addition, The City’s average snow total per winter is 54”; the City snow totals are below average at this point this season. There are initial startup costs for the City’s snow and ice operations. With less inches of snow to spread the startup costs over, the cost per inch are up.

During the Public Facilities Committee’s discussion of the request, there was concern that the cost per inch is increasing due to the change in paying contractors per inch of snow to an hourly rate. Commissioner McGonagle and Ms. Lemieux explained that the Public Works Department will need all the data from this winter before analyzing whether paying contractors hourly is less or more expensive. The Commissioner feels that there are savings with paying an hourly rate and that it provides efficiencies and flexibility for the City in terms of when and for how long the City needs to utilize contractors.

Ms. Lemieux reviewed how funds are budgeted each year for snow and ice removal. The goal is to budget the five-year average cost of snow and ice operations (currently \$5.6 million). The Administration has increased the snow and ice budget by \$250,000 each year and will continue to do so until the 5-year average is budgeted. This year’s budget contained \$4.25 million in snow funding and next years will contain \$4.5 million. In addition, Ms. Lemieux sets aside \$1 million from Free Cash each year for snow operations.

The Committee discussed the use of brine for pretreating the roadways with the Commissioner. The Commissioner stated that the brine reduces the amount of salt required after a storm. It is much efficient in terms of cleanup. The Commissioner is pleased with the brine pretreatment and will continue to use it. The City makes its own brine and Public Work Commissioners in other communities have

contacted the Commissioner to ask for a sample to test the brine in their communities. The Committee had no other comments or questions and Councilor Grossman moved approval, which carried unanimously.

#79-19 Mayor's reappointment of Charles Grillo, Jr. as a Constable

HER HONOR THE MAYOR reappointing CHARLES V. GRILLO, 1011 Washington Street, Newtonville as a Constable for the City of Newton for a term of office to expire January 31, 2022. (60 days: 3/16/19)

Action: Finance Approved 6-0

Note: As Charles Grillo has served as a constable in the City of Newton since 2016, the Chair did not feel it was necessary for him to attend the meeting to discuss his reappointment. All the appropriate documents including a Constable's Bond have been submitted to the City Clerk's Office. Councilor Noel moved approval of Mr. Grillo's reappointment, which carried by a vote of six in favor and none opposed.

#80-19 Authorize Administration to apply bond premiums to capital project costs

HER HONOR THE MAYOR requesting that each prior order of the City Council that authorizes the borrowing of money to pay costs of capital projects is hereby supplemented to provide that, in accordance with Chapter 44, Section 20 of the General Laws, as most recently amended by the Municipal Modernization Act, so-called, the premium received by the City upon the sale of any bonds or notes thereunder, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to pay project costs and the amount authorized to be borrowed for each such project shall be reduced by the amount of any such premium so applied.

Action: Finance Approved 5-0 (Cote not voting)

Note: The 2016 Municipal Modernization Bill Amends provides communities with a choice regarding how to treat bond premiums (net of issuance costs). Communities can either apply it to the issuance, thereby reducing the amount needed to borrow, or place it in a separate fund and appropriate it for a capital project. The City utilized both options at the last bond sale depending on the capital project. The City works with a financial advisor for the bond sales and the City's bond counsel reviews each proposed bond for sale to ensure that the appropriate information is included.

Chief Financial Officer Maureen Lemieux explained that the City has such a favorable bond rating that bidders offer the City a premium on each bond sale on top of a proposed interest rate. The City sells its bond(s) to the lowest net interest bid. This is a request to add language to each prior bond order to make it clear that any premium earned less the payment of issuance of bonds will be applied to the bonded project costs and the amount to be borrowed for the project reduced by that premium amount. The request is at the recommendation of the City's financial advisor and will be included on all bond orders going forward.

The proposed language for the prior orders is as follows:

That, in accordance with M.G.L. c.44, §20, the following sums shall be transferred from premium received by the City on account of the issuance of bonds dated February 27, 2019, and such amounts are hereby appropriated to pay costs of the projects, including costs incidental or related thereto, as authorized by loan orders of the City Council and further described below, and the amount authorized to be borrowed for such projects under such orders shall be reduced by a like amount.

Councilor Norton moved approval of the item, which carried unanimously.

The Committee adjourned at 7:37 PM and all other items before the Committee were held without discussion. Draft Council Orders for the above items that are recommended for City Council action are attached.

Respectfully submitted,
Cheryl Lappin, Chair

CITY OF NEWTON

IN CITY COUNCIL

ORDINANCE NO. B-

2019

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON AS FOLLOWS:

That the Revised Ordinances of Newton, Massachusetts, 2017, as amended, be and are hereby further amended with respect to **Chapter 17. FEES FOR LICENSING AND PERMITS; AND CIVIL FINES GENERALLY***. as follows:

1) **DELETE**, the language “Other, in any other area where parking is permitted for a limited period of time in excess of the time allowed (Sec. 19-166)” where it appears in Sec. 17-23(d) under the listing for Sec. 19-9 *Penalty for parking violations*.

2) **INSERT** in its place the following language:

Overtime parking in excess of posted time limits (Sec. 19-181):

Sec. 19-181 (a) metered space	\$15.00
Sec. 19-181 (b) non-metered time restricted space.....	\$15.00



City of Newton, Massachusetts
Office of the Mayor

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February 21, 2019

Honorable City Council
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Councillors:

I write to request that your Honorable Council docket for consideration a request to amend Docket # 541-18 – amending the proposed Stormwater Use Charge by making the following three changes:

1. **Replace:** *All other properties: \$0.0425 per square foot of impervious surface area,*

With *All other properties: \$0.0470 per square foot of impervious surface area,*

2. Amend Chapter 29, Article IV, Drains §§ Section 29-120 (d) by making the following change:

Replace: The commissioner of public works may establish a stormwater use charge credit policy and may grant credits of up to **twenty-five percent (25%)** to be applied against the stormwater use charge

With: The commissioner of public works may establish a stormwater use charge credit policy and may grant credits of up to **fifty percent (50%)** to be applied against the stormwater use charge

3. Amend Chapter 29, Article IV, Drains §§ Section 29-120 (a) by making the following change:

Replace: Every owner of property in the city shall pay a charge for use of public main drains and stormwater facilities,

With: Every owner of property in the city, **excepting owners of cemeteries**, shall pay a charge for use of public main drains and stormwater facilities,

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller
Ruthanne Fuller
Mayor

RECEIVED
NEWTON CITY CLERK
2019 FEB 22 PM 12:53
DAVID A. OLSON, CLERK
NEWTON, MA 02459

CITY OF NEWTON

IN CITY COUNCIL

ORDINANCE NO. B-

2019

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEWTON AS FOLLOWS:

That the Revised Ordinances of Newton, Massachusetts, 2017, as amended, be and are hereby further amended with respect to **Chapter 29. WATER, SEWER and DRAINS.** as follows:

1. **DELETE** section 29-120(a) in its entirety.
2. **INSERT** a new section 29-120(a) as follows:
 - (a) Every owner of property in the city, excepting owners of cemeteries, shall pay a charge for use of public main drains and stormwater facilities, which shall be based on the following annual rates. Such charge shall be billed quarterly:
 1. 1-4 family dwellings \$100.00
 2. All other properties: \$0.0470 per square foot of impervious surface area, except that if the square footage charge multiplied by the total impervious area of the parcel equals a sum less than \$150.00, then the annual fee shall be \$150.00.
3. **DELETE** section 29-120(d) in its entirety.
4. **INSERT** a new section 29-120(d) as follows:
 - (b) The commissioner of public works may establish a stormwater use charge credit policy and may grant credits of up to fifty percent (50%) to be applied against the stormwater use charge.

CITY OF NEWTON

IN CITY COUNCIL

2019

ORDERED:

That, in accordance with the recommendation of the Public Facilities Committee and Finance Committee through their respective Chairs Deborah J. Crossley and Leonard J. Gentile, a transfer of funds in the amount of five hundred thousand dollars (\$500,000) from Budget Reserve-Snow and Ice Removal to the Department of Public Works to fund snow and ice operations, be and is hereby approved as follows:

FROM:	Budget Reserve Snow & Ice (0110498-5794).....	\$500,000
TO:	DPW Overtime (0140110-513001).....	\$150,000
	DPW Rental Vehicles/Contractors (0140110-5273).....	\$350,000

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) RUTHANNE FULLER
Mayor

Date _____

CITY OF NEWTON

IN CITY COUNCIL

2019

ORDERED:

That in accordance with the recommendation of Her Honor the Mayor and with the confirmation of the Honorable City Council, be it known that CHARLES GRILLO, JR is hereby re-appointed as a CONSTABLE for the City of Newton for a term to expire on January 31, 2022.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

CITY OF NEWTONIN CITY COUNCIL

2019

ORDERED:

That in accordance with Massachusetts General Law Chapter 44, Section 20, the following sums shall be transferred from premium received by the City on account of the issuance of bonds dated February 27, 2019, and such amounts are hereby appropriated to pay costs of the projects, including costs incidental or related thereto, as authorized by loan order of the City Council and further described below, and the amount authorized to be borrowed for such projects under such orders shall be reduced by a like amount.

PROJECT	ORDER NO.	DATE OF MAYORAL APPROVAL	AMOUNT OF PREMIUM APPLIED
Water Mains	268-18	May 30, 2018	\$395,000
DPW Front End Loader	474-18	September 21, 2018	\$159,059
Elgin Pelican Street Sweeper	457-18	September 19, 2018	\$147,000
DPW 6-wheel Dump Truck (2)	537-18	November 9, 2018	\$295,081