



CITY OF SOMERVILLE, MASSACHUSETTS CLERK OF COMMITTEES

November 10, 2020
REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
Jefferson Thomas ("J.T.") Scott	Chair	Present	
Katjana Ballantyne	Vice Chair	Present	
William A. White Jr.	City Councilor At Large	Present	
Mary Jo Rossetti	City Councilor at Large	Present	
Wilfred N. Mbah	City Councilor at Large	Present	

Others present: Khushbu Webber-Mayor's Office, Alan Inacio-OSPCD, Doug Kress-Health and Human Services, Michael Mastrobuoni-SomerStat, Edward Bean-Finance/Auditing, James Stanford-Police Department, Rich Raiche-Infrastructure and Asset Management, and Alex Lessin-Water & Sewer.

The meeting was held virtually and was called to order at 6:00 p.m. by Chairperson Scott and adjourned at 7:37 p.m.

Approval of the October 6, 2020 Minutes

RESULT:	ACCEPTED
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Approval of the October 20, 2020 Minutes

RESULT:	ACCEPTED
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New Business

210751: Requesting approval to pay a prior year invoice totaling \$473.54 using available funds in the Health & Human Services Supply Account for Somerville Farmers Market bags and folders for a training.

Dir. Kress stated the invoice did not make it to HHS in time for submittal. The order was placed back in April and received invoice in September.

RESULT:	APPROVED
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210752: Requesting the approval for a change in the scope of the CPA FY16 and FY19 award to the Somerville Museum.

Councilor White is recused from this item.

Mr. Inacio stated this was a request to the CPA committee to repurpose a grant from 2016 for their ongoing project to add an addition to enclose an elevator. This addition will help them meet ADA compliance and provide open space for community meetings and also receive other grants and financing. He stated that the construction was halted and increased costs because they could not continue work due to litigation with the next-door neighbor. Litigation has been resolved.

Chair Scott had previously asked for a redline version of the document and only received a brief summary. The total cost of project 3x \$400,000, total now is \$1.5M. This will not be wholly funded by CPA. Mr. Inacio will circle back and provide updated information on the costs.

Councilor Ballantyne asked Mr. Inacio what the litigation was about, which was about the addition. Mr. Inacio will get the information from the CPA project manager and provide to Councilor Ballantyne. Councilor Ballantyne asked if there had been any changes to the original project. Mr. Inacio believes there were minor edits to original specs and will get back with full details. This request is a time and scope extension due to the elevator build out. CPC reviewed and recommended the scope change.

Chair Scott stated the original project was the elevator. CPA was supposed to handle entire project. It was stated there were some structural issues in the building.

Councilor Mbah asked Mr. Inacio about funding and it was stated that the museum is seeking funding outside of the CPC funding.

RESULT:

APPROVED

210754: Special Counsel submitting a Home Rule Petition to permit Cambridge to provide, at no cost to Somerville, snow plowing and removal, water, storm water drainage, sanitary sewer, police, fire, and other emergency services to the Somerville building in the development known as Cambridge Crossing.

Ms. Webber stated that Mr. Galluccio who is the primary point of contact and an attorney representing Cambridge Crossing, indicated he would like to prevent the Home Rule Petition. He is unable to attend tonight's meeting due to medical issues. He had asked the administration to hold this agenda item until the next finance meeting. Councilor Ballantyne asked if the city's special counsel, Ms. McGettigan had submitted and worked on this petition. Ms. Webber stated that Ms. McGettigan drafted the HRP and administration felt that Mr. Galluccio should speak on this item since he knows the most about it.

Councilor Rossetti stated it would be helpful to have Ms. McGettigan at that meeting. Ms. McGettigan was not available to attend tonight's meeting.

Chair Scott asked Ms. Webber to have Mr. Galluccio contact him directly offline.

RESULT:

KEPT IN COMMITTEE

Water/Sewer Rate Discussion

208132: That the Director of Water and Sewer discuss the option for property owners to add a second water meter to use for irrigation and other outdoor uses.

Mr. Raiche stated over the last 3 years, there have been a number of infrastructural items for water and sewer rates that have come up from the city council. One of the things they are doing is to build a rate model which will allow them to analysis a number of different factors. It was stated that Stantec, is one of the city's on-call contractors and will work through different scenarios. Mr. Raiche stated the city wants to make sure the initial effort of building out the rate model on how water and sewer bills are created and how to evaluate the bills. The city will seek Stantec's input, as it related to industry standards. Mr. Raiche stated this will help the administration and councilor define a rate structure that is right for Somerville for different individuals in a fair and equitable manner.

It was stated Mr. Lessin and Mr. Mastrobuoni have been involved in building this model with Stantec.

Councilor Rossetti asked if they are planning to come back to the committee to submit the data to committee in April which will help make recommendation for potential new way of doing rates in June. Mr. Raiche stated there will have additional meetings with the council as they work through the model. Their goal is to improve the equitability for the different classes.

Chair Scott asked Mr. Raiche when was the last time a rate study was completed. Mr. Raiche state it was at least 5 years ago since there was a deep dive. Mr. Lessin stated they conduct with the help of a financial consultant what the usage has been and use it as a model and is presented to council over the last 3 years.

Chair Scott asked why another study and why weren't the previous recommendation used. Mr. Raiche stated the owner-occupied exemption was not in the study last year. They are attempting to do better identifying people who have affordability issues and how to calculate better breaks for people who may need assistance.

Councilor Mbah asked how other community do this and if it's every 5 years or is it different. Additional questions were asked how water & sewer decided upon 5 years? Mr. Raiche stated that water & sewer revisits the industry standard continuously to make necessary changes to water and sewer structure.

Mr. Raiche stated there have been industry changes over time relating to outdoor water use. He also stated that previously, there was a lot of pressure to allow homeowners to install second water meters for outdoor water usage.

Councilor White stated he raised the issue previously, to present alternatives for a more cooperative methods for the study.

Mr. Lessin provided a quick overview to receive input from the council. The tasks are: 1. the study kickoff and study collection review; 2. developing a long-term financial plan and creating financial model. There will also be evaluation of current rate structure which will include 5 tiers. Stantec will help look at multiple water users in the city and look at new industry coming to the city. Stantec will give the city 4 scenarios to review. Also look at own staff billing operations to review how the city is served. The consultant will help understand the needs of the rate payers and who may own in the city. This will help Somerville understand the financial condition of the

areas and compare to potential rates that may be proposed to help develop a program. He is hoping to have a report in April to present to council to discuss water & sewer bills for the next fiscal year.

Councilor Ballantyne asked why was Stantec picked for this initiative. Mr. Raiche stated there are a number of engineering consultants that do this type of work and they received a number of proposals. Stantec is above the rest and have a business service group that is known for international business for water and sewer analysis. Mr. Raiche stated this was not an RFQ, and the city have several on-call consultants. This was the best value for the city.

Councilor Scott asked Mr. Raiche for a schedule for check-ins from the team whether it's in the committee or otherwise. Mr. Raiche would like a non-quorum working group to be the most expedition way. Mr. Raiche stated day to day, Mr. Mastrobuoni and Mr. Lessin will be driving this initiative. Chair Scott will reach out to the council and give feedback offline to Mr. Raiche.

RESULT:	WORK COMPLETED
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210799: Interim Director of Water and Sewer submitting a draft Scope of Services for the long-term Water and Sewer Rate Study and Affordability Analysis.

See 208132

RESULT:	WORK COMPLETED
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Small Business Relief

210221: That the Director of Finance discuss providing small businesses the option to pay the Licensing Commission's annual license renewal fees in installments instead of all at once.

Councilor Rossetti believes there is an agenda item for this Thursday night to accept is specific to waive specific waive fees that the city council would have the authority to approve or deny. Ms. Webber stated there will not be a memo stating which businesses this will affect. Mr. Bean stated its city councils' licenses that are being considered to be waived. Chair Scott stated this would be for Green and Yellow cabs, outdoor seating extended hours and pool tables. Mr. Beans stated that the clerk reports to the city council. City councilors are department heads and not sure why this would require a vote of the city councilor to waive licenses. Councilor Rossetti requested that Mr. Long be prepared to give a list or report what type of businesses for Thursday night's meeting. Liquor license will be waived until next year June. Mr. Bean stated the city's revenues are higher than expected and can sustain this request which would be \$620,764 without any impact to services.

Chair Scott will send an email to Mr. Long to provide list for Thursday.

Councilor Mbah asked how did the city pick which business to waive the fees and if small businesses where considered. It was stated the Economic Development and Mr. Long came up with the list.

Councilor White suggested sending the link from the city's website for the councilors to review on which licenses they would like to be considered to waive fees.

RESULT:	WORK COMPLETED
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210483: That the Administration consider relief for local small businesses as it relates to their annual renewal of licenses and associated fees.

See 210221

RESULT:	WORK COMPLETED
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Police Inventory Items

210229: That the Chief of Police prohibit the purchase and use of military technology and eliminate any military stockpiles the department currently has.

Deputy Stanford sent a list of military equipment and inventory list of vehicles owned by the police department. Ms. Webber will send email with information. The list will also include a list of all vehicles in the pipeline.

Councilor Rossetti asked why two vehicles were unassigned and if that meant that they are at the station for whatever purpose. Deputy Stanford believes they are spare vehicles.

Chair Scott asked for the report to be sent to him in excel spreadsheet.

RESULT:	KEPT IN COMMITTEE
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210302: That the Chief of Police report to this Council, no later than June 18, 2020 a description of any military equipment purchased or received as a federal grant, currently in the possession of the Police Department.

RESULT:	KEPT IN COMMITTEE
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210455: That the Chief of Police provide to this Council an itemized statement of all materials, tools, and property owned or leased by the City for use of the Police Department.

RESULT:	KEPT IN COMMITTEE
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210456: That the Chief of Police provide to this Council an itemized statement of any equipment purchased on behalf of employees of the Police Department which became the individual employee's property.

RESULT:	KEPT IN COMMITTEE
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Fleet/DPW Inquiries

210748: That the Commissioner of Public Works provide this Council with a report of total known expenses for FY19, FY20 and FY21 to date.

Chair Scott asked who prepared the document. Ms. Webber stated this information was developed and created by staff in DPW for the committee. She stated she would be happy to take back any information to DPW to provide the information the committee is looking for.

Councilor Rossetti stated she reviewed the report and that a lot of budget is encumbered and are they actual.

Chair Scott motioned and it was accepted requesting every invoice from DPW fleet maintenance OM budget for FY21 year to date including documentation supporting encumbrance figures listed in our current Munis report.

Councilor Rossetti asked if the committee will be able to view every invoice. Ms. Webber will check with the law department on this matter.

RESULT:

WORK COMPLETED

Handouts:

- somerville_water_sewer_rate_study_scope_v2 (with 210779)
- DPW FY19-21 YTD 10.31.20 (with 210748)