



**CITY OF SOMERVILLE, MASSACHUSETTS
CLERK OF COMMITTEES**

May 25, 2021
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: Lauren Racaniello-Mayor's Office, Ed Bean-Auditor/Finance, Eileen McGettigan-Law office, George Proakis-OSPCD, Alan Inacio-OSPCD, Alex Lessin-Water & Sewer, Michael Mastrobuoni-SomerStat, Fred Massaro-Capital Projects, Chad Whiting-Water & Sewer, Rich Raiche-IAM and Sam Alterman a member from the community.

The meeting was held virtually and was called to order at 7:08 p.m. by Chairperson Scott and adjourned at 10:50 p.m.

Approval of the May 3, 2021 Minutes

RESULT:	ACCEPTED
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Police Funding FY-22

211826: That this Council review the past 20 years of the city's Police Department reform recommendations and the resultant changes.

The Chair sponsored Sam Alterman, a member from the public, to address the committee. Sam Alterman presented slides on Somerville PD: Brief History of Attempted Reforms. The slides will be available on the city's website. The information was put together by a grassroots group with 30 residents collaborating on public safety research. Sam started with the 2000 management study that was released in January 2001. The management study made over 82 recommendations. Sam highlighted 3 recommendations that the consultants suggested from 2001 which were to: civilianize roles not requiring police training, add more effective use of resources and provide better management to increase efficiency. Sam continued with Harshbarger report. The slides also shared events of the Straight Pride Parade in August 2019. In January 2020, there was a Community feedback meeting. Over 4000 residents signed a petition to fund public services before police. Sam detailed how funds were reallocated to other

areas such as: \$162,000 to housing, \$225,000 to health human service and \$250,000 to civilian oversight.

Chair Scott appreciated the staffing levels as presented. He had one question was about the officers and how does it translates into calls per service. Sam had hoped to have more data for the calls per service and they did not get the information until very late. On page 16-20 of the management study, calculating how long it takes to respond to calls, how long do officer work, not including traffic, neighborhood policing. Sam stated that the recommendation would be for 28 officers to respond to the current number of calls which would be a 45% reduction in current patrol of roster leading to a 10% reduction in the budget. Chair Scott also asked about the public records request that was Sam was charged money for the information. Sam stated that the city redacted a lot of information as was shown on the slides, even though the information is public information.

Councilor Ballantyne asked about the population of Somerville, why the reductions and what types of calls from 20 years ago. Councilor Ballantyne asked Ms. Racaniello for information about calls for services back in 2011.

Councilor Rossetti reminded the committee that they do not have the power to add money to different area and the mayor was very agreeable to move money from the police to other services. Sam reminded the committee that this is not the Defund the Police Department suggestions, but came from the previous research that city had already paid for and from the advisory committees.

Councilor White asked if there is any way to determine the response time during the time of day. Additionally, he suggested it might be helpful to analyze the response time in the evenings, which may have been trouble in West Somerville. Councilor White suggested Sam check with the city clerk for some of the information and look at the agendas which are public.

RESULT:	KEPT IN COMMITTEE
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211257: Submitting questions, concerns, comments and ideas regarding Police staffing, in response to Chief Charles Femino's memo of January 31, 2021, for the February 1 Public Health and Public Safety Committee.

RESULT:	KEPT IN COMMITTEE
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209789: That this Council's Committee on Finance discuss the peoples' budget and priorities for FY21.

RESULT:	KEPT IN COMMITTEE
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Water/Sewer Rates

211618: Director of Water and Sewer submitting the FY22 water and sewer rate proposal.

Mr. Whiting presented the proposed rate adjustment for FY22. He stated the rates are 7% for water 10.5% for sewer. He shared slides from Stantec Engineering which included the use of green meters, concerns for rising water and sewer rates for lower income families. Mr. Whiting stated that on May 11 the water and sewer rate was presented to the council. This included

system needs to avoid large increases to water and sewer rates. The plan will guide the city for the next 10 years. The administration understands the financial impact. He also proposed \$100,000 for the pilot study affordability program to get the financial benefits into the hands of those directly affected by the increase.

Councilor Rossetti forwarded a document showing MWRA rates from their site to see what their proposal is for increase. MWRA proposed water for 3.5% and 1.9% increase for sewer. She understands that the sewer lines need to be replaced and asked why the vast difference between the state and what Somerville is asking for new rates. Mr. Whiting stated that MWRA is just one component and have operations along with capital improvement upgrades which is included into the increase. Mr. Raiche stated there are a lot of upgrades for the metro Boston area for the water side and are now increasing because the work needs to be done. The rate increases requested this year are in anticipation of the work needed in the next 20 years to avoid extreme rate shock. Councilor Rossetti expressed concern about this kind of increase of rate because of the debt inclusion that will be seen as a heavy hit in the real estate tax this fall. She asked about taking \$1M from the stabilization fund to help make the increase a little more bearable for the community.

Councilor White restated his concern about the need to put money in the stabilization fund for future spend. He stated there are direct funding for water improvement and suggested to provide funding from another source for this year only and come back next fiscal year. Mr. Whiting stated they will re-evaluate their model and will look at other funding sources as they become available. Councilor White did not find Mr. Whiting response acceptable and was concerned about the burdens put on the residents. Mr. Raiche stated they take it very seriously looking at additional sourcing for funding. American Rescue Plan funds would be applicable for this request and have also applied for a grant. He stated that none of the federal dollars are secure at this time and need to move forward if the dollars do not appear and cover the necessary needs in the upcoming fiscal year. If the dollars do appear, they will revisit the projects and funding.

Councilor Rossetti suggested taking money from the Free Cash or the tabilization fund to assist residents with the increase. Additionally, she reminded everyone to think about the tax bill coming out in November. Mr. Bean stated yesterday, the city has received ARP fund which is over \$30M. The money can be used for water and sewer infrastructure and will access this matter. Councilor White asked Mr. Bean about the Capital Stabilization Fund and stated this seems like the idea time to use the funds for water and sewer. The Stantec study does look at the stabilization fund to assist and the plan is for the city to contribute \$2M to net down rates. Mr. Raiche stated one of the major accomplishments was to build a financial model to provide projections and now they have the capability to account for future rate increases.

Councilor Mbah asked for a better understanding for setting this level that will stay in place for several years. Mr. Whiting stated this plan is to get the city ready for \$500M needed to get the system back in shape to be reliable and handle rehabilitation. He stated the plan is very well thought out and they plan on going after any money such as grants and federal funding. Councilor Mbah asked about the breakdown of the costs and if he spoke to affordable housing to find out who would be affected the most in the community. Mr. Whiting stated that as they identify water leaks, the water price will go down. Mr. Whiting stated that using the EPA method, the water rate increases substantially. Mr. Whiting stated this is the most comprehensive model he has ever been involved with for water and sewer.

Chair Scott believes in the need to invest in our water and sewer infrastructure. He asked how to provide some relief for the community and what will \$1M from the stabilization really do for the residents' water and sewer bill. His interest is for the assistance program to help various low-income residents. Chair Scott asked when can he tell the residents that there is a rebate on the way. Councilor Ballantyne stated she had conversations with seniors on the water bills and questions whether seniors will participate in the programs.

Mr. Lessin addressed questions about the affordability program. The modeled program already has a mechanism in place to apply for the program. They want to pilot to see how it works and update the committee in October on whether there is sufficient funding.

Councilor White asked when is the final date to vote. Chair Scott stated it would be at the same time as the budget time frame. Mr. Lessin states according to the ordinance, the rate needs to be set by June 1st. Mr. Lessin stated that the \$1M would help lower rate to 6% for water.

Councilor White made a resolution that the administrator ask the city councilor to appropriate \$1M from water & sewer stabilization fund to this upcoming budget to reduce rate from 7% to 6% increase.

Councilor White motioned and it was approved that the city provides to the city council a copy of any and all documents, emails correspondence regarding the overflow from the EPA and MWRA.

Councilor White stated future council members will need this information to properly access the obligations relating to the combined sewer overflow flow issues.

Mr. Raiche stated the EPA gave Somerville, Cambridge and MWRA a 2-year period to develop the plans. He will share the plan with the council, which is technical and engineering focused.

Mr. Raiche stated there are two different permits for storm water and combined consumer overflow. The City of Somerville, Cambridge and MWRA have to present a plan next year to reduce flooding and are on target to complete by end of June 2022. The City of Somerville will need to compare notes with MWRA and Cambridge. There will be a series of major sewer projects to stay ahead of enforcement acts by EPA. If the city does not have a plan, then EPA will present a plan for Somerville.

Mr. Bean stated there is \$7 M in free cash remaining with some serious needs for the cash for the high school, replenish salary & wage stabilization fund, and other very pressing needs for the cash. The water & sewer has \$13M in stabilization fund.

RESULT:

WORK COMPLETED

211857: Director of Water and Sewer submitting the FY22 water and sewer volumetric rate recommendation.

RESULT:

KEPT IN COMMITTEE

211858: Water and Sewer Director of Administration conveying testimony received relative to the proposed FY22 water and sewer rates.

RESULT:**WORK COMPLETED****Aldersey Taking****211364: Requesting the adoption of an Order of Taking for 9-11 Aldersey Street for historic, open space, and affordable housing purposes.**

Mr. Proakis presented slides on this item. The slides will also answer Councilor White's question from the last meeting. Mr. Proakis stated he is not expecting a vote tonight.

The main issue was the timing of the vote, but the city has missed the window. If they had voted last time, they would have been able to make a payment. It is now better to wait until the next fiscal year. The second issue is that the mayor wanted to hear from GLX about getting the payment back, which they do not have that information yet. Mr. Proakis is still optimistic about the acquisition of this property. The site includes a multifamily built in 1850 and a little more ½ acre land occupied by tenants at will. 3-unit house, 3,468 sf. The proposed project could include affordable housing and open space. He shared that the site is for sale again and had been on the market previously for \$5M. The owner has it on sale right now, stating its perfect for 11 luxury condo units with special permits. The city's appraisal is \$3,450M. Currently it generates \$14,914 in taxes, with new development \$56,045 and new annual revenue \$41,131. This site is a historic structure and a really flexible site. He suggests maintaining structure as three affordable housing units under the 100/2000 Homes Program. Other suggestions are to sell entire site to a non-profit affordable housing, or do affordable housing on one-side and keep the park on the other side. He would like to bring this back in FY22 with hope of using the GLX money and seek CPA funding.

Councilor White would like to understand the annual cost. This is more of how the city will invest the funds. Mr. Proakis stated the property changed hands from one LLC to another and he will continue to keep an eye on the property.

Mr. Proakis stated the administration's request is to lay this on the table and bring this back up in the next fiscal year 2022.

RESULT:**KEPT IN COMMITTEE****211373: Requesting an appropriation and authorization to borrow \$3,450,397 in a bond for the cost of acquiring the property at 9-11 Aldersey Street.****RESULT:****KEPT IN COMMITTEE****Other Funding Requests****211842: Requesting an appropriation and authorization to borrow \$2,520,000 in a bond for building improvements.**

Mr. Raiche stated this is an annual recurring CIP item for repairs and improvements to various city buildings, code update, ADA compliance and capital improvements. These types of improvements were called off due to the pandemic and logistics due to construction. There are a few projects lined up with work at Winter Hill School water issues, much needed repairs at Engine 7 and skating rink.

There was not a request in 2020 which was wrapped into the library.

Councilor Ballantyne asked how much is appropriate for the rinks. Mr. Raiche stated that bidding is unstable right now with materials and they are planning the first bid for the Winter Hill School to get water removed from the pent house and do as much work over the summer. Then they will bid out for the fire station because it has been deferred and much work is needed. After these projects are bid out, they should have enough money for the rink. Mr. Massaro stated Founders Skating rink arena needs condensation repairs and mold around the arena, which could cost \$150,000 to as much as \$200,000.

RESULT:

APPROVED

211898: Requesting an appropriation of \$630,000 from Unreserved Fund Balance ("Free Cash") to ADA Improvements Fund 5148 for ADA building accessibility improvements.

Mr. Massaro stated they have not spent any money and have been compiling a list for work that has not been done over the year from COVID which should carry through 2022. He stated they may be able to do bathrooms in schools and ramps. The chair asked for a list of the top three projects. Mr. Raiche stated these are smaller jobs that appear on 2021 CIP and would like to get these projects in before the budget.

RESULT:

APPROVED

211466: Requesting the appropriation of \$1,005,971.23 from the CPA Community Housing Reserve Fund to the Somerville Affordable Housing Trust Fund for the FY21 Community Housing Allocation.

Mr. Inacio stated this for an annual allocation of the housing CIP to the Trust for FY21. There were slides presented for this request.

RESULT:

APPROVED

211469: Requesting to rescind the approval and appropriation of \$87,114 for the Somerville Museum Collection Care project, to be re-appropriated.

Councilor White has recused himself from this item.

Mr. Inacio stated there was unforeseen construction in building the elevator. They requested to ship the funds to the construction contingency and formally rescind the collection.

RESULT:

APPROVED

211472: Requesting the appropriation of \$50,000 from the CPA FY21 Fund for the Open Space Acquisition and Improvements Stabilization Fund.

RESULT:

PLACED ON FILE

211566: Requesting the appropriation of \$50,000 from the CPA FY21 Open Space/Recreational Land Reserve Budget for the Open Space Acquisition and

Improvements Stabilization Fund.

Mr. Inacio annual allocation from the CPA.

RESULT:

APPROVED

Referenced Material:

SPD History of reform recommendations presentation (with 211826)

SPD History of reform recommendations handouts index (with 211826)

01 - 2001 Management Study of the Police Department (with 211826)

02 - Strategic Review of Police Management Study - Harshbarger Memo (with 211826)

03 - Somerville Times - Former state AG reviews police performance (with 211826)

04 - Chief of Police McLean Response to Harshbarger Memo (with 211826)

05 - Curtatone Acts Quickly To Begin Police Reform - CoS News (with 211826)

06 - 2005 Police Advisory Group Report (with 211826)

07 - 2020 Draft Report on Community Feedback (with 211826)

08 - SPD org chart (with 211826)

9-11 Aldersey Slides (with 211364, 211373)

Building Improvements Debt Service (with 211842)

debt-summary-05.25.21 City Council