



CITY OF SOMERVILLE, MASSACHUSETTS CLERK OF COMMITTEES

June 11, 2019

REPORT OF THE FINANCE COMMITTEE MEETING AS A COMMITTEE OF THE WHOLE

Attendee Name	Title	Status	Arrived
William A. White Jr.	Chair	Present	
Mary Jo Rossetti	Vice Chair	Present	
Matthew McLaughlin	Ward One City Councilor	Present	
Ben Ewen-Campen	Ward Three City Councilor	Present	
Katjana Ballantyne	Ward Seven City Councilor	Present	
Jesse Clingan	Ward Four City Councilor	Present	
Jefferson Thomas ("J.T.") Scott	Ward Two City Councilor	Present	
Lance L. Davis	Ward Six City Councilor	Present	
Mark Niedergang	Ward Five City Councilor	Present	
Wilfred N. Mbah	City Councilor at Large	Present	
Stephanie Hirsch	City Councilor At Large	Present	

The meeting was held in the Council Chamber and was called to order by Chairman White at 6:12 pm and adjourned at 8:40 pm.

Others present: Annie Connor - Legislative Liaison; Michael Mastrobuoni - SomerStat; Ed Bean - Finance; Nicholas Antanavica - Inspectional Services; Rich Raiche - Engineering; John DeLuca - Water & Sewer; Alex Lessin - Water & Sewer; Candace Cooper - Personnel; Kimberly Wells - Assistant Clerk of Committees

FY-20 Departmental Budget Review and any associated departmental financial matters.

Mr. Mastrobuoni began by addressing questions that had arisen about the FY2018 actual numbers in the budget book, to note that the goal is to compare fiscal years to each other, rather than expenditures that are carried forward.

Councilor Ewen-Campen moved that the administration have a representative present for the Health and Human Services budget presentation to discuss the collective bargaining agreement for the school nurses. The motion was approved.

Inspectional Services

Mr. Antanavica presented the budget and noted that there are fewer permits issued, but many of the permits are for larger projects. The department will be working to implement the short-term rental ordinance and update food safety inspections to include new health codes. There are

currently three (3) vacancies in the department. The salary increases requested are due to the recently negotiated SMEA B contract and staff to help implement the short-term rental ordinance. It was noted that there is an additional building inspector position that was included in the budget in error. The total should be one Senior Building Inspector and seven (7) Building Inspectors.

Councilor Niedergang noted that he has concerns about snow removal from sidewalks and closing down an illegal hostel. Councilor McLaughlin agreed that something must be done to address property owners that do not shovel and encouraged using the tools available, such as fines and liens, to ensure that the issue is addressed. Councilor Hirsch noted that for snow removal, a prior track record should trigger future inspections. She also encouraged the department to consider how to increase communication with residents about what constitutes a code violation, as many do not even know what the hazards are.

Councilor Rossetti expressed concern about the revenue for building permits, as the projected revenue is a decrease from previous years, but the permits are not projected to decrease.

Chairman White noted that the revenue estimate is conservative in order to utilize any additional revenue in stabilization funds or free cash (to avoid bonding and incurring interest for projects). He clarified further than the City Council cannot adjust the revenue, but in order to decrease the bottom line, which is Councilor Rossetti's goal, they can cut line-items. Councilor Rossetti asked further whether the bottom-line could be cut in total (i.e. all ordinary maintenance) rather than individual line items. Mr. Mastrobuoni will research and provide an answer. Councilor Mbah asked about the rat control process and health inspection training and Councilor Ewen-Campen asked about creating a noise ordinance. Councilor Scott confirmed that there are no new positions created in this budget.

Councilor McLaughlin added that the department should be sure to utilize rat bait to the fullest extent possible. Councilor Scott clarified that the line for extermination (538004) is for contracted services. Currently, the line is only spent at about half of what is allocated, and he also encouraged its use. Councilor Rossetti asked about reason for the significant increase to the line for Software Services (530028), and it is for the short-term rental software.

Infrastructure & Asset Management (IAM)

Mr. Raiche presented the department's budget. He emphasized the need to prioritize investments in infrastructure and prolong the life of facilities through modern and smart asset management. Councilor Hirsch commended the restructuring to create this department, and asked for clarification on why positions such as the traffic engineer were excluded. Mr. Raiche noted that there is coordination on many issues, but traffic management plans and pavement management such as striping are all housed within Engineering, so the position seemed to fit better there as well. The operations of Engineering and Capital Projects are contractor-intensive, while DPW and Water & Sewer are less so and thus were not included in the restructuring at this time.

Councilor Hirsch asked further about the asset management software and Capital Projects and Engineering own most of the data about the assets, but DPW and Water & Sewer will be partners in using the work order features of the system once it is implemented. Councilor Niedergang asked for clarification about the alternative sources of funds, which would include the state revolving funds, which come with additional specifications from DEP in exchange for low interest rates, as well as other grant funds such as the Municipal Vulnerability Program for mitigating climate change impacts. Councilor Niedergang also asked about the timeline for the Edgerly School redevelopment, and the OPM will be including that in the scope of the evaluation

of City-owned buildings. Councilor Scott asked about the newly created Director of Finance and Administration position and who owns those responsibilities now, and it is the Director and Project Managers. Mr. Raiche would prefer to add someone with a financial focus to allow for more efficient delivery of technical services from the technical employees. It would also help to leverage financial capabilities to take advantage of grants and creative funding sources. Councilor Clingan asked about how many of the City's 94 road miles are re-paved each year and it is approximately 1.5. President Ballantyne asked to see an analysis of the salaries for the positions that previously existed in various departments and the difference between that and the salaries in the newly created IAM department. Councilor Rossetti confirmed that the ordinary maintenance will continue to remain divided under Engineering and Capital Projects, rather than combined into the IAM department.

Capital Projects

Councilor Rossetti confirmed that one Project Manager is for the High School and one is for the Library, among other projects. The new Project Manager will be for the Public Safety building. President Ballantyne asked about the Software Services line (530028), and the funds are to begin licensing for a selected software vendor for asset and work order management. Councilor Rossetti confirmed that the Professional and Technical Services (530000) and Engineering Architectural Services (530006) lines had funds that carried over from previous years but will be spent. President Ballantyne asked for information on the Building Reconstruction (582002) and Building Improvements (582003) lines and Mr. Raiche noted that the funds have been used to support unforeseen expenses and he will research and provide more information.

Engineering

President Ballantyne asked for more detail about the Alewife Brook Parkway project and Mr. Raiche clarified that the study area is very large and concerns the entire system. Further, some of the flooding is under the purview of MassDOT and would have to be addressed by the state. The development at Clarendon Hill will require stormwater mitigation and contributions to the I&I fund to help improve the system. Councilor Rossetti confirmed that there are three (3) vacancies in the department. The line for Software Services (530028) has been almost entirely spent on project management software to avoid having to manage and archive paper records. The Engineering and Architectural Services (530006) will largely be used to redesign School Street and make an ADA compliant path. Sycamore, Lowell, and Washington Streets will also undergo redesign to accommodate the GLX, but those will be less complex.

Debt Service

Mr. Mastrobuoni explained that this includes both long and short term debt and the debt for the High School construction project. Chairman White asked for a copy of the bond prospectus and Mr. Mastrobuoni will share that.

State Assessments

Chairman White noted that these items are all required by the state. Councilor Niedergang asked about the increase in the RMV Non-renewal Surcharge and it is being reviewed by the administration.

Health Insurance

Chairman White asked about the Medicare Penalties and Mr. Mastrobuoni will investigate. The GIC Health Opt-out is the amount paid to employees who receive healthcare from another source (such as a spouse).

Other

There were no questions about Worker's Compensation or Unemployment Compensation. Councilor Ewen-Campen asked about the Pension contribution and it is down due to one-time buy-outs that were previously offered. The City is scheduled to fully fund its pension liability by 2033. There were no questions about Salary Contingency. Chairman White confirmed that there was no reduction to Damages & Building Insurance, and it is the best estimate available at this time.

Handouts:

- Capital Projects Budget Analysis
- Engineering Budget Analysis
- Engineering Responsibility Matrix
- IAM Positions & Staffing
- Memo - Dept. of Infrastructure & Asset Mgt
- Proposed Org Chart