

TOWN COUNCIL MINUTES
BUDGET/MANAGEMENT COMMITTEE
Town Hall Council Chambers
February 14, 2011

Present: Kenneth DiFazio, Chairperson
Patrick O'Connor, Vice Chairperson
Arthur Mathews, Council President
Michael Molisse, Councilor
Michael Smart, Councilor

Also Present: Richard Swanson, Town Auditor
Richard Grimes, Chief, WPD
Joseph Comperchio, WPD
Robert Conlon, Councilor
Michael Gallagher-Director of Administrative & Comm. Svcs.

Recording Secretary: Mary Barker

Chairman Kenneth DiFazio called the Budget/Management Committee meeting to order at 6:30 PM.

11 007- Appointment of Director of Municipal Finance-William McKinney

Michael Gallagher introduced candidate William McKinney to the committee. Copies of his resume were provided to the committee. Mr. McKinney reviewed his background and qualifications. Auditor Swanson read a prepared list of questions. Mr. McKinney noted he will aim for the most cost-effective way of managing the town finances and enhancing technological approaches. He is undergoing an introduction to the MUNIS finance software and meeting with the various department heads. Auditor Swanson asked several questions which Mr. McKinney responded to, including his vision for municipal finance, the manner and timetable in which to learn the finance system, and his investment approach for town cash.

There were questions by the committee also. At Chairman DiFazio's request, Mr. Gallagher reviewed the selection process by which the Mayor made her final selection. Mr. Wilson had also been involved in the selection process, and recommended Mr. McKinney. Councilor Molisse asked how the training will be accomplished. Mr. Gallagher responded that it will be in-house, at no additional cost to the town. Councilor O'Connor noted he knows the candidate and supports the selection.

A MOTION was made by Councilor O'Connor to forward item 11 007 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Molisse.
UNANIMOUSLY VOTED.

11 009- Reserve Fund Transfer for Public Works Vehicles

Michael Chiasson and David Tower of the DPW requested a transfer of \$100,000 from the Reserve Fund to Fund 0002 to replace two 1-ton plow trucks, both of which were burned during the

December 26, 2010 storm and were declared a total loss. They are vital pieces of equipment and used all year for plowing and park maintenance. Both are 1999 S-350's. Replacement information was provided under the state bid guidelines. Auditor Swanson noted there are adequate funds in the Reserve Fund in order to cover replacement costs.

Councilor Conlon asked why only one of the replacement vehicles has the extended cab. Mr. Chiasson responded that it was not necessary to have both vehicles with that option. It was chosen as an opportunity to see how it works out for the department. Councilor Smart questioned whether either or both will be reimbursable from the base mitigation funds. Mr. Gallagher responded that those funds may not be available in this fiscal year and are dependent on the pending decision by DOR.

A MOTION was made by Councilor O'Connor to forward item 11 009 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Molisse.
UNANIMOUSLY VOTED.

11 010- Sewer Retained Earnings for a Vactor Truck

Mr. Tower requested an appropriation of \$325,000 from the Sewer Enterprise Fund Retained Earnings for the purpose of funding a new Vactor truck and associated equipment. This has been listed as item #34 on the Capital Improvement Plan for the last couple of years. At this time there is \$1.6 million in retained earnings. It's been the practice of the department to utilize retained earnings for the purpose of funding smaller capital improvement items. Significant funds have been bonded for infrastructure repairs.

This piece of equipment is the department's first line of defense in preventing sewer backups and is vital to the health and welfare of the residents. The current piece of equipment is problematic and has outlived its usefulness. Auditor Swanson confirmed the request falls within the CIP and there are sufficient funds in retained earnings. Existing equipment will be retained as a backup. Councilor Smart asked if there will be a request for extended warranty when the equipment is quoted. Mr. Tower responded that it would be costly and not necessary.

A MOTION was made by Councilor O'Connor to forward item 11 010 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Molisse.
UNANIMOUSLY VOTED.

11 012- Appropriation Request for Essex Street Water Tank

Mr. Tower requested \$750,000 from Water Enterprise Fund, Retained Earnings for the purpose of funding the costs associated with painting the Essex Street water tank. This was listed as item #42 of the CIP. At the current time, there is \$2.8 million in retained earnings. It is also the practice of the water department to utilize retained earnings to fund smaller capital improvement projects. Funds are more significant because the town is gearing up for the bond payments on the debt service payment for the water treatment plant.

Mr. Chiasson noted the existing tank was built in 1990 and has not been painted since then. DEP recommends an internal inspection of the tank every few years. There was an inspection conducted in 2007 and in 2008 the sediment was cleared. At that time, it was noted that paint chips were

forming. Rust is now visible and can result in pitting of the steel and affect the water quality. It is not required by the DEP, which only recommends inspections. Auditor Swanson noted the request is \$200,000 above what is listed in item #42 of the CIP. Mr. Tower responded that the original item was drafted at the same time as the Reed Avenue tank. The department had to come back to Council for additional funds to complete it. The nature of this tank is different, as will cost. Mr. Chiasson noted that the spheroid shape of the Essex Street tank will make it more difficult to paint.

Councilor Smart asked if the paint has been tested for lead and if the method of removing peeling paint is sandblasting. Mr. Chiasson noted that it was painted in 1990, so it shouldn't contain lead, but he will check to see if it has been. Sandblasting will be the preferred method. Councilor Smart asked if the residents will be notified. Mr. Tower noted that the measure requires a public hearing. When Reed Avenue was painted, the surrounding neighbors were notified, and Councilor Smart recommended this same practice be followed as well as testing the paint chips.

Councilor O'Connor noted he did not support the Reed Ave project, because it was not a DEP mandated project. He asked about the quality of the water. Mr. Chiasson responded that the water quality is fine now, but that chipped paint will cause problems in the distribution system. There is no filtration; and it can therefore create blockage problems. Councilor O'Connor asked if there is any long term solution; Mr. Chiasson responded that there isn't at this time. Any failure of the tank could result in a lack of resources for the town to fight fires. Councilor Smart asked about the size of the tank; it is a million gallon tank. He asked if there is any type of eco-friendly liner that can prolong the life of the tank and the cost to install a new tank. Mr. Chiasson responded that he is not aware of any and that a new tank would probably run a few million dollars. Councilor Smart recommended that the department reach out to the Presidents Hill Neighborhood Association.

A MOTION was made by Councilor O'Connor to forward item 11 012 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Molisse.
UNANIMOUSLY VOTED.

11 011- Appropriation Request for Police Patrolman's Union Contract Settlement

Mr. Gallagher reported on the economic impact of the Memorandum of Agreement between the Police Patrolmen's Union and the Town of Weymouth. The Mayor is seeking to fund the retroactive pieces of the agreement. The agreement is effective July 1, 2009; seeking funding for FY2010 and the first half of FY2011 (7/1/10-12/31/10). The balance of the contract will be absorbed in the police budget remaining this fiscal year. The Mayor is seeking \$473,858 from free cash to fund the retroactive portion of the contract. Chairman DiFazio asked if the MOA came about from arbitration. Mr. Gallagher responded that the contract was settled with the JLMC. The JLMC would have leaned heavily toward the agreement reached with the WFD. This mirrors what the WFD agreement received in arbitration, but did not get to a 3A hearing. Rather than spending town funds to arbiter, it was decided to settle. FY08 and FY09 were zero years, FY10 was 6%, and there were minor housekeeping language changes. Chairman DiFazio noted that the WPD will be able to fund the second half with \$150,000 from his existing budget? Chief Grimes has been very conservative this year in anticipation of funding. Five positions were left unfilled. Chairman DiFazio noted that in FY12 the department will seek to fill those five positions in the budgetary process as well as funding the financial impact of the MOA of \$318,000. If the Mayor holds every department to a level funded budget, the issue of how the department will cover the cost was raised. Mr. Gallagher responded

that it will be reviewed when the Chief presents his budget in the process. Chairman DiFazio responded that there are ramifications for the FY12 budget. No one has been laid off in the department to fund the agreement thus far. Auditor Swanson reviewed the financial analysis provided by the Chief. There was a brief discussion regarding the police department practice to wisely manage their budget and the Quinn Bill impact to the agreement. Councilor Mathews noted his appreciation with settling the contract prior to arbitration and avoiding those increased costs.

A MOTION was made by Councilor O'Connor to forward item 11 011 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Smart. Councilor Molisse noted he will recuse himself from the vote. UNANIMOUSLY VOTED, with one recusal.

11 013- Appropriation Request for Police Superior Officers' Contract Settlement

Mr. Gallagher noted this contract was driven off the Patrolmen's contract. The Mayor seeks \$206,807 from free cash to fund the economic impact similar to the Patrol contract. The FY12 impact will be \$142,255.62. Auditor Swanson reviewed the financial analysis provided with this measure. Chairman DiFazio asked if there are any unfilled positions within the superior officers. Chief Grimes responded that there is one.

A MOTION was made by Councilor O'Connor to forward item 11 013 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Smart. Councilor Molisse noted he will recuse himself from the vote. UNANIMOUSLY VOTED, with one recusal.

Accounting for Southfield Mitigation Funds

Chairman DiFazio noted this item is ongoing in committee. It will be taken up at the next committee meeting. Councilor Mathews reported that the Mayor is working with the DOR for clarification on this matter.

Adjournment

At 7:30 PM, there being no further business, Councilor O'Connor made a MOTION to ADJOURN the meeting and was seconded by Councilor Molisse. UNANIMOUSLY VOTED.

Respectfully submitted by Mary Barker as Recording Secretary

Approved by Chairman DiFazio