

**TOWN COUNCIL MINUTES OF THE  
BUDGET/MANAGEMENT COMMITTEE  
Town Hall Council Chambers  
May 4, 2011**

PRESENT:           Kenneth DiFazio  
                  Michael Smart  
                  Michael Molisse

ABSENT:           Patrick O'Connor  
                  Arthur Mathews

OTHERS:           Jeffrey Bina, Director of Department of Public Works  
                  Dave Tower, Business Manager  
                  Mike Chiasson, Water Superintendent  
                  Richard Swanson, Auditor

Recording Secretary: Lee Hultin

Chairman DiFazio called the Budget/Management Committee meeting to order at 6:45 pm in the Council Chambers.

**Review/discuss Department of Public Works and Water/Sewer Department Budgets with Chief Financial Officer, Director of Public Works, Water and Sewer Superintendent and Business Manager.**

**11 025 (O)-Department of Public Works:** Dave Tower gave a brief overview of this request. The DPW salary and overtime budget is up 4% due to contractual and non-union raises as well as step increases. Trash is up \$130k, we are in year 3 of a 5 year contract and it is estimated to go up 1.5%. Fuel costs have increased \$100k, street lighting has also increased \$25k. The total increase is \$325k for the budget.

The department is looking to add 2 maintenance men for FY12 which is very crucial to maintain the look of the town.

Review of Mr. Swanson's questions:

- A. What accounts for the 25% increase in Clothing Allowance for Management/Administration and a decrease of 37.5% for Street, Sidewalk and Storm drain? \$450.00 per union employee for uniform allowance. Custodian is up to the administrative salary item. The total budget has decreased.
- B. Why are the amounts budgeted for Meals under Salaries? Are they part of an employee's compensation? Yes, they are contractual.

- C. Why are Salaries increasing by \$44,000 (16.9%) in Street, Sidewalk & Storm Drain? In the S.S.S. salary line is there an addition of a C&M W-3 Maintenance man or was there also two in Fy11? Reduction of the director's salary and 2 custodians moved up and 2 maintenance men are to be hired.
- D. Is the \$129,032 increase in total Refuse Collection driven by contract increases? When will the bidding process start for new contracts? What components of the Refuse Collection total expense are under a multi-town contract? There is a 1.5% increase in the contract. There should be an additional increase in FY13. We are in year 3 of a 5 year contract and we will renegotiate in 2014. Each town has their own contract.
- E. How was the \$100,000 increase in Gasoline expense derived? Estimate on current costs of gas.
- F. In the line items Electricity, Gas Heat, Building Maintenance and Mechanical Parts Fy12 is budgeted the same as Fy11. Is it reasonable to assume a zero price increase when there is inflation and a higher cost of doing business? Any increase in utilities will be offset by reductions in other areas.
- G. In the salary detail what is the \$9,000 Mech Stipend under Vehicle Maintenance? \$1800. Per mechanic and it is contractual for taking on the additional duties of maintaining the fire apparatus. There are 5 mechanics. This has been in place for over 8 years.
- H. In the salary detail what is the \$8,500 Tree Stip under Parks and Playgrounds Maintenance? Hazardous pay, out of grade pay, on call and shift differentials. This also is contractual. Councilor DiFazio asked if they keep track of how much money they spend on each field and it was stated no. He asked what the status was of the Ralph Talbot Field. These fields opened up in 2003 and were over used and now they are not being used at all. Jeff Bina will look into the current status and plan for this field as well as who maintains it.
- I. What is the basis of the Snow & Ice control budget of \$320,143? Should this be much higher since Fy11 cost us \$1,168,000? We always budget low on this as this is the only line item we can overspend.
- J. Please provide an updated Organization Chart for D.P.W., Water & Sewer. Yes, and updated one will be coming.

Trash increase is due to the disposal of the trash with Sea Mass. Capital Waste is curbside pick up and yard waste. As Weymouth recycles more of our trash tonnage will decrease.

**11 033 Sewer Enterprise Fund Annual Appropriation:** There is an increase of \$115k in this budget due to MWRA fees coming in later in the year and are hard to budget for. The MWRA numbers are truer numbers. There isn't as much flexibility in this budget.

Review of Mr. Swanson's questions:

- A. Why are Rate revenues decreasing by 2.4%? Revenue is staying the same and lien revenue is increasing. We realigned the numbers closer to actual numbers.
- B. What drives the 114% or \$400,000 increase in "Liens added"? Same thing.
- C. What is the basis of increasing interest income by 60%? This is based on past history.
- D. What are "IP Revenues"? Interest and Penalties on tax payers that are past due.
- E. What are the Meals/Reserve expense of \$5,130 in Management salaries and the \$21,205 under Sewer Collection? This is contractual.
- F. The line items Electricity, Gas Heat, Equipment Maintenance and Vehicle Maintenance are budgeted flat. Is this reasonable to assume since we have inflation and rising cost of doing business? They have tried to maintain level funded budgets.
- G. How was the \$12,000 (66.7%) increase in Gas expense derived? Water and Sewer Enterprise funds reimburse the town for gas in Water and Sewer vehicles. This is an estimate.
- H. What is the \$20,000 line item Coll Rep? Collection Systems Repairs
- I. How was the Reserve of \$50,000 derived? It's a place holder if the department comes up short somewhere. This is an estimate.
- J. Why are the Sewer department's indirect costs less than one half of the Water department? This is due to debt services.

Because of the shortage in manpower, DPW has had to dig into overtime. They are looking to fill the 2 vacancies in FY11 hopefully in the next few weeks. These are in the FY12 budget.

Councilor Smart asked what the project was on Pleasant Street? Mr. Chiasson stated that is the access road to the sewer system in Libbey Parkway for maintenance.

The Mont Com project is currently in design. There is a lot of permitting that needs to be done. There won't be any construction for at least 9 months.

**11 034 Sewer Retained Earnings –Wharf Street Pump Station:** This pump station is the second largest with three pumps. All 3 pumps have been rebuilt. They are old and we need to

rebuild them again. This is a completely different company. They are new lower maintenance pumps. We are going to do one at time.

**11 035 Sewer Retained Earnings – Sewer Department Vehicle :** There are a few vehicles that have very high usage. There are 12 vehicles at DPW that we cannot use, they are junk. We replace the older vehicles and trickle down.

**11 036 Sewer Enterprise Fund Annual Appropriation:** This budget is up \$400,000. \$3.3M is in debt services due to the GPWTP. There is no rate increase involved here and the town has a \$15M ban.

Review of Mr. Swanson's Questions:

- A. How was the increase in Water Rate revenue of 3.4% derived? This is based on actuals.
- B. What are I/P revenues? Interest and Penalties.
- C. What are MEALS/RES of \$2,226 and \$22,023 in Salaries? This is for overtime hours, 24 hour operations, shift differentials, \$70.00 stipend for on call an out of grade pay.
- D. What does the Sundry expense of \$40,000 represent? Water portion of utility billing.
- E. What is WTR/ASSESS expense of \$14,500? This is for the safe water drinking assessment we must pay annually to the State.
- F. What drives the \$75,000 (17.6%) increase in Electricity? Having the new GPWTP up and running. We noticed an increase in electricity. The process is all mechanical now.
- G. Why are the Gas Heat, Equipment Maintenance, Vehicle Maintenance, Lab Tests and Telephone budgeted flat when there is inflation and the cost of doing business is increasing? They feel this is efficient.
- H. Is it reasonable to assume that costs for Treatments/Chemical will not increase at all? There is some inflation and a rise in the cost of doing business. They feel the overall budget is sufficient.
- I. What is Overtime Reserve? Extra money for overtime when needed.

J. Why the \$400,000 increase in the Reserve Fund? It's a place holder. Debt Service goes down and reserve funds go up. Payments to the debt fund.

K. Why are Benefits and Indirect costs decreasing by 17.2%? Old debt services are coming off and next year new debt services will go on the books.

With the new Water Treatment Plant the quality of the water overall has improved.

**11 037 – Water Retained Earnings-Water Department Equipment:** This is a request for \$105,000 to purchase a new JCB backhoe. This will replace a 1988 backhoe. DPW has 4 backhoes. One is totally dead and is being used for parts, the second one cannot leave the DPW parking lot and is only used onsite and that leaves them with only 2 that can be used. Dick said he wants the measure amended to read capital number 31 and 35. They will amend this measure when they vote it. Dave Tower will verify the capital improvement number.

**11 038 – Water Retained Earnings- Water Department Vehicle:** The department is downsizing some vehicles for fuel savings. They will remove an old vehicle and replace it with a 4x4 vehicle. It was asked how many vehicles are taken home? It was stated 4 from the water & sewer department (1-emergency (water) and 1-emergency (sewer), 1-facility managers, 1-Assistant superintendent).

**11 029 Reappropriation for Snow Removal:** This measure and #11 030 together will bring us to \$1.68M for snow removal. \$350,000 was budgeted and there was a previous request for \$500,000. This request for \$235,262.71 is from residual money in an 0002 account created in FY10 when the fire department settled their contracts but was not needed. It was put into an account that was not part of the fire department budget and does not need approval from the Fire Chief to spend.

**11 030 Free Cash-Additional FY11 Snow Removal Appropriation:** This is for a request of \$164,738 to supplement the FY11 snow removal budget.

**11 044 – Reserve Fund Transfer-Sewer Overtime:** This is a request for \$10,000 in the sewer overtime account which is currently out of money. This department is shorthanded and that is why there is so much overtime. The extra money in the sewer salary line item will be used to fund the 53<sup>rd</sup> week for the sewer department. Councilor Smart made a motion to recommend favorable action to the full Town Council. Councilor Molisse seconded. Voted Unanimously.

**11 045 – Reserve Fund Transfer-Water Overtime:** It was stated that over the winter there were numerous water main breaks and overtime was required. Councilor Smart made a motion to recommend favorable action to the full Town Council. Councilor Molisse seconded. Voted Unanimously.

**11 046 – Reserve Fund Transfer-Water Enterprise 53<sup>rd</sup> Week of payroll:** Mr. Tower stated that every 6 years there is a 53<sup>rd</sup> week of payroll. The Sewer department was able to absorb this week but the water department is not. Councilor Smart made a motion to recommend favorable action to the full Town Council. Councilor Molisse seconded. Voted Unanimously.

**11 047 – Water Retained Earnings-Essex Street Water Tank:** This is an additional request for \$250,000 to paint the water tank on Essex Street. The original estimate was for \$750,000 and the lowest bid came in at \$908,000. This is due to shrouding, scaffolding and the shape of the water tank. We need to be on the safe side as there is a certain amount of lead in the paint. There were 5 bidders all together. Councilor Smart requested that all the neighbors be notified prior to this painting taking place. It was stated that this project won't start until the fall of 2011.

Dick Swanson, Town Auditor stated that this is #42 on the FY11 Capital Improvement Plan and we should amend the year to state FY11.

Councilor Smart made a motion to amend measure # 11 047 to reflect to reference the 2011 CIP Book. Councilor Molisse seconded. Voted Unanimously.

Councilor Molisse made a motion to recommend favorable action on #11 047 to the full Town Council as amended. Councilor Smart seconded. Voted Unanimously.

Councilor Smart made a motion to amend measure # 11 072 to read Barbara Hughes instead of Barbara Farrell. Councilor Molisse seconded. Voted Unanimously.

Councilor Smart made a motion to bundle measure # 11 048 through #11 074 into one vote for all reappointments to existing committees they currently serve on. Councilor Molisse seconded. Voted Unanimously.

Individual votes at the full Town Council will be required.

- 11 048- Reappointment to the Cemetery commission-Liz Cicchese
- 11 049- Reappointment to the Community Events Committee-Peter Webb
- 11 050- Reappointment to the Conservation Commission-Laura Harbottle
- 11 051- Reappointment to the Conservation Commission-Scott Dowd
- 11 052- Reappointment to the Contributory Retirement Board-Gregory Hargadon
- 11 053- Reappointment to the Cultural Council-Sandra Peters
- 11 054- Reappointment to the Commission on Disabilities – Richard Johnson
- 11 055- Reappointment to the Commission on Disabilities – Janet Walsh
- 11 056- Reappointment to the Board of Elder Services – Jeannette Rose
- 11 057- Reappointment to the Board of Health-Clare LaMorte
- 11 058- Reappointment to the Board of Health-Bill Rennie
- 11 059- Reappointment to the Historical Commission-Edward Walker
- 11 060- Reappointment to the Historical Commission-Mary Dorey
- 11 061- Reappointment to the Board of Library Trustees-Joan Anderson
- 11 062- Reappointment to the Board of Library Trustees-WilliamWestland
- 11 063- Reappointment to the Memorial Committee-Sтивен McCloskey
- 11 064- Reappointment to the Memorial Committee-Frank Burke
- 11 065- Reappointment to the Scholarship Fund Committee-Ginny Snell
- 11 066- Reappointment to the Scholarship Fund Committee-Carol Karlberg
- 11 067- Reappointment to the Youth Coalition-Kathy Godbout
- 11 068- Reappointment to the Board of Zoning Appeals-Kemel Denizkurt
- 11 069- Reappointment to the Board of Zoning Appeals-Edward Foley
- 11 070- Reappointment to the Board of Zoning Appeals-Charles Golden
- 11 071- Reappointment to the Board of Zoning Appeals, Alternate Member-Robin Moroz
- 11 072- Reappointment to the Fourth of July committee, Barbara Hughes
- 11 073- Reappointment to the Fourth of July Committee, Peter Webb, Sr.
- 11 074 –Reappointment to WETC-Rosemary Nolan

Councilor Smart made a motion to recommend favorable action to the full Town Council on measure # 11 048 through # 11 074. Councilor Molisse seconded. Voted Unanimously.

Councilor Smart made a motion to adjourn. Councilor Molisse seconded. Voted Unanimously.

Respectfully submitted by:

Lee Hultin  
Recording Secretary

Approved by:

Kenneth DiFazio, Chair of Budget