

**TOWN COUNCIL MINUTES
BUDGET/MANAGEMENT COMMITTEE
Town Hall Council Chambers
March 14, 2011 - Monday**

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
William McKinney, Chief Financial Officer
James Clarke, Director, Planning & Development
Walter Flynn, Chair, Community Preservation Committee
Michael Chiasson, Acting Director, DPW
David Tower, Water/Sewer Superintendent
Scott Bois, Coordinator of Financial Services
Rob MacLean-Director of Libraries

Recording Secretary: Mary Barker

Chairman Kenneth DiFazio called the Budget/Management Committee meeting to order at 6:40 PM.

11 015- Community Preservation Committee-Legion Field Fence and Wall

This item was referred to the Budget/Management Committee on March 7, 2011. James Clarke and Walter Flynn presented a request for the second phase of the restoration of the Legion Field Memorial Wall. The masonry portion, rebuilding and restoration of the piers was completed last year. This second phase is for the removal, powder-coating, sealing and reinstallation of the iron fencing which runs between the piers. The third phase is for concrete base work. Mr. Clarke provided a spreadsheet indicating the breakdown of the work specifications. This request is for \$250,000 which includes design services. A local contractor has provided sample restoration of one section. The funds being requested should cover the estimated cost of the iron work. Phase II and Phase III (as an alternate) will be bid at this time, and if the total pricing comes in close to what was budgeted, the committee may come back to the Council and Mayor to fund both phases. There was a brief discussion surrounding the mechanics of the project. Mr. Swanson noted that there are sufficient funds in the unspecified reserve fund to accommodate the request.

A MOTION was made by Councilor O'Connor to forward item 11 015 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Molisse. UNANIMOUSLY VOTED.

11 016-Water Retained Earnings-Water Main Improvements

Michael Chiasson and David Tower of the DPW requested that the town raise and appropriate the sum of \$350,000 from the Water Enterprise Fund Retained Earnings, to fund the costs associated with additional water main improvements. Mr. Tower reviewed the history of the plan (item 45 on the Capital Improvement Plan). It is the department's goal to replace problematic water mains throughout the town on an annual basis.

Two years ago \$1.1 million was authorized by Council for Contract 10-1, which was to replace the water main at Washington Street at Middle, a stretch of Route 18 by Eye Health, Highland Place ,and change over and cap an old water main by the 99 Restaurant. That bid was awarded to Cape Ann Equipment, which went out of business before the work at Washington and Middle Streets was complete. The work was completed by the surety company which honored the bid pricing. The work that was not completed is part of the current request, along with three additional sites. Norton and Sterling Streets and Paomet Road

are being added at this time, as alternates. Each has had a main break within the last few years; Norton has a deep main which requires the hiring of outside contractors. Since 2004, Norton has had ten leaks, Paomet Road has had seven and Sterling has had five. All will be upgraded in service. Sterling Street also has an interconnection with town of Braintree, and the current service is not adequate to supply Braintree in the event of an emergency. If approved, and bids are favorable, the work will be completed this spring.

Councilor McDonald noted the current poor conditions on Norton Street, which may be the result of recent past repairs. Councilor Smart requested that the new ordinance passed by Council be part of the consideration in the bid specifications. Councilor Smart asked if the bond has been released from the prior work or if monies have been retained. Mr. Tower responded that the town felt it was better to take back the bid from the surety company, and rebid the balance of the work with the addition of these three streets.

A MOTION was made by Councilor O'Connor to forward item 11 016 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Molisse. UNANIMOUSLY VOTED.

11 017-Free Cash-Legion Field Demolition

Scott Bois reported that when the new water treatment plant was being considered, demolition of the old plant was a part of the bid. It also included as an alternate the demolition of the stands and lighting at Legion Field. The alternate bid received was for \$203,150. With contingency \$215,000 is being requested which will cover the demolition construction cost to SNR Corporation. This does not include construction oversight. Chairman DiFazio noted that there were members of the public in attendance who wished to speak to the item. He responded that this matter will be put to public hearing at Town Council, at which time residents are encouraged to comment. Council President Mathews further clarified; those items which use free cash appropriation are subject to public hearing; reserve fund transfers are not.

Chairman DiFazio asked what the difference in pricing between demolition and the alternate. There was a brief discussion of the financing. Funds were borrowed in anticipation of the plant demolition. Bids were all within \$200,000-\$300,000. If this item is recommended to full Town Council, the public hearing will be held on 4/8 and Notice to Proceed to the contractor within ten days. The contractor will determine how the work will be phased out, within a six week time period, but perhaps completed by June. Chairman DiFazio asked if the town maintains a spreadsheet of all monies spent on Legion Field to date. He requested, working with the Town Auditor, a running balance be provided. Councilor Smart asked what the demolition manner will be and that the District Councilor be advised in advance so that dust and noise impact can be appraised to the local residents via the East Weymouth Neighborhood Association newsletter. Much of the cost is driven by abatement of material prior to demolition.

A MOTION was made by Councilor O'Connor to forward item 11 017 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Molisse. UNANIMOUSLY VOTED.

11 018-Reserve Fund Transfer-Iron Hill Dam

Mr. Bois requested the town transfer the sum of \$35,000 from the reserve fund for the purposes of funding the expenses associated with the inspection and investigation of the Iron Hill Dam. Mr. Chiasson reported that the dam is required by the state to have a Phase I inspection every two years because of its high risk rating. In 2009 the Phase I inspection was completed and it received a poor rating, which requires a Phase II inspection then be conducted. Chairman DiFazio requested that the results be supplied to the Council. He also asked if there were funds outside of the budget process for repairs to the dam. Mr. Swanson reported that there are adequate funds in the reserve fund for this purpose.

A MOTION was made by Councilor O'Connor to forward item 11 018 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Molisse. UNANIMOUSLY VOTED.

11 019- Library Reappropriation

Mr. Bois requested the re-appropriation of \$41,000 from salaries to expenses in the library line. Mr. MacLean reported that two positions were vacated during the year resulting in funds being available. The Library Board of Overseers requires the town of Weymouth spend 10% of the overall library or \$93,773 on new materials for its collection in order to keep state accreditation. \$36,000 has been spent to date towards

materials. Several library fundraisers are being planned by the Board of Library Trustees to raise the balance of funds needed by the department before June 30th. Chairman DiFazio asked Mr. MacLean to present the fundraising information to the public at the next Town Council meeting. Mr. Swanson reported that there are sufficient funds in the library salaries line item to meet the request. Mr. Bois noted that the request is to fund expenses with funds transferred from the salary line item and necessitates action by Council.

A MOTION was made by Councilor O'Connor to forward item 11 019 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Molisse. UNANIMOUSLY VOTED.

Accounting for Southfield Mitigation Funds

Mr. Bois provided an update to the committee regarding the ruling from DOR as to how funds from the Host Community Agreement are to be treated by the town. Notification has been received and the response to the ruling is that because the Host Community Agreement was amended, and in the amendment there was no specification as to where the funds would go, the town is required to post to the general fund. They did agree, and will be forthcoming in writing, to earmark funds coming from the base as part of free cash to capital for that purpose. It cannot be expended until free cash is certified. Close to \$900,000 has been received so far, and if revenues and expenses hold, and there is a good free cash number, those funds will be earmarked. Spending will require a measure to Town Council, public hearing and legal notice. If the town can show regularity of receipt of the funds, there may be a time where it could be budgeted as a capital line item. The advantage to this is the availability to use funds prior to the certification of free cash. Councilor Mathews noted he looks forward to obtaining the distinction in writing that will be clear from the DOR. He also noted it would be prudent to receive something in writing prior to the Mayor's budget presentation.

Process for review of Internal Audit Reports

This item is ongoing and will be continued to the next meeting.

Adjournment

At 7:32PM, 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 Kenneth DiFazio as Chairman