

TOWN COUNCIL MINUTES
BUDGET/MANAGEMENT COMMITTEE
Town Hall Council Chambers
April 17, 2008

Present: Kenneth J. DiFazio, Chairperson
 Patrick O'Connor, Vice-Chairperson
 Arthur Mathews
 Michael Molisse
 Kevin Whitaker

Also Present: Robert Conlon – Councilor
 Edward Harrington – Councilor
 James Wilson – CFO
 Robert O'Connor – Director DPW

Recording Secretary: Doreen Teodorson

Chairman DiFazio called the Budget/Management Committee meeting to order at 6:45 p.m.

Chairman DiFazio stated they would review and discuss the Department of Public Works and Water/Sewer Budget with the Chief Financial Officer and the Department of Public Works Director. The Chairman started with Item #08 0260 – Department of Public Works.

Mr. O'Connor started with the questions from the Town Auditor.

Question 1. Salaries: What position has been unfunded/eliminated? What impact will the vacant position have on the Department? Mr. O'Connor stated the position has not been eliminated, but zero funded. The impact is that he will have to pay union personnel at grade pay to cover that position.

Question 2. Seasonal Labor: Provide some detail to the two \$15,000 items under Seasonal Labor for Street & Sidewalk and Parks and Playgrounds. Mr. O'Connor stated there are two programs to hire eight teens at \$12/hr for approximately eight weeks time. The program is the same as last year.

Question 3. Street/Sidewalk Overtime: Explain why one overtime account is decreased while the Police overtime is increased. Mr. O'Connor stated the account was decreased slightly, but the balance of the Park overtime program increased. The reason for that was there was not enough funding in the Park & Tree overtime account as it is depleted by the end of September.

Question 4. Vehicle Maintenance: Why is the FY09 line item reduced 81% from year FY07? Mr. O'Connor stated it was decreased for 07 in one line item Vehicle Parts, as they felt it was easier to break up by Department, but the total amount is the same as last year.

Question 5. Parks & Playground: Explain the 46% increase in overtime for FY09. Mr. O'Connor stated the increase in overtime in Parks & Playgrounds equals out to the decrease in overtime police detail under Streets & Sidewalks.

Question 6. Street Lighting: How is the electric expense reduced? Mr. O'Connor stated the street lighting expense decreased slightly. They appear to be doing better this year. They should be able to make the number work, but time will tell on that. Negotiations with Seamass are ongoing.

Question 7. Snow & Ice: What is driving the high increase in salt expense? Mr. O'Connor stated that snow and ice removal costs are market driven with the cost of salt. They purchase in a co-op with seventeen other communities. They purchase in September and it is currently \$54 per ton. Four years ago, it was \$27. The price has doubled in four years.

Mr. DiFazio stated the actual cost for FY08 was \$269,614, yet we are only budgeting \$114,000 for FY09. Why? Mr. Wilson stated the salt 2008 expenditure line item contains within it part of the 'deficit' for snow removal in FY08. They budget an increase each year, but do not include the 'deficit' calculation.

Mr. DiFazio asked for a review of the budget by program for the DPW. Mr. Wilson stated they have an increase of approximately \$400,000. There are three groups where you will find the increases. They are increases in fuel, vehicle maintenance and snow and ice removal. That is where the increases are directly related to service. Mr. DiFazio asked for the estimate in increases in rubbish removal. Mr. Wilson stated they estimate a three percent increase and they are currently going out to bid on that item. The administration line items are all level funded. Mr. DiFazio asked if they can maintain the level of service with this budget, to which Mr. O'Connor stated they will perform all functions, but some may take a little longer to do. This will not affect the emergency services, but items such as mowing, street sweeping and pothole repair may take more time.

Mr. Molisse asked with the decrease in the street lighting budget of 17%, would there be any shutting off of lights. Mr. O'Connor stated there would be no lights being shut off. Councilor Whitaker asked if there were any changes in the school maintenance, to which Mr. O'Connor stated there were no changes. Councilor Harrington asked why things would take longer with the reduction of only one person. Mr. Wilson stated the decrease in staff has had a cumulative effect over the past several years, and therefore the staff has stepped up to the plate and taken on more duties. Mr. O'Connor concurred stating the employees have worked a little harder to keep up with the department's needs.

Mr. DiFazio asked if there were any capital improvements for the parks or other areas. Mr. O'Connor stated there is no planned capital improvements work. They have only maintenance in the budget this year. Julia Park will be coming on-line this year and Weston Park will be coming on-line next year. There are currently no plans or budget for Legion Field. Councilor Conlon stated that many people are upset over Legion Field. Mr. O'Connor stated he has no funding for those improvements. The Mayor has been very proactive on that issue.

Councilor DiFazio asked if the Ralph Talbot soccer field is being used this year. Mr. O'Connor stated it has been part of a rotation that did not allow it to be used for a time. Councilor DiFazio stated he received a complaint that the Hollis Street trash station was manned by a person in a truck and it seemed like a waste. Mr. O'Connor stated they tried to have the post unmanned and they ended up with loads of trash that did not belong there. It is a compost area and they received sinks, fencing and refrigerators. When they manned it, and checked licenses, they found residents from Holbrook and Randolph were attempting to utilize the site.

Councilor DiFazio asked if the land at the incinerator site could be sold as it is an eyesore. Mr. O'Connor stated they have been up there to clean graffiti.

Councilor Whitaker stated the base services are being built up in two different ways. Some of it is on an overtime basis and others it is a pay for services. He asked if there were any services being provided by the DPW. Mr. O'Connor stated they have construction inspectors there. There was a retired man hired back under contract, but all of his hours are billed and paid by the base. The hours are reported to the Mayor's office and paid through a revolving account. Councilor Whitaker asked what type of services we may provide. Mr. O'Connor stated the discussions are ongoing, but they are trying to maintain the utility structures. Councilor DiFazio asked if the individual who was hired back was a Town of Weymouth employee. Mr. Wilson stated he is on contract with the Town of Weymouth. Councilor DiFazio stated his concern with the water issue request by the base. He asked how many departments have such contracts with the base. Mr. Wilson stated the DPW, Planning Department, Inspectional Services and Municipal Finance have these fees for service contracts. Councilor DiFazio asked if payments are timely, to which Mr. Wilson confirmed they are.

Councilor Whitaker asked how the DPW balanced their budget with the Mayor's secondary reduction request. Mr. O'Connor stated that they eliminated a position. A discussion was held on the amount of staffing within the department. Mr. O'Connor stated with the cumulative reductions over the years, the summer help is very important, especially with many of the regular staff taking vacation time during that time. Many positions are subject to the contract renewals.

Chairman DiFazio stated the next item for discussion was 08 031 - Appropriation to Overlay Accounts. Mr. Wilson stated that the request represents an appropriation of the following overlay surplus funds from the following years: 2003 = \$185,708.37 leaving no balance; 2004 = \$80,000.00 leaving a balance of \$80,796.68 for a total of \$265,708.37 to the following overlay surplus years which the Board of Assessors have deemed to be under funded: 2006 = \$40,000.00 and 2007 = \$225,708.37 for a total of \$265,708.38. FY05 leaves no balance.

The Chairman stated the next item for discussion was 08 032 - Sewer Enterprise Fund Annual Appropriation. Mr. Wilson stated this budget is essentially level funded. There are two areas with changes which are MWRA and some changes in the utilities. There was a reduction in the directs and indirects primarily in personnel and debt service. There are no capital expenditures. Councilor Mathews stated he wanted to ensure that since Mr. Bois' salary is split between Water and Sewer and Municipal Finance that he is indeed spending time in each department. Mr. O'Connor stated he was, in fact, spending time in his department. Mr. Wilson stated they had five contracts back in 1998 and 1999 that cost the town \$17 million. Those contracts have been

completed for reconstruction improvement for the sewer.

The Chairman stated the next item for discussion was 08 033 - Wetlands Replication Sewer Retained Earnings. Mr. O'Connor stated there were two areas of replication. There is a small area off of Essex Street and a bigger area due to sewer work at Pleasant Street and Vine Street. The traffic was detoured for several months with concrete and PVC pipe changes. The DEP mandated replication work is done along the lines of the river surrounding the work area. As the river winds, there were increases in the design and construction costs. They submitted an application to the DEP to remove the ACO and must report two times per year on the progress.

A discussion was held on the Phase I A & B trunk line capacity of the Tri-Town area. Councilor Mathews asked if the base would have to mitigate the capacity. Mr. O'Connor stated it did accept flow from the base years ago. Investigative work must be done as to how much capacity is available. The investigation work is paid for by the Town of Weymouth. There is a \$300,000 contract and it is required. Work is being done to study I/I (inflow from sump pumps to the pipe system and infiltration due to water leaking into the pipe system). Any entry into the pipe system causes the town to have increase sewer fees from the MWRA meters. Work to investigate these I/I leaks have benefited the town dramatically. Mr. O'Connor stated re-routing sump pump flow has made a huge difference. If there is a stoppage and they get into someone's cellar, they sometimes see these issues and can correct them.

The Chairman stated the next item for discussion was 08 034 - Water Enterprise Fund Annual Appropriation. Mr. Wilson stated it is a \$7.78 million appropriation request. The increase here is with the direct and indirect costs. \$300,000 has been set aside for the water treatment plant first payment. There has been increase in the expense for sale and chemicals to treat the water. The revenue will increase with a rate increase as of July 1, 2008, which is related to the new plant. The increase is 4% - 5%. The insurance for the bonds have skyrocketed. The engineers have provided a funding schedule. During the first half of issue, it would be relatively modest. During the last quarter of FY09 and all of FY10 will result in a shortage of the increase in FY09. He would like to see 4% or 5% increase each year to keep pace with the band to the bond. They cannot convert to a bond until the project is complete. The retained earnings will keep up with ongoing maintenance emergency repairs as needed. The reserve of \$500,000 would be shrinking back down to \$200,000.

The Chairman stated the next item for discussion was 08 035 - Great Pond Water Treatment Plant Design Supplemental Contract. Mr. Wilson stated he was on the original Technical Advisory Committee for the initial design. They were first presented with an overpriced design, and had it redrawn to bring it down to \$30 million. The cost should be \$31-\$32 million for construction and construction oversight. Since the project was started three years ago, concrete, copper and stainless steel costs have increased dramatically. They did a redesign to lower the costs of the building appearance, which will not affect the treatment of the water. They reviewed plans, ensured compliance with the REO, prequalified bidders and sub bidder, and ensured compliance with the DCAM certification process while achieving approvals from the DEP with each design step. Mr. Wilson stated they are working to design and build a plant that will exceed current regulations to assure high standards in the future. There are three systems that were evaluated: the Ultra, the Micro and the Leopold. The Leopold has increased maintenance which

means retaining personnel, yet has the same or superior water quality than the other designs at a lower cost. Mr. Wilson stated they have a good working relationship with the DEP.

The Chairman stated they would skip to Item 08 037 - Great Pond Water Treatment Plant Increase. Mr. Wilson stated they must authorize the entire amount of the increase in order to move forward. Councilor Molisse asked if the second design could be presented, as the neighbors had interest in the appearance of both the building design and the landscaping. Mr. Wilson stated he would put together a package. Councilor Whitaker asked if building this new treatment facility was still the correct thing to be doing for the Town. Mr. Wilson and Mr. O'Connor reported that the current treatment plant was approximately 80 years old, has many chambers which are only four and a half feet tall where personnel must work in, have had floods two times which overtook the electrical wiring and boxes which resulted in costly repairs each time. If they do not move forward and invest these monies now, an entry fee would have to be paid to MWRA, which is very costly. Councilor Mathews estimated that if the 1 million gallon per day is a \$13 million entry fee, then the Town's need of 4.1 million gallon per day could well be a \$40 million entry fee. He sees it as a lose/lose situation to not build a new facility. Councilor O'Connor concurred. Mr. Wilson stated he is barred by statute from awarding any contract without the Council's authorization. Councilor Mathews stated the old plant would not be able to meet future standards. Councilor Harrington asked what the life expectancy of the new plant would be. Mr. Wilson stated it was fifty years and it would be paid for in twenty years. The capacity of the new facility would be designed to current peak usage, which is 8 million gallons per day. The old facility would be demolished and capped.

The Chairman stated they would discuss item 08 036 - Tank Painting on Reed Avenue. The interior of the water tank on Reed Avenue would cost \$500,000 for sandblasting and paint. This measure has been recommended by the DEP in the past, and this is in response to a secondary response by the DEP for painting to keep the town in compliance with water quality. The structure is stable and is 50-60 years old. Councilor Mathews suggested painting an advertisement on the exterior of the tank as income. Councilor Molisse stated the neighbors may be very critical of that matter. There are also zoning issues with signage. Mr. O'Connor stated the tanks water drains down daily and refills at night. Councilor Whitaker asked if there was any way to get the base to share the cost of this painting, as it benefits their system also. If the painting were not done, and the DEP tests the water quality and it is found to be in non-compliance, the Town could be fined \$25,000 per day until it is repaired. The funding would come from retained earnings. The rate payers pay for it from the water enterprise fund.

A MOTION was made by Councilor O'Connor and seconded by Councilor Mathews to table Item 08 039 - Abigail Adams Birthplace Supplemental Request to the CPC Budget Committee and was UNANIMOUSLY VOTED.

A MOTION was made by Councilor O'Connor and seconded by Councilor Mathews to adjourn at 9:05 p.m. and was unanimously voted.

Respectfully submitted,
Doreen C. Teodorson/Recording Secretary

