



CITY OF SOMERVILLE, MASSACHUSETTS

CLERK OF COMMITTEES

June 23, 2020
REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
Jefferson Thomas ("J.T.") Scott	Chair	Present	
Katjana Ballantyne	Vice Chair	Present	
William A. White Jr.	City Councilor At Large	Present	
Mary Jo Rossetti	City Councilor at Large	Present	
Wilfred N. Mbah	City Councilor at Large	Present	

Others present: Annie Connor-Mayor's Office, Rich Raiche-Infrastructure & Asset Management, Michael Richards-Purchasing, Jessica Fosbrook-Engineering, Alex Lessin-Water & Sewer, Mike Mastrobuoni- SomerStat, John DeLuca-Water & Sewer, Mary Skipper-School Department, Jeff Curley-School Department, Francis Gorski-School Department, Chad Mazza-School Department, Christine Trevisone-School Department, Andre Green-School Committee, Jessica Davis-School Department, Liz Doncaster-School Department, Lisa Kuh-School Department, Regina Bertholdo-School Department, Sarah Davila-School Department and Fred Massaro-Capital Projects

The meeting was held virtually and was called to order at 6:03 p.m. by Chairperson Scott and adjourned at 9:42 p.m.

Review of the FY-21 Budget

The Chair was asked by the administration to change the agenda a little bit. Originally the committee was to hear the water and sewer rates, but the Administration requested the committee hear the school department first. The School Department Budget materials were emailed to Mike Mastrobuoni this afternoon. Mr. Mastrobuoni stated the school department's budget is posted at this link

<https://drive.google.com/drive/folders/1Nn5bxa0uYmhtw1oJ4wSUB738dM2XeZ7n?usp=sharing>

School Department

Superintendent Skipper shared some highlights from the budget. She stated there is fast growing trend with autism students of all ages. The school department has settled the paraprofessional contracts. The school department is investing in more training including anti-bias training, and special education program. They've added additional summer programs math teachers and working in small groups to help with learning English. Ms. Skipper stated that additional

support is needed at the end of the summer to prepare students going back to school. The support also includes social and emotional needs social worker. Due to COVID, the school department has increased budget for additional transportation costs.

Councilor Ballantyne talked about the high points during her 2 years on the committee, sitting in meetings with school principals. Ms. Skipper stated that there is extensive trauma training in grades 6-8. The school provides student support teams when students are struggling emotionally or socially with a plan of action which could lead to a referral to a counselor. There are 400 students that are seeing counseling at anytime before or after school. Often times this extends to families. There is additional support using sensory rooms in schools. There is a review of each student to see how they are doing and if they need more counseling. Councilor Ballantyne stated there is 65% poverty rate, 5 of schools qualify for free lunch. Additionally, there is a 90% graduation rate which has increased over the years.

Councilor Ballantyne asked if the trauma could be broken down into groups. Ms. Skipper stated this year with COVID will have students with trauma doing transition back to school with students wearing masks and challenges with social engagement. Some students might require a program daily counseling, in-tiers 1, 2, and 3. Newcomers may have trauma too depending upon where they are coming from, maybe separating from their families.

Councilor Ballantyne asked about the 2 new programs added. Ms. Skipper talked about a two-year program taught by teachers focusing on business skills and how to market their plan. It could be a business teacher who would take 20-25 students. Another program is BAM (Becoming A Man) to build and mentor young men of color in school which begins at the Healy School in the 6th grade. Both programs will help students get internships, as well.

Councilor Mbah asked about family liaison from Somerville Family Collaborative who help to support families at all levels. It was stated the school department is planning to upgrade the positions to support families that might be going through homelessness, including bilingual or multilingual support. All schools will have the support of a full-time person and in cases maybe more than one. Ms. Skipper stated that they have a young African-American woman supporting equity in the schools who helped to math out the equity plan a couple of years ago.

Chair Scott congratulated the school department for the paraprofessionals contract. He also asked if the two new programs were in tonight's budget. Ms. Skipper stated the programs are fully funded. There was one position added to the budget, position of district wide social worker. The school department is still waiting for guidelines for students returning to school. Councilor Ballantyne asked about projects, capital or programming for FY21 that the school department is proposing to be shifted to the executive branch to manage. Ms. Skipper stated the school will maintain the scholastic programs and the intermural programs would be shifted to Parks & Recreation department.

Mr. Gorski went through the school departments slides and about funding and estimated revenues. He stated the school department is expecting some additional CARES Act dollars. The food service revenue is projecting a slight decrease. The school committee proposed a budget 4.5% increase due to the collective bargaining increase. There is a 6.9% decrease driving by graduations with an overall 2.1% increase. Mr. Gorski stated the school department may need to purchase additional furniture due to COVID. There is additional staff changes with family liaison full-time at certain schools.

Councilor Ballantyne inquired about the mediation program, who will this fall under, and is there a cost savings? Ms. Skipper stated there is an extreme cost savings and includes additional diversify staff. This is all done in house. This program will report to the student service director. The school departments want the program extended to more middle schools. She stated this will be useful for student to come to the high school with the skills already.

Chair Scott asked what role does Somerville police department have with the schools. Are there police assigned to schools as resources? Ms. Skipper stated there are resource officer at the high school, some work with students and are not assigned to a school. This program was brought in to the schools 5 years ago with community policing to help students get to know officers, not when they are in a situation. School police resource officers are full time.

Councilor Ballantyne stated she listened to a racism discussion with Mayor Curtatone, U.S. Rep Ayanna Pressley, School Committee member Andre Green, Councilor-at-Large Will Mbah and others when asked if people remember when the teachers were the ones welcoming the students to the schools. She asked when did it change from teachers greeting students to police officers' SRO (School Resource Officer). It was also stated that there's nothing in school budget relating to the police. Ms. Skipper stated that students wanted to have a more relational model with police officers. There was a discussion about training in restorative justice and being desensitized seeing police officers in schools. School Committee member Andre Green stated that SRO is required by law.

Chair Scott stated he's read guidelines for immediate school reopening and that none of it looks cheap. Ms. Skipper stated she anticipates coming back to city councilors for additional funding. Chair Scott asked if Ms. Skipper had any thoughts on how much would be needed. Ms. Skipper stated the guidelines are extremely costly and that furniture and materials will be needed, as well as clarification on social distancing. Ms. Skipper stated that she does not know how many parents will be sending their children back to school and may need to get their feedback to prepare for possible remote learning in some way. Once the guidance comes out this week, Ms. Skipper will have a better idea of what's needed by mid-July.

Chair Scott asked Councilor White if it would be wise to set aside a stabilization fund. Councilor White stated the city still has some additional free cash and usually cannot use until it's certified but there are changes this year because of COVID.

Councilor Ballantyne asked about the wellness reports with CHA, life course theory, strategizing and putting certain actions in place to improve someone's life. How is this implemented for girls on the athletic side in high school. She stated that 70% of children in high school are minorities with 45% Latinos and the wellbeing report identified Latinos being more at risk for obesity. She also stated that girls of color may have a harder time keeping healthy in the future. Ms. Skipper stated the athletic director has prepared a report and will send to the committee members.

Councilor Ballantyne asked Ms. Skipper to be available on the evening on July 7 or 8 for the full forum. Councilor Ballantyne stated the report should include comprehensive salaries, wellness, equipment, capital and any all costs for running a particular sport. Ms. Skipper stated someone is working on the report and should have it tomorrow. Councilor Ballantyne also talked about focusing investment in girls and asking them what they want in terms of activities.

Chair Scott inquired about the elementary and secondary emergency relief fund. Mr. Gorski stated they had not filed yet and that a title one director is putting in the application. The application deadline was moved to August.

The meeting was recessed at 7:28 PM and reconvened at 7:33 PM.

Infrastructure and Asset Management (IAM)

Mr. Raiche stated there are no staff changes in the budget. He stated they consolidated and level funded Capital Projects and Engineering and took out of state travel this year. Mr. Raiche stated that office supplies was previously put in for capital and engineering and would alternate the spend with two different accounts to manage. He also stated that FY20 spend is encumbered through yesterday total spent \$250,000 in Ordinary Maintenance. There are no new professional & technical services this year.

Mr. Raiche stated there is carryover from engineering for paving work \$108,000. Personal Services is decreasing due to transitioning a position to another department. Last year, IAM was invented. There was a project assistant in capital projects who had been doing administrative work. This person was moved out of IAM to do more project management style work for capital projects. She will still carry on some of the administrative tasks. Mr. Raiche hopes to add another clerk position sometime next year. They are currently using a part-time clerk on loan from DPW. The proposal would be to create a new administration position between \$61,000 or \$62,000.

Program improvement request for IAM

Mr. Raiche stated that many things are on hold until mid-year preview for FY22. Councilor Ballantyne stated there's a lot going on in engineering and hopes they are on the city's website. It was stated that sidewalk and paving is not clear where Powderhouse Boulevard stands. Councilor Ballantyne stated that Mr. Rawson stated the project for the boulevard is not complete and there is no discussion about the treatment of traffic dampening. Councilor Ballantyne stated the capital investment plans are prioritized by year and what used to be one sheet is not three sheets. She asked who will be the keeper of this information and who is managing the plan with one person for the city councilor to contact. Mr. Raiche stated that it's a collaborative process with Somerstat as the clearing house consolidator and IAM managing 80% of the total dollars. Ms. Connor stated this is a multiple department document and not set up for one point of contact.

Mr. Raiche stated there were a number of projects not working on this year for a number of reasons. Some construction projects were deferred to start next season. He also stated the financial outlook for the spring may not be that great and will re-evaluate over the winter. Councilor Ballantyne stated this gives councilors a snap shot of what is going on and may have to delay some projects. She asked how they would identify which projects they would move forward with. Mr. Raiche stated there are areas of priority and the main criteria used to evaluate projects: public health and safety, maintaining other municipal or school safety, federal or state permit regulatory/statutory requirement, risks reductions and resiliency.

Mr. Raiche also stated that the CIP was developed pre-COVID and had projects that were intended to start this calendar year. Chair Scott inquired about the potential 90 Washington Public Safety building which is not in construction, just design phase. Mr. Raiche stated they will have to evaluate over the winter for FY21.

Capital Projects budget - Mr. Raiche

Mr. Raiche proposed changes: transferring assistant to IAM and putting in a new position for a green manager. The new position would be useful with advancing the high school, essentially a green building and require special expertise to make sure systems work correctly. He is proposing a behavior modification, proposing green manager to sit in capital project. This position will help devise the maintenance plan, operating systems and manage the contracts. Mr. Raiche stated the need to move forward with position now while commissioning building and mechanicals are being put in place. The 90 Washington Street will be green, as well as other buildings and will need this position.

Chair Scott stated there are two project managers, and the preventative maintenance manager position is vacant. Mr. Raiche stated there had been a potential candidate, then another round when COVID hit. The other project manager is zero dollars and has been on the books since last year funded through bond appropriation for safety. He also stated they have not filled the position because need to get consultants on board for architects. He stated the consulting hiring process will be advertised and will come out of bonding. The green manager position is a 11-month appropriation. Councilor Rossetti received vacancy report from personnel and it was suggested the position would be funded for 9 months. There were discussions about a non-union preventative maintenance manager that was cut last year for 8 weeks. Councilor Rossetti asked Mr. Raiche what took so long for second round of interviews, whether this position is really needed and what this person would be doing.

Engineering department budget - Mr. Raiche and Ms. Fosbrook

Mr. Raiche stated the need for another position and setting requirements to comply with permits for stormwater and wastewater and to manage planning projects. He also stated the paving program will pay for bid package out of Ordinary Maintenance budget and the construction would be bonded. Councilor Rossetti would support stormwater manager. She stated the position was supposed to be 11 month and funded out of water & sewer enterprise. Additionally, the traffic engineer was vacant last year at this time. Councilor Rossetti stated the city council was convinced to do minimal cutting last year and it's still vacant. Mr. Raiche stated this was discussed internally and had a candidate, but COVID hit when they were ready to start. He also stated there is a safety component to this position and they are having difficulty attracting candidates.

Mr. Raiche stated they deferred the start on infrastructure street repairs until next construction season and dropped into stabilization fund for next year. The street paving program is to be determined. Mr. Raiche will look over the winter at projects they were going to start such as paving and may do two paving contracts in 1 year if can spend \$9M for paving.

Councilor Ballantyne asked about employee staff, anticipating where he would like to see staffing increases in the future. Mr. Raiche stated needs in the project management position and that FY22 could be a tough year. He further stated he would like to avoid further actions from EPA relating to flooding and potential growth in the water system.

Councilor Rossetti asked about the Finance meeting of the whole on June 29th and wants to address the racial and justice fund in addition to the police and animal control budgets. Chair Scott stated there will be a special meeting of city council on June 30th to finish 12 month continuing budget. Mr. Mastrobuoni stated the departments are working on budgets for July.

Many councilors stated that it was extremely difficult to review information on the budget after only receiving information a few hours prior to the meeting.

210216: Director of Water and Sewer submitting proposed water and sewer volumetric rates for FY21.

Mr. DeLuca responded to some open questions from Councilor White on what does a different rate look like that was sent out several days ago. The memo was made available to the public and posted on MinuteTraq. Additionally, Ms. Connor sent in an email dated June 22nd.

Mr. Lessin stated the email had information on preparing an analysis on retained earning balance for the end of FY19, following the end of this fiscal year. Councilor White had asked what would happen if the city had to dig into retained balance and how would that impact rates.

Mr. Lessin stated the water scenario FY20 projection shows retained earnings balance at end of year. The projections are based on several unknowns and the retained earnings at end of FY20 would be \$100,000. The FY21 projected deficit would be \$200,000 with recommended rates. Councilor White asked if retained earnings is certified by DOR in October each year.

Mr. Lessin stated the sewer enterprise fund, same format FY20 projections \$1.5M , FY21 balance of \$2.3M, drawn down \$1.7 M FY22, with debt hits on Union Square, lower the rates to zero for FY21, would be a \$1.1M.

Councilor Ballantyne stated she will need to do dig deep on the senior piece. Seniors have the opportunity to defer their payments, discounts are based on income and equity in house. She asked how many are taking advantage of the discounts. Additionally, Councilors Niedergang and Hirsch worked to have information sent out in city mailings with details about deferring payments.

Councilor Mbah asked how is this information is communicated to the public. It was stated this started in FY15 or 16 and has been communicated in a variety of ways, including tax bills. Mr. Lessin stated he has put in extra funds into the budget for mailings and this appears on the water and sewer bills. Councilor Mbah asked how the deferment is based. Mr. Lessin stated its age based and assets just over \$60,000 threshold which is extremely high and hard for some to qualify.

Councilor Ballantyne stated the idea of deferred, if the water bill is \$1,000 there maybe a lien put on property until it's paid. The bigger issue for her is HRP went out on behalf of Councilor White but was not involved in discussion, just given a presentation in early March.

Councilor White gave a little history on Home Rule Petition on why this was put out April 13, 2017 and discussed this a few months before high school debt exclusion. He stated the figures for Proposition 2/12 property limits that were sizable. Homeowners were going to be hit with substantial increases. There was also the debt of GLX payments for the city to make. Councilor White will have an ongoing analysis of this matter.

Councilor White stated the rates are not high at all, 2 family at \$59 for entire year. Very little that could be cut. The dissatisfaction is really about the residential exemption that the councilor will continue to work on. Councilor Ballantyne thanked the team for their work who was restructured last year.

RESULT:	APPROVED. [4 TO 1]
AYES:	Scott, Ballantyne, White Jr., Rossetti
NAYS:	Mbah

210295: Requesting an appropriation of \$26,004,509 to fund the FY21 Sewer Enterprise Fund Budget.

RESULT:	APPROVED
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210296: Requesting the appropriation of \$15,914,535 to fund the FY21 Water Enterprise Fund Budget.

RESULT:	APPROVED
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210297: Requesting the appropriation of \$699,725 from the Water Enterprise Fund Retained Earnings Account to subsidize the FY21 Water Enterprise Fund Budget.

RESULT:	APPROVED
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Handouts:

- Water & Sewer Owner Occupied Exemption (with 210295, 210296, 210297)
- OOX_CC_Memo_20200303 (with 210295, 210296, 210297)
- Northeastern Water Affordability 2019 (with 210295, 210296, 210297)
- somerville_presentation_v24_City_Council_meeting_draft_ (with 210295, 210296, 210297)
- Response to request for W-S rate analysis (with 210295, 210296, 210297)
- FY21 Water Sewer Rate Recommendation -Final Version (with 210295, 210296, 210297)
- Memorandum - FY21 Water Sewer Rate Recommendation 2020May30 Final (with 210295, 210296, 210297)
- IAM Staffing History (with 210308)
- PIR IAM FY21 2020Mar06 (with 210308)
- IAM OM CO FY21 FY20 Compare (with 210308)
- Interim Capital Projects List FY20-FY29 (with 210308)
- Park CIP List for Council Request_ 17 Jan 20 (with 210308)
- CIP Project List Winter 2019_Water & Sewer for City Council v4 (with 210308)