

Joint Meeting with the School Department

Appropriations Committee

Chairman Brodeur, Tramontozzi,
Boisselle, Buonopane, Conn,
Forbes, Heavey, Seaboyer,
Wright, Mortimer

Absent: Infurna

Attending: School Committee
Chairman Kristin Thorp, School
Committee Members Katherine
Clark, Wendy Golini, Andrew
White, Donald Constantine,
Donald Lehman Monica
Medeiros, Superintendent Joe
Casey

In attendance: Mayor Dolan, City
Auditor/CFO Patrick Dello Russo;
State Representative Mike Festa,
State Senator Richard Tisei; City
Engineer Bob Beshara, Mike
Lindstrom, Assistant Construction
Inspector

Appropriations called to order by Chairman Brodeur at 7:50 p.m. Order No. 07-174, Joint Meeting of the Board of Aldermen and School Committee with the Superintendent of Schools in attendance; said meeting to be held on Monday, April 9, 2007 at 7:45 P.M. to review the state of the city's finances prior to submission of the Fiscal Year 2008 budget.

Chairman Brodeur says the purpose of this meeting is that the Charter requires a joint meeting of the Board of Aldermen and the School Committee called by the Mayor to address both bodies and present an update of the City's finances.

Mayor Dolan says he is pleased to present his sixth budget as Mayor. He says everyone in the Chamber this evening can stand and be proud. The City has persevered and moved forward. Concerns remain such as long-term sustained success, particularly in public education, which requires revenue reforms at the state level. The FY2008 budget is balanced with moderate new spending. This was accomplished despite a smaller number and percentage increase in state aid than the City received last fiscal year. The Melrose Public Schools will be receiving an increase in revenue of over \$700,000. The School Committee has met significant goals in this budget. The third team will be restored to the Melrose Middle School after being cut four years ago. The building and opening of the new Middle School continues to be on time and on budget. The High School open space has been corrected. Educational funding is a top concern of citizens and himself and reductions had to be made despite an increase in funds. Three new firefighters began work on Monday after graduating from the firefighter academy and another will be hired next year. This means that three pieces of apparatus will be staffed 24 hours per day. Two new pieces of equipment will arrive in

the City, the first new equipment since 1986 – a new ladder truck for headquarters and a new engine for the Highlands. Two new police officers will be hired this fiscal year. It is also the first time in the history of the community that every school will have a full-time nurse. Melrose Public Library will receive an increase of \$70,000, the most in a decade, which includes the largest increase in the book budget in several years. The budget represents a \$166,000 commitment to trees, a commitment to restore parks throughout the City, and will provide new bleachers at the Marcoux gymnasium, major investments in sidewalks and roads, and the largest drainage remediation project in the City's history. Memorial Hall will be 90% self-sufficient and will receive a new HVAC system in 2008. The Contract Stabilization Fund currently provides for a 2% increase in Salary and Wages for the Police and Fire Departments; anything more than that will result in employee layoffs. This budget continues to stay on track in reducing debt; 79% of all City debt will be paid off in 10 years. The Pension Fund contribution is over \$5 million for FY2008, \$600,000 more than last year. Tax dollars are used to fund it. This budget reflects the City's investment in children and families with improvements to classrooms, parks, infrastructure and community centers for people in need and an increase in public safety. The City continues to be fair to its employees by offering good wages and excellent benefits.

Chairman Brodeur says the state delegation was invited to appear because the health and well-being of the City depends on a good partnership with the state.

Senator Tisei says that Senator McGee is not available this evening due to a conflict in his schedule.

Representative Festa says a lot of tough choices have to be made at the state level. The delegation realizes that the Mayor, the Board of Aldermen and the School Committee have important roles and obligations, and the state legislature has the same. He offers to answer any questions and receive any comments the bodies may have. He says the House just resolved the local aid disbursement. When the governor submitted the budget there were moderate increases in Chapter 70 money and lottery aid, and level-funded local aid. He says that at the state level the legislature is facing a modest but fairly serious structural deficit. The budget is relying on the use of rainy day funds for shortfalls for continuing costs, but the financial environment is not as bad as it was four years ago. The revenue debate begins in two days, and each legislator has to decide where to stand on expenditures and revenue. The local aid numbers are pretty much finalized, but on Wednesday decisions will be made regarding which programs to support. Representative Festa says he will support the local meals tax which will bring additional dollars to the City. He says a credit is needed on the revenue side to support the fight in restructuring the charter school assessments. The overall situation is that the state is giving Melrose Chapter 70 money and taking it back in charter school fees. He says the flooding that has occurred in Melrose is very much on the minds of the delegation and they are working to get additional funds, a full 25% reimbursement to the community. The governor's budget reduces the amount in MWRA relief assistance but he predicts the Ways and Means Committee will fully fund the commitment of \$25 million and he will advocate vigorously in getting that amount.

Senator Tisei says that in listening to the Mayor's presentation that it is clear that Melrose has challenges, but the Board of Aldermen, the School Committee and the Mayor have done a good job during difficult times. The state expects an increase in

revenue, between \$600m and \$800m more coming in this fiscal year than last, but the legislature has to prioritize what it can afford. He is disappointed that the governor only put an additional \$200m into the Chapter 70 line-item. The legislature approved a five-year funding plan last year requiring \$255m this year to fully fund it. The Senate has added \$20m and is going to look for savings in other line-items to fully fund Chapter 70. He says the commitment to fund new programs in the governor's budget is worthy but the state has to fund existing programs, too. He says that implementing a meals tax in Melrose will not be a major revenue source with only seven sizeable restaurants in the City. He thinks the City did okay but not great under the Chapter 70 formula, and that there are different ways to tweak the charter school formula so that the assessment doesn't draw as many resources from the City.

Alderman Conn says he heard about increasing local aid and making it a priority but the problem is when looking at the assessments and comparing them to local aid, the City of Melrose is only getting an additional \$24,000. There is no meaningful increase coming to Melrose. He is concerned that out of the \$20m in Chapter 70 monies, Melrose is getting \$7,900. He does not see any tremendous increase in funds to spend in the budget. Melrose is not reaping any windfall in local aid. He agrees with Senator Tisei that the existing programs have to be taken care of, particularly education.

Alderman Seaboyer asks if there was \$25m slated for flood relief. Representative Festa says the initial reimbursement was 12.5% and the delegation is fighting for the full 25%. It should be resolved by the end of the fiscal year.

Alderman Buonopane says the City has lost any gain it received from the state because of mandated assessments.

School Committee member White says the charter school assessment is approximately \$2m. Representative Festa says he agrees it is a state issue and that it must change the formula and reimburse cities and towns.

Chairman Brodeur thanks the members of the School Committee for joining the Board of Aldermen.

Alderman Buonopane motions to suspend the regular order of business, 2nd by Alderman Seaboyer. All in favor.

Appropriations recesses from 8:40 p.m. to 8:47 p.m.

Chairman Brodeur asks the will of the committee on Order No. 07-174. President Mortimer motions to place the matter on file, 2nd by Alderman Boisselle. All in favor.

President Mortimer motions to open Public Participation, 2nd by Alderman Heavey. All in favor. No one comes forward. President Mortimer motions to close Public Participation, 2nd by Alderman Boisselle. All in favor.

Order No. 07-170, PRESENTATION To present the City's plan for Street Light Procurement

Mr. Beshara says the Melrose Energy Commission suggested that the City study the cost effectiveness of purchasing the streetlights in the City. They helped inventory the age and value of the facilities and determine the approximate sale price. It was determined that the City could save \$1 million over 10 years in the cost of electricity and maintenance. The program would be set up to purchase the lights over five years, saving \$100,000 each year and \$144,000 thereafter. He is in negotiations with Wakefield to provide maintenance to the City; they maintain Stoneham's already. He feels it is good to do intercity work with neighbors. The cost of maintenance using a municipal facility is slightly higher than the current provider but all in all it is the best choice right now. The City may want to take the maintenance over but that's five years out.

Alderman Boisselle says looking at the financial aspect the City takes in \$106,000 in utility taxes. Mr. Beshara says that was considered in the plan.

Alderman Seaboyer says the City has an electrician lineman and a bucket truck. Mr. Beshara says the recommendation of the Energy Commission is not to do the maintenance in-house. The City doesn't know the business of owning street lights; in two or three years when it is understood it could be looked at.

Alderman Buonopane asks if the City is bound by any laws to put the maintenance contract out to bid. Mr. Beshara says state law allows the City to enter into intercity agreements without violating Chapter 30B if authorized by the Board of Aldermen. Alderman Buonopane asks how Melrose employees will be trained and ready to take over the maintenance in three years if the City contracts with Wakefield. Mr. Beshara says the whole program has to be learned to understand what kind of maintenance is required. The employees can learn from Wakefield during the three year contract.

Alderman Heavey asks the extent of the program, if it includes purchasing the poles and the lamps. Mr. Beshara says it is just the light itself; the City would pay much less in utility costs if it owns the light. Alderman asks if Melrose would partner with Wakefield to produce electricity. Mr. Beshara says no, only for maintenance; the City is contracted to pay for electricity with National Grid.

Alderman Wright asks if Wakefield is being looked at because it runs its own Municipal lighting department. Mr. Beshara says yes. Alderman Wright asks if the City is able to bid on an energy broker. Mr. Beshara says the lights are owned by National Grid and the electricity is provided by National Grid.

Alderman Forbes asks how many bulbs are free standing. Mr. Beshara says he does not know. Alderman Forbes asks what will prevent Verizon from charging the City rent. Mr. Beshara says that state law would have to change to allow that. Alderman Forbes asks if an employee from Melrose or Wakefield would have to deal with the poles in the event of a natural disaster. Mr. Beshara says neither community deals with the poles since they are owned by Verizon. Alderman Forbes asks if there is any warrantee on the lights. Mr. Beshara says no.

Alderman Boisselle asks what the maintenance contract encompasses. Mr. Beshara says an hourly rate for maintenance, and a fixed unit price for the bulb, light fixture and lens. Alderman Boisselle asks if all lights will be put on sensors; Mr. Beshara says yes.

Alderman Buonopane asks if the maintenance contract is a flat fee for each job. Mr. Beshara says yes. Alderman Buonopane asks if a performance bond is required. Mr. Beshara says no. Alderman Buonopane asks if work will be performed on a for call basis. Mr. Beshara says yes, that his department will do rounds one or two days per week and will maintain a log of lights that are out. Wakefield won't be called unless there is a half or full day's work. No night calls will be made. Alderman Buonopane asks if the work order will be issued by Mr. Beshara; he says yes.

Alderman Seaboyer asks if he plans to upgrade the lights. Mr. Beshara says there is no plan but there is money in the budget to develop that plan; upgrading all the lights is not a one-year plan.

Alderman Boisselle asks in regards to maintaining the log for Wakefield if there will be a 24 hour response time. Mr. Beshara says no. Alderman Boisselle asks how long a wait there will be. Mr. Beshara says no more than a week; National Grid's policy is 30 days.

Alderman Buonopane motions to place the matter on file, 2nd by Alderman Boisselle. All in favor.

Mr. Beshara says he will come back to the Board once he has the figures of what it will cost to implement the plan.

Alderman Buonopane motions to adjourn, 2nd by President Mortimer. All in favor.

Appropriations adjourns at 9:12 p.m.

Maribeth Harrington
Clerk of Committees