

The Committee on Finance met on Wednesday, March 2, 2011 at 6pm.

The meeting was audio taped for the record.

Members present were Alderman L. Charles DiPerri, presiding, Alderman Michael Marchese, Sal Sachetta, Councilors Daniel Napolitano, David Rodrigues, Rosa DiFlorio, Carlie Smith and Cynthia Sarnie. Also present were Non members Aldermen Michael Mangan, Millie Cardello and Robert Van Campen.

The Committee considered a Resolution offered by Councilor Peter Napolitano: That the Mayor and the Director of City Services appear to explain a recent Globe article listing the cost of Public Works per resident in 2009 with Everett being listed in the top 20 highest communities at \$481.61 per Everett resident while the State median was \$178.00.

Mayor's Chief of Staff Melissa Murphy was also present.

The Sponsor was invited but was not present.

The Committee noted that the matter was in Committee back on October 2010 and that the Mayor had sent a correspondence prior to that time addressing the matter. As such, the Committee recommended that the matter be referred back to Sponsor.

Ms. Murphy informed the Committee that she had spoken with the Sponsor the previous night and noted that the Sponsor requested that the matter be laid on the table.

The Committee voted: To report back to the Common Council with a recommendation to refer back to sponsor.

Respectfully Submitted,

John W. Burley  
Clerk of Committees

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The Committee considered an Order from His Honor the Mayor relative to the FY12 Water/Sewer Enterprise Budget..

Mayor's Chief of Staff Melissa Murphy- Rodrigues and Water Superintendent Glen Doherty were also present.

Councilor DiFlorio began the meeting by questioning the need for the \$50,000 shown as Extra/Unforeseen. Mr. Doherty noted that it could be used for Police Details but emphasized that it was for unforeseen events not just details. Alderman Sachetta questioned the difference between Direct and Indirect Expenditures and Ms. Murphy provided an overview of these items. Alderman Van Campen remarked that establishing the Water/Sewer budget was heading in the right direction, however he suggested using the Stabilization fund for the \$250,000 line item for Emergency Repairs rather than adding to this budget. Ms. Murphy reminded the Committee that if there were funds needed from the Stabilization fund for an emergency repair then they would need to get City Council approval prior to utilization of the funds. Ms. Murphy explained that the Indirect Costs would need to be raised and appropriated in the general fund operating budget and then allocated to the enterprise fund for the first year. Alderman Van Campen asked Ms. Murphy to confirm that there were no new positions added to this budget. Ms. Murphy confirmed that there were no new positions added. Alderman Marchese questioned what would happen to any surplus in the fund. Ms. Murphy responded that it would stay in the fund and roll over into the next budget year. Alderman Van Campen noted that any surplus could be used to lower the water/sewer rates. Councilor Napolitano suggested taking the Indirect funds from the Stabilization funds rather than raising and appropriating. Alderman Van Campen stated that he would not be in favor of using the Stabilization for the Indirect funds. Alderman Sachetta stated that he would not be in favor of cutting the Emergency Repair funds from this budget. Councilor Sarnie questioned the sewer charge costs and Ms. Murphy noted that it was lower than they had anticipated. Councilor Rodrigues agreed on keeping the Emergency Repair funds in the budget but questioned how it was derived. Ms. Murphy explained that it was based on information on repairs performed in recent years. Councilor Napolitano questioned how the replacement pipe work was coming along throughout the City. Mr. Doherty stated that it was constantly being updated especially where the City had old pipes dating back to the early 1900's. Alderman DiPerri questioned how a decision was made to use outside contractors for a water break. Mr. Doherty explained that it would be evaluated and then he would make a decision based on severity and availability of his staff on whether outside contractors would be hired. Alderman DiPerri questioned how these contractors

were hired. Ms. Murphy explained that the City goes out to bid at the start of the year and based on the rates provided a vendor is selected and only paid when and if they are used. Councilor Napolitano recommended that the Emergency Repairs be reduced to \$150,000 and the Extra/Unforeseen costs be reduced to \$30,000. On a voice vote the Committee voted to agree to the reductions recommended by Councilor Napolitano.

The Committee voted: To report back to the Common Council with a recommendation for Favorable action as amended by reducing the Emergency Repair line item from \$250,000 to \$150,000 and the Extra/Unforeseen line item from \$50,000 to \$30,000.

Respectfully Submitted,

John W. Burley  
Clerk of Committees