Committee on Finance and the Northampton City Council

Councilor David A. Murphy, Chair
Councilor Maureen T. Carney
Councilor Marianne L. LaBarge
Councilor James Nash

City Council Chambers, 212 Main Street
Wallace J. Puchalski Municipal Building
Northampton, MA

Meeting Date: January 19, 2017

Note: The Finance Committee Meeting will take place during the City Council Meeting as announced. The City Council Meeting is scheduled to begin at 7:05 pm.

1. **Meeting Called To Order**

2. **Roll Call**

3. **Approve Minutes Of January 5, 2017 Meeting**

   Documents:

   minutes-committee_on_finance_january_5_2017.pdf

4. **Financial Orders**

   A. **17.237 An Order To Transfer Free Cash To Capital Stabilization And Stabilization Funds**

      Documents:

      17.237_free_cash_to_stabilization_and_capital_stabilization.pdf

   B. **17.238 An Order To Transfer Water And Sewer Retained Earnings Into Stabilization Funds For Water And Sewer**

      Documents:

      17.238_retained_earnings_water_and_sewer_to_water_and_sewer_stabilization_funds_fy17.pdf

   C. **17.239 An Order To Authorize The Creation Of A Storm Water Stabilization Fund And Transfer Free Cash Into The Fund**

      Documents:

      17.239_new_stabilization_fund_for_storm_water.pdf

   D. **17.240 An Order To Authorize The Creation Of A Solid Waste Stabilization Fund And To Transfer Free Cash Into That Fund**

      Documents:

      17.240_new_stabilization_fund_for_solid_waste.pdf

   E. **17.242 An Order To Authorize The Appropriation Of Free Cast To NPS McKinney Vento Transportation Fund And Integrated Municipal Data System Capital Project Fund**

Documents:

17.242_freecash_to_nps_mckinney_vento_and_data_integration_capital_project.pdf

5. **Financial Update**
   Second Quarter Financial for FY2017

6. **Committee Study Request - Referred By City Council 1/19/2017**

   Documents:

   csr-finance-2017.pdf

7. **New Business**
   -Reserved for topics that the Chair did not reasonably anticipate would be discussed.

8. **Adjourn**

Prepared by:
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Meeting Date: January 5, 2017
Note: The Finance Committee Meeting took place during the City Council Meeting as announced.

1. Meeting Called to Order: At 7:20 pm Councilor Murphy called the meeting to order.

2. Roll Call: On a roll call the following committee members were present: Councilor Murphy, Councilor Nash, Councilor Carney and Councilor LaBarge. Also present from the City Council were the following councilors: Councilor Dwight, Sciarra, Bidwell, O'Donnell and Klein.

3. Approve Minutes of the December 15, 2016 Meeting: Councilor LaBarge moved to approve the minutes; Councilor Carney seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.

4. Financial Orders

A. **16.226 An Order to authorize expenditure of $3,120 from Senior Services Gift Fund**

Councilor Carney moved to return the order back to the full City Council with a positive recommendation; Councilor LaBarge seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.

Mayor Narkewicz reminded the committee that at a former meeting the committee approved the purchase of new computers for the Senior Center. There was an oversight that the original order did not include the cost of software licenses for those computers. This order will cover the cost of purchasing the software licenses. Because this is for the Senior Center, the funds will be taken out of the Gift Fund that is set up for the Senior Center.

B. 16.227 An Order to authorize payment of a prior year bill in the amount of $1,379 for legal work

Councilor LaBarge moved to return the order back to the full City Council with a positive recommendation; Councilor Carney seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.

Mayor Narkewicz explained that this invoice was for title work and closing work done for a conservation land purchase. It was a bill that did not get to the City in time to be paid before the fiscal year end. As a result, payment of the bill requires City Council approval.

Councilor LaBarge asked about open checkbook entries, especially concerning legal expenses. Residents have been asking about what the checkbook entries are for and what are the expenses that the City has been paying. She recalls that in a meeting with Tony Patillo, this was brought up to the Mayor. She feels that the information contained in the checkbook should reflect what the Mayor just stated, that the expenses were used for title work and closing costs. Mayor Narkewicz indicated that he would look into this. The open checkbook information is taken from the Munis database; often times a an entry for a legal bill will have multiple things that are being paid for. He understands that the documents are available to people to a certain extent. If there are sensitive matters the invoices may not be shared. The Mayor stated that he will look into this to see if this can be done.

C. 16.228 An Order to declare surplus space at NHS for the purpose of leasing to public access television

Councilor LaBarge moved to return the order back to the full City Council with a positive recommendation; Councilor Carney seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.

The Mayor reminded the Committee that about a year or so ago he came before the City Council to get a short extension to the lease in effect at that time. That was to allow time for the school department to work on the longer term contract. The School Committee voted and now it requires the City Council to vote the property to be declared surplus so that the space can be leased for a public access cable television. The space has been used for the NCTV home for the past ten years. Once the space has been declared surplus, an RFP can be put together so that the contract can be put out to bid for another lease. Presumably someone who is an operator of a public access television station will have to opportunity place bid. Also, the City will need to get permission from DECI. The process is similar to what is being done for the Clarke School at Leeds Elementary School.

Councilor Dwight noted that when the contract was initially established under the Higgins Administration, the intent was to incorporate NCTV in a part of the building that originally had bigger plans when they did the build out of the school but there wasn't the money to fill the space. There was the intent to provide a place for a public access system and at the same time provide a laboratory for school students. It has met that mission and then some. NCTV is the envy of a lot of access systems in the country. Councilor Dwight knows by experience the direct value that NCTV has on the school community. A lot of producers come from the high school and produce stuff that is high quality, professional grade, thought provoking and provocative. It seems that it was a good decision. At first there was some resistance, and Councilor Dwight believes that a lot of doubts have since been dispelled. Councilor Dwight is pulling for NCTV and he recognizes the importance of this type of media delivery including television, streaming, computer education, media education, promoting abstract thinking, debate, and public journalism, etc. He believes it makes a lot of sense to keep using that space as effectively as it has been. Councilor LaBarge agrees with the Council President.

D. 16.229 An Order to authorize a five-year contract for ticket processing services

Councilor LaBarge moved to return the order back to the full City Council with a positive recommendation; Councilor Carney seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.

Mayor Narkewicz reports that the contract that the City is looking to sign is for five years; any contract over three years requires City Council approval, according to Mass General Law. The City will be looking to upgrade the system so that the hand held devices can fit with the new parking technology. Now is the perfect time since the existing contract is near expiration.

Councilor O'Donnell asked about the dollar figure for the contract. Mayor Narkewicz indicated that he will check on the amount of the contract; he believes that it is part of the capital program.

Councilor Nash asked if the committee was giving the approval to negotiate or to approve the funds for the contract. The Mayor indicated that if the contract was for three years, there would be no need to come before the City Council for approval. However, since the contract period is greater than three years, City Council must provide authorization. The funds to pay for the contract come out of the Parking revenues.

Councilor Sciarra asked if this contract addressed the front part of getting the ticket, or some other part of the ticketing process. The Mayor indicated that it was for the ticket generating portion. She wondered if it had anything to do with trying to receive money for the ticket or if someone wanted to appeal the ticket they received. Mayor Narkewicz indicated that the PEOs carry around a hand held device that has a built-in keypad, camera and printer. The tickets are uploaded into the City's system and photographs become part of the evidence to go along with the ticket. The payment of the ticket gets integrated into the MUNIS database. Councilor Sciarra indicates that there are questions concerning the appeals process. Mayor Narkewicz indicated that the appeals process has been closely vetted. It went to the SJC and the process was modified to conform to the necessary state requirements.

Councilor O'Donnell wondered when the new contract was required; Mayor Narkewicz said that he would check on this. Mayor Narkewicz indicates that the new system will be made compatible the new kiosks that will be installed. When the bids came in, it was clear that it was cheaper to go with a longer contract. Mayor Narkewicz indicated that he will get the necessary information before the next reading. Councilor O'Donnell wondered if it made sense to have this information before Council takes its first vote; however, he suggested that if the Mayor did not know, then the Council ought to proceed.

E. 16.230 An Order to accept a storm drain easement on Holyoke Street

Councilor LaBarge moved to send the order back to the full City Council with a positive recommendation; Councilor Carney seconded the motion. The motion was approved on a voice vote of 3 Yes, 0 No, 1 Abstention (Councilor Murphy).

Councilor LaBarge indicated that the person named in the order, Gail LaBarge, is not related to her.

Mayor Narkewicz explained that this is part of the lumber yard project. The City was successful in obtaining a Massworks Infrastructure grant and part of the funding for that program is the replacement and relocation of a storm sewer that runs along the property. The work needs to be done in order for the Valley CDC project to move forward and there needs to be an easement in place in order for the work to be done.

Councilor Murphy disclosed that Ms. LaBarge is his client; he will be abstaining from the vote on this item.

Councilor Bidwell wondered if this was one of the last hurdles that needed to be done before the Valley CDC project could move forward. Mayor Narkewicz indicated that the infrastructure challenges were a big hurdle, but there were also funding challenges as well. The extent of the infrastructure project and its cost was a big and that is why it was included in the Massworks project application. The project also includes transportation and sidewalk infrastructure as well. The Valley CDC is still finalizing their funding through the State.

Councilor O'Donnell offered congratulations about the Massworks grant. Mayor Narkewicz indicated that this was the City's second try; the application was turned down last year.

F. 17.231 An Order To authorize the Mayor to acquire by gift one or more public right of way easements on the Sturbridge Development LLC property

Councilor LaBarge moved to return the order back to the full City Council with a positive recommendation; Councilor Carney seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.

Mayor Narkewicz explained that the Village Hill Development has a combination of private development with a lot of open public space, including sidewalks and trails that were all part of the permitting process. As the development has moved along the Mayor has come forward with easement requests as the trail system has developed. This is the latest section that has been developed. They were required to provide the easements to the City and this order will allow the City to accept them and they will be part of the overall trail system.

Councilor LaBarge wondered how many easements were being given. The Mayor indicated that the easements are part of the connection trail section and he believes that there are three separate segments. The language was left somewhat open because the Mayor was not sure if the easements were continuous or not continuous. Councilor LaBarge indicated that it very difficult to see on the map; Mayor Narkewicz indicated that he could ask Mr. Feiden for a bigger map.

Councilor Dwight notes that this conforms to the mission of conservation preservation to expand public space and to provide public access; he supports the order.

5. New Business: None

6. Adjourn: At 7:51 Councilor Carney moved to adjourn the meeting; Councilor LaBarge seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.

Prepared by:
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City of Northampton

MASSACHUSETTS

In City Council January 19, 2017

Upon recommendation of the Mayor

17.237

An Order

To transfer free cash to various Capital Stabilization and Stabilization Funds

Ordered, that

$ 1,200,000 be appropriated from the FY17 General Fund Undesignated Fund Balance (Free Cash) to the following accounts:

$600,000	5000	340616	Capital Stabilization Fund
$600,000	5000	340574	Stabilization Fund

City of Northampton

MASSACHUSETTS

In City Council January 19, 2017

Upon recommendation of the Mayor

17.238

An Order

To transfer water and sewer retained earnings into Stabilization Funds for water and sewer

Ordered, that

$485,000 be transferred from the FY17 Water Enterprise retained earnings (free cash) into the Water Stabilization Fund and;

$775,000 be transferred from the FY17 Sewer Enterprise retained earnings (free cash) into the Sewer Stabilization Fund.

City of Northampton

MASSACHUSETTS

In City Council January 19, 2017

Upon recommendation of the Mayor

17.239

An Order

To authorize the creation of a Storm Water Stabilization Fund and transfer free cash into the Fund

Ordered, that

Pursuant to Chapter 40, § 5B of the Mass. General Laws, the City Council hereby authorizes the creation of a Storm Water Stabilization Fund, for the purpose of funding expenditures relative to the operations and capital needs of the City's storm water system, and vote to transfer from FY17 Storm Water Enterprise Fund retained earnings (free cash) the sum of $250,000 into the Storm Water Stabilization Fund.

City of Northampton

MASSACHUSETTS

In City Council January 19, 2017

Upon recommendation of the Mayor

17.240

An Order

To authorize the creation of a Solid Waste Stabilization Fund and to transfer free cash into that fund

Ordered, that

Pursuant to Chapter 40, § 5B of the Mass. General Laws, the City Council hereby authorizes the creation of a Solid Waste Stabilization Fund, for the purpose of funding expenditures relative to the operations and capital needs of the City's solid waste programs, and vote to transfer from FY17 Solid Waste Enterprise Fund retained earnings (free cash) the sum of $1,500,000 into the Solid Waste Stabilization Fund.

City of Northampton

MASSACHUSETTS

In City Council January 19, 2017

Upon recommendation of the Mayor

17.242

An Order

To authorize the appropriation of free cast to NPS McKinney Vento Transportation Fund and Integrated Municipal Data System Capital Project Fund

Ordered, that

$ 115,678 be appropriated from the FY17 General Fund Undesignated Fund Balance (Free Cash) to the following:

$25,678 to the NPS McKinney Vento Transportation Fund (W0330000 533000) to provide the schools with the reimbursement from the Commonwealth which was received by the city for the transportation of homeless students in FY16.

$90,000 to supplement the Integrated Municipal Data System Capital Project funded as part of the FY17 Capital Budget. This additional appropriation will provide additional funding for the Asset Management System so that we may have a fully integrated data platform. `

CITY COUNCIL
NORTHAMPTON, MASSACHUSETTS

January 19, 2017

Dear Chair Murphy and Members of the Committee on Finance,

As you know, the Charter requires the City Council to hold public hearings and to vote on both the city budget and the capital improvement program as part of the annual budget process. Unfortunately, for the last two years, these hearings have garnered little to no attendance by the public.

Because the budget is a document of central importance that the community should consider and understand, the City Council should be active in its outreach to the public as part of its responsibilities in the budget process.

Therefore pursuant Section 2.3.8 of the Council Rules, please consider this request that the Committee on Finance discuss and propose a plan to increase citizen participation and engagement in the City Council's budget hearings for fiscal year 2018, and report back to the full Council.

Sincerely,

William H. Dwight
City Council President

Ryan R. O'Donnell
City Council Vice President