City of Norwich, Department of Finance

One City Plaza
Norwich, New York 13815
(607) 334-1230

Minutes
Finance/Personnel Committee Meeting of March 2, 2005

Present:	Also Present:
Ald. Maiurano	Director of Finance, William J. Roberts
Ald. Cushman	H. R. Dir., Deborah DeForest
Ald. Williams	Mayor, Robert Raphael
	DPW Supt., Carl Ivarson
	B.I.D. Exe. Dir., Pegi LoPresti
	Account Clerk, Joan E. Smith
Absent:	Media: Jude Seymour
	CRM Rental Management., Inc.,
	Arthur C. Loomis, Pres. & CFO
	John J. Varecka, Exec VP & COO

1. Call To Order:

The meeting was held in the Council chambers at One Court Plaza and called to order at 6:02 p.m. by Ald. Maiurano.

2. Approval of Minutes: Meeting of February 2, 2005:

Ald. Maiurano moved to approve the February 2nd minutes, seconded by Ald. Williams, ayes all.

3. Youth Bureau Items: None

4. Community & Economic Development Projects & Funds:

a.) Golden Age Apartments – Proposed Change in Ownership & PILOT Agreement

W. Roberts introduced Pres. & CFO of CRM Rental Management, Inc. Arthur C. Loomis and VP & COO John J. Varecka also of CRM to the committee. Arthur Loomis addressed the committee by saying that he was there to discuss the sale of the Golden Age Apartments to Liberty Affordable Housing, Inc., including plans for over $1,000,000 in renovations to the property, and a request for a new PILOT agreement with the City. A. Loomis stated that some of the partners of Golden Age Apartments have passed away and some have aged and do not have much involvement in the buildings. The sale would allow the facilities, which have been maintained on a status quo basis, to receive much needed improvements. The renovations would include elevators that would be installed on the outside of the buildings thus eliminating major structural change to the buildings. The renovations would also include energy efficient windows, more modern kitchen facilities with Energy Star appliances, a sprinkler system and an intercom system, these changes addressing the fact that senior citizens are living longer and these renovations would greatly improve their quality of life. There would be an increase in the rents paid per unit, which would include approximately 68 Contract Units now at $390 per month going to $665 on the Government part paid and approximately 32 Market Rent Units now at $390 per month going to $434. Ald. Williams asked if there was and would still be 24-hour management at the facility. A. Loomis stated that there was 24-hour management and maintenance at the facility and that it would continue. Mayor Raphael stated that he was in favor of the renovations of the facilities (at which time the alderman concurred), but his concern was for the residents. Mayor asked what would CRM do with the residents while the renovations were taking place? John

Varecka said that for the most part the residents would not be inconvenienced except for when their kitchens were being renovated. CRM hopes at that time the resident would be able to stay with a family member or friend and if they were unable to do so CRM would find them a suitable residence until they could return to

their unit, which should only be about two days. A. Loomis then stated that this revitalization is needed and adds to the community development that the City has already started. He then stated that as a representative for Liberty Affordable Housing, Inc. he would like to request that the City execute a new PILOT agreement with Liberty that would emulate the existing agreement and extend to 2040. A. Loomis stated that CRM pays the City a fixed base payment of $13,200 per year, plus an additional amount represented by 13% of any increase in the net amount of rents collected from occupants (calculated by subtracting the cost of total utilities from such rents, and then further subtracting an initial rent base level of $115,000, and then multiplying any residual by 13%). W. Roberts pointed out that the City's portion of the annual payments was about $6,000 and that the property was assessed at $1,270,100. W. Roberts also stated that based on 2005 City tax rate, the property would yield $18,086 if fully taxed. A. Loomis stated that Liberty Affordable Housing, Inc. would like to continue to contribute to the City because they are aware of the fact that they use and gain from City services. Mayor Raphael then stated again that he would support Liberty but they need to realize that when a taxpayer does home improvements, then their taxes increase due to those improvements and he feels that PILOT agreements should increase when improvements are made to the property. Jude Seymour then asked what the time line was for CRM and Liberty. A. Loomis stated that Phase I, which is the filing of the application has been completed. They hope to close in July or August 2005 and then renovations would take about six months to complete. Ald. Maiurano asked when do they need an answer from the City. A. Loomis said that they would come to the March 15th Common Council meeting to address any further questions and hopefully come to an agreement soon after.

b.) B.I.D. District Plan Renewal

P. LoPresti distributed a BID District Plan Renewal – Tentative Timeline schedule to the committee for review and forwarding to the council for review and approval. P. LoPresti stated that the Board of Directors of the BID moved to renew the District Plan, which will expire at the end of 2005. She said that the District Plan renewal would be very similar to the plan that was approved in 2000, with the exception of renewing the plan for ten years versus the current five-year plan. P. LoPresti said that the renewal would consist of an eight-step process and it is the intention of BID to seek the support of the City as they proceed forward. P. LoPresti also stated that the five-year assessment that was approved in 2000 was based on one quarter of one percent assessment on the total assessed value of each of the properties within the BID District, with a cap of $250 maximum per parcel for not-for-profits. This method has worked extremely well and the plan would keep the assessment rate at a quarter of one percent for the next ten years. P. LoPresti also said that it was the intent of the BID organization to continue to act as a catalyst in securing funds to continue the ongoing efforts to revitalize and improve the City of Norwich. Ald. Maiurano asked if the BID was going to expand. P. LoPresti said that the BID district is looking to expand down East Main Street to the intersection of Silver Street and Birdsall Street. Mayor Raphael stated that he supports the BID and would like to see it continue its' valuable contributions to the City. Ald. Cushman requested that P. LoPresti present the Common Council with a map of the BID district and a proposal. P. LoPresti said she would provide the council with those items. Ald. Cushman moved to forward the BID District Plan Renewal to the Council for review and approval. Seconded by Ald. Maiurano, ayes all.

5. Public Safety Items: None

6. Public Works & Engineering Items:

a.) Route 12 Paving Project

C. Ivarson addressed the committee by stating that bids for the Route 12 Paving Project were out and due back March 21, 2005. He expected work to start in April and be done in June. Ald. Cushman asked if the work schedule could be put on the Public Access Channel. C. Ivarson said yes it would be and he would continue to update the committee.

b.) CHIPS Engineering Proposal

W. Roberts distributed a copy of a letter received by C. Ivarson from Delaware Engineering, P.C. regarding the 2005 Street Repaving Work. C. Ivarson stated that the engineering proposal was for $3,500. Ald. Williams moved to forward the Engineering Proposal from Delaware Engineering for $3,500 to the Council for approval. Seconded by Ald. Cushman, ayes all.

c.) Surplus Property

C. Ivarson distributed copies of Surplus Equipment as of 2/8/05 list (attached) and pointed out that two or three police cars would be added to the list. Ald. Williams asked if the vehicles could be put on Ebay. D. DeForest said that in the absence of Police Chief, J. Angelino she would put the vehicles on Ebay to sell. Ald. Williams asked where does the moneys paid for the surplus equipment go after it's received. W. Roberts stated that most of it would be receipted into the General Fund Revenue Account. C. Ivarson said that some moneys would be receipted into Water and Sewer Fund Accounts. Ald. Williams stated that one of the white water vans was in poor shape and would it be replaced soon. C. Ivarson stated that the van in question was scheduled to be replaced in 2006. Ald. Cushman moved to forward the Surplus Equipment list to the Council for approval. Seconded by Ald. Williams, ayes all.

d.) Loader Replacement

C. Ivason stated that the Loader needed to be replaced and that he had researched the costs of both new and used Loaders and the costs were $85,000 to $90,000. He also looked at a new 520 Load All, which has a 10' reach out, 18' high reach and a short-turn radius for small areas. C. Ivarson said that the 520 Load All would meet the City's needs and the cost was approximately $65,000. C. Ivarson stated that transfers would be needed from the Capital Equipment Reserve Funds to the Water, Sewer and General Funds once a bid was accepted. He would like to have bids go out within 10 days. Ald. Williams moved to forward to go out for bids for a 520 Load All to the Council for approval. Seconded by Ald. Cushman, ayes all.

e.) Sheldon Street Sewer & Water Extensions

C. Ivarson addressed a letter received from City Resident, Barbara Funaro regarding her interest to erect a house at 83-85 Sheldon Street. C. Ivarson stated that she wanted him to research to see if water and sewer lines could be extended to the property. C. Ivarson said that he would need to find out if the property was located in a flood plain because if it was then there would be certain regulation that could prevent any extension of water and sewer lines to the property. Also there would be a large cost to extending the water and sewer lines which would be the owners responsibility. Ald. Williams asked if there were any regulations/laws regarding living on a dirt road within the City. C. Ivarson said that would take further research to find out. C. Ivarson stated that he would address the residents' request in a letter and copy it to Ald. Maiurano so that he could address the response with Barbara Funaro.

f.) BOCES Print Shop Service Memorandum of Agreement

C. Ivarson said that the City would need to approve of the DCMO BOCES Shop Service Memorandum of Agreement so that he can use their services for the Annual Water Statement mailings. Ald. Cushman moved to forward the DCMO BOCES Shop Service Memorandum of Agreement to the Council for approval. Seconded by Ald. Williams, ayes all.

g.) Traffic Lights

C. Ivarson stated that he received a letter from the NYS Department of Transportation requesting that the City allow the NYS Dept of Trans. to re-assume the responsibility for the replacement, maintenance, and operation for the following traffic signals effective April 1, 2005:

NY 12 @ Hale Street and Northrup Avenue (Signal #308)
NY 12 @ NY 990L (East and West Main Street) (Signal #306)
NY 12 @ NY 23 (Rexford Street) (Signal #303)
NY 12 @ Mitchell Street and Cortland Street (Signal #304)
NY 990L @ Silver Street and Birdsall Street (Signal #309)
NY 23 @ Silver Street

C. Ivarson said that there would be no cost to the City from NYS DOT where at this time the City has Lane Anderson maintaining the traffic signals for an estimated $2,030 a year. He pointed out that Anderson is very reliable and NYS DOT might not be as available when needs arise. Ald. Cushman said he was in favor of maintaining the current arrangement with Anderson. It was mentioned that the Public Works Committee recommended NYS DOT resume responsibility, but Ald. Cushman and Ald. Maiurano preferred to stay with Anderson. Ald. Maiurano moved to have Lane Anderson continue the responsibility for the replacement, maintenance and operation of the traffic signals, not DOT. Seconded by Ald. Cushman. Ayes Ald. Cushman and Ald. Maiurano, nay Ald. Williams.

h.) Transfers of Residual Funds Back to Capital Reserves from Sewer Funds

W. Roberts stated that after completing his research, he determined that this action was not necessary and could be removed from the agenda.

i.) Storm Drain Capital Reserve

W. Roberts reported that since the Council authorized the establishment of a Storm Drain Capital Reserve Fund last August, no funds have been transferred to the reserve to date. The Sewer Fund closed out 2004 with a significant surplus and the unappropriated fund balance is sufficient to permit a transfer at this time. After reviewing storm drain needs with DPW Supt. C. Ivarson, he is recommending a transfer of $75,000 from the unappropriated surplus. Ald. Williams moved to recommend the transfer of $75,000 in unappropriated balance from the Sewer Fund to the Storm Drain Capital Reserve to the Council for approval. Seconded by Ald. Cushman, ayes all.

j.) Third Floor – 31 E. Main St.

C. Ivarson stated that if the City was going to put the City Hall Offices on the third floor of the Firehouse, it would be opportune and more economical to do a change order with the existing contractor for the Firehouse Project than to go through the bid process and expense at a later date. C. Ivarson said that there would be an estimated Engineering cost of $50,000 to convert the space on the third floor of the Firehouse into City offices. His rough estimate for construction work is $350,000, which includes the value of in-house labor as well as contracted costs. This cost would also include the plumbing, electric and HVAC. C. Ivarson stated that this was a good move for the City in trying to consolidate costs. Ald. Cushman moved to forward the moving the City offices to the third floor of the Firehouse to the council for discussion. Seconded by Ald. Williams, ayes all.

7. C. Gray Notice of Resignation:

D. DeForest said Chris Gray gave her resignation on Monday, February 28, 2005. D. DeForest stated that C. Gray would be absent for approximately one week and would return to do payroll on Monday, March 7th.
W. Roberts stated that after careful study and consideration as to whether the Finance Office could absorb a portion of the functions of payroll he has come to the conclusion that the Finance Office would not be able

to take on additional workload. W. Roberts stated that because of payroll there was an urgent need to fill the position. D. DeForest said that the position could be down graded to a Senior Account Clerk status, which would result in some savings to the City. D. Forest stated that the position consisted of 24 hours Payroll/HR and 16 hours Secretary Police Dept. Ald. Maiurano said that he was sorry for the loss and that this may be a

good opportunity to look at restructuring the City's offices. Mayor Raphael asked what steps would the City need to take to fill the position. D. DeForest said that the City could fill the position provisionally through promotional appointment, which would require taking the Civil Service Exam and being in the top three highest scores, or through opening up also to outside potential candidates, also requiring Civil Service Exam and being in the top three highest scores. W. Roberts suggested that further discussion be taken to an executive session later in the meeting to discuss the employment history of particular individuals.

OLD BUSINESS Ald. Cushman stated that he had two items to discuss under old business.

a.) Where does the City stand on the Sale of Surplus City Property.

Discussion would be in Executive Session

b.) Health Benefits for part time employees.

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Ald. Cushman stated that he would like to discuss health benefits for part time employees and if the City has come to any decision regarding it. D. DeForest stated that one particular part-time person was not interested in health benefits if offered by the City and that this individual would prefer additional compensation. Ald. Cushman asked what was the additional compensation that this individual was considering. D. DeForest stated that this individual was seeking compensation for Grants that the City received as a result of the individual securing them. Ald. Cushman asked if getting grants was in this individual's job description. D. DeForest stated that getting grants was not in this individual's job description. Ald. Maiurano stated that the compensation of this particular individual could be addressed in discussions at a later time.

8. Review of Workload Restructuring in City Hall Departments: (to be continued on future agendas)

9. City Policy on Use of Telephones and Cell Phones: (to be continued on future agendas)

10. Priority List of Finance Department Projects: (to be continued on future agendas)

11. Executive Session:

Ald. Williams moved to go into Executive Session at 7:56 p.m. to discuss the employment of a particular person, and to discuss sale of surplus real properties where price may be affected. Seconded by Ald. Maiurano, ayes all.

Ald. Williams moved to go out of Executive Session at 8:52 p.m., seconded by Ald. Cushman, ayes all.

12. Recommendation to Fill Vacancy:

Ald. Cushman moved a recommendation to the Council to refill the vacancy in the position of Senior Account Clerk resulting from the resignation of Christine Gray, and if it is filled through an internal promotion, that any vacancy thereby be also refilled.

13. Adjournment:

There being no further business, Ald. Cushman moved to adjourn at 8:56 p.m. Seconded by Ald. Maiurano ayes all.