

**CITY COUNCIL BUDGET SESSION
CITY OF WATERTOWN
May 7, 2013
7:00 p.m.**

Mayor Jeffrey E. Graham Presiding

Present: Council Member Roxanne M. Burns
Council Member Joseph M. Butler, Jr.
Council Member Teresa R. Macaluso
Council Member Jeffrey M. Smith
Mayor Graham

Also Present: Sharon Addison, City Manager

City staff present: Chief Comins, Barb Wheeler, Erin Gardner, Jim Mills, Chief Herman, Kurt Hauk, Mike Sligar, Elliott Nelson, Ken Mix, Brian Phelps, Celia Cook, Russ Randall, Peter Keenan, Beth Morris, Pete Monaco

NEW BUSINESS

Watertown Golf Club

Council Member Butler indicated that since his father is a shareholder in the Watertown Golf Club, he would not participate in any decision or voting on this topic due to a conflict of interest.

Mayor Graham stated that he and the City Manager will be holding another meeting with the representatives from the Golf Club in the future.

Woolworth Building

Mr. Mix stated that the Woolworth Building project received the low income tax credits which are the last piece of financing needed for the project to move ahead.

BUDGET DISCUSSION

Tourism Fund

James Mills, City Comptroller explained that after the proposed budget came out, the debt service was \$46,000 light to justify the full transfer. He further explained that there are ways to change the funding so that some of this goes towards the roof repair project at Thompson Park which was coming from the Capital Reserve and then reallocate the Capital Reserve money for one or two vehicles in the General Fund.

Council agreed to this proposal.

Library Fund – Security Guard

Referring to her memo to Council (on file in the City Clerk's Office), Connie Holberg, President of the Library Board, stated that having a security guard half the time will not ensure the safety of the staff, patrons and the property. She confirmed that the proposed 65 hours would cover the library from open to close, seven days a week using a contracted service which is paid at an hourly rate with no additional employee benefits and retirement funding. Her concern is that the public will know when the security guard is not working and then the library is at risk.

Council Member Smith said that no one wants to take any risks but the library has been many years without a guard and this is a step in the right direction.

Ms. Holberg reminded Council of the security audits that have been done.

In regards to security cameras, Barbara Wheeler, Library Director, responded that these have been installed and are more helpful but usually after the fact, providing the police with evidence because she does not have the staff to monitor them. She told Council that she appreciated what the City Manager did put into the library budget and feels like for the first time, she was listened to and her needs were understood. Ms. Wheeler stressed to Council that she is the one that currently handles the security issues and has been told by law enforcement that she probably steps in too often and is taking too many chances.

In response to Council Member Burns' inquiry, Ms. Holberg stated that the board will pay for a panic button at the desk, combination lock for the basement and wearable panic buttons.

Council Member Burns commended the Library Board for stepping up to the plate and not asking Council for everything.

Ms. Addison remarked that in her strategic focus, one of her highlights was security for staff and facilities. She advised that security is deficient in all areas, especially at City Hall and the Library, so her intent of providing 35 man hours towards security at the Library was an attempt to balance that need with the remaining budget.

Council Member Burns remarked that she is glad that Ms. Addison recognizes the need for security in City Hall as well as the Library. She added that the Library is a gem containing many artifacts but the most important thing is the employee's security. She has felt for a long time that the staff is at risk in City Hall. She sees Ms. Addison working incrementally towards a goal that every City facility is up to par with security.

Responding to Mayor Graham, Ms Addison stated that the incremental cost between 35 hours and 65 hours is \$30,000.

Ms. Wheeler stated that her staff has kept an incident log and there is not a time that there is a greater need for security.

Mayor Graham asked if there are times when City staff is in the Library doing routine work.

Ms. Addison stated that there are two custodians for both buildings but some of their time is spent in the Library.

Council Member Butler suggested increasing the hours to 40 and have the hours randomly selected each week so that the public would not know the schedule of the guard. He said that he does not want anyone feeling that they cannot go to the library because it is not safe.

Council Member Smith asked if the police would have time to walk through during the day or if any

police officers assigned to light duty could be responsible for this.

Chief Comins indicated that this may be a possibility and mentioned that the afternoon shift currently does walk through the library daily but he can increase that presence. His concerns with the light duty officers assigned there is that an incident may cause the officer to be reinjured.

Council all agreed that security is needed to protect the staff and patrons using the library and that a compromise is needed on the number of hours for the security guard which can be used in combination with police control and custodian assignment to cover the other time. There was a feeling that this was a good start and that the City Manager should meet with the appropriate staff to achieve this. Council concurred to increase the hours for the security guard to 45 hours.

Library Fund – Hill between City Hall, Library and Parking Lots

Mayor Graham stated that many people cut through this area and that it is an accident waiting to happen. He pointed out that a stairway had been planned and wondered what the status of this was.

Ms. Addison responded that the funding for the steps was reallocated to Sunday hours and it was not rebudgeted because it was not a strong priority as discussed with the board and a planned project behind the building has not been designed so there is a possibility this area may be torn up.

Parks and Recreation

In response to Mayor Graham's inquiry, Mr. Mills explained the new tracking accounts which will help identify the source of revenue.

Mayor Graham commented that Council needs to develop real policies for holding events at the City facility. He said that he agrees with Council Member Smith in that FEMA rates should not be used. He feels that Council should be willing to say that the City can only support so many events and set a limit to how much is subsidized. He noted that a group cannot refuse to sign a contract until the day before the event and then say they did not know about the costs. He said the policy should be that the contract and expectations are in place way ahead of time and not subject this body to the type of debate that has occurred recently. He did point out that everyone should be treated the same.

Council Member Butler remarked that this department has come a long way with consistently collecting invoices but said the code is inconsistent and the City needs to do its best to treat everyone fairly.

Mayor Graham suggested if the City is going to support such event that it should be included as a line item in the budget. He said that if there was a full accounting of what is spent and what was lost on these events, everyone would be shocked. He said Council is going to have a hard time justifying the approximately \$5 million arena upgrades if some of the costs are not recouped.

Council Member Smith said that when the upgrades are done, the event holders need to know upfront that due to the investment made into the facility, the fees are going to change.

When there is a large event, Council Member Butler advised that the costs should be figured so that it can be worked into the contract for the following year.

Council discussed the possibility of having fees for not-for-profit verses for-profit organizations and wondered what other municipalities do. In addition, the need for actual costs for each of these events was addressed and it was agreed that further discussion is required. Council concurred that this department is heading in the right direction.

In regards to the Flynn Pool Capital Budget, Ms. Gardner confirmed that it would be a heated pool.

Water Department – Meter Replacement Program

Mike Sligar, Water Superintendent explained the costs for the Meter Replacement Program highlighting that there are three phases, each costing \$650,000 and he hoped to complete the three phases over three years. He reviewed the cost savings of the program pointing out that staff would be more efficient allowing him to delete two positions and vehicle maintenance. He mentioned that the recent large meter replacement program which cost \$75,000 has already recouped the cost in a short period of time. He stressed that there is better accountability of water sales with the meter replacement program. At this point, he said that he cannot forecast exactly how water rates would be affected.

Referring to page 286 and 287, Mr. Mills reviewed the possible increase in rates in the Water and Sewer Fund. He also advised how this is funded and mentioned that any bonding would be done separately for each phase.

After much debate, Council decided to move ahead with the first phase of this program and then reevaluate it prior to implementing phase two.

Water Department – Sewer Incinerator

In response to Council Member Smith's question, Mr. Sligar stated that the change over to the incinerator would eliminate the cost of fuel oil and would decrease electric consumption.

Police Department

Mayor Graham asked the Police Chief to give an update on the crime level.

Chief Comins told Council that most crimes are due to drugs, for example robberies in order to support the habit. He indicated that the task force has been very busy.

Regarding the transport van, Council Member Smith asked if it was still needed.

Mr. Mills remarked that the purchase was frozen for the current fiscal year and it was not put back in the proposed budget.

Chief Comins clarified for Mayor Graham that the police currently only transports City prisoners and no longer transports County prisoners. In regards to the new police cars, he confirmed that they are all wheel drive vehicles and will be painted in the same color scheme.

Fire Department

Council Member Smith noted there was a \$49,000 increase in overtime.

Chief Herman advised the base overtime is the actual overtime cost average of a ten year period. He explained that there was an additional grant appropriation for training overtime of \$20,500 plus an

allocation of \$2,500 for code enforcement overtime. He further explained the grant appropriation that will be offset.

In regards to overtime, Council Member Smith asked if the problem of people calling in and misusing overtime has been corrected.

Chief Herman stated that it is not happening at this point in time.

In regards to the recent accident on the Black River, Chief Herman gave an update and Council discussed ways to improve public awareness of the dangers of the river.

Referring to the vehicle replacement request, Chief Herman described the issues with the current vehicle explaining the cost of the needed repairs. He detailed the usage and mileage put on it in the past year stressing that as an emergency vehicle, it sits running idle so the mileage of \$87,000 does not reflect true engine hours.

Council Member Butler stated that if this line item was cut and in four months, this vehicle no longer runs, Council would replace it.

Council Member Smith said that if equipment that affected the primary function of the fire department needed to be replaced then all of Council would be supportive. He suggested that it stay in service and stay local.

Council concurred to cut this vehicle replacement request.

Public Works

Mayor Graham stated that the vehicles were on display in the parking lot and Council had been given the opportunity to view them prior to the meeting.

Council Member Smith commended the department for the vehicles being in such good shape.

Gene Hayes, Superintendent of Public Works and Peter Monaco, Assistant Superintendent of Public Works reviewed each request explaining in detail the age, use, purchase cost, repair expenses and current condition of each vehicle stressing that these vehicles are worked hard and repairs have increased. It was noted that with the older vehicles, some of the parts are not available. It was explained that the new trucks are better built with stainless steel which will last much longer and need less repairs over time. Mr. Monaco stressed that importance of having two snow plows in good working condition and Mr. Hayes highlighted the cost savings of the installed pre-wet system which is used in the application of salt to the roads.

In addition, discussion focused on trash hauling and the consideration for the discontinuation of the service. Mayor Graham noted that this issue is worth discussing more with internal dialogue within the Manager's Office.

In regards to the tractor, Mr. Monaco explained that it is inoperable and not worth fixing.

Council concurred to move ahead with the vehicle replacements.

In response to Council Member Smith's inquiry, Mr. Hayes explained the need for the Dump Trailer (page 98) stating that they are currently using a homemade trailer. He further explained the cost effectiveness of the Mechanical Sweeper Rentals.

Council made no further changes.

Engineering

Kurt Hauk, City Engineer updated Council on the Park Pavilion explaining that he is waiting for the environmental insurance to be in place. Regarding the Factory Street project, Mr. Hauk said that it should go to bid next spring and it is hoped to be a one year project as long as a few milestones are met in a timely fashion.

Mayor Graham mentioned apartment registrations and asked for Mr. Hauk's opinion.

Mr. Hauk said there has been some discussion but he and Mr. McWayne could do a report to Council on this at some point.

As for the Clinton Street Project, Mr. Hauk noted that planting was being done this week and there is some sidewalk repairs needed but otherwise, felt that it could be wrapped up by June.

Mr. Hauk listed some of the smaller projects and provided a quick update on each.

Bus Routes

Mayor Graham stated that the bus routes should be expanded to service the areas, in particular new housing, just outside the City.

Ms. Addison said this is definitely on the table.

5 year plan

Mr. Mills presented Council with a five year plan handout comparing it to page 285 of the proposed budget and detailing assumptions for personal services, retirement rates, sales tax, health insurance rates, normal contractual expenses and the tax levy. He outlined his concerns with the fund balance and stated his projection for next year's tax levy is 23% in order for the year to finish at a fiscally stable position of approximately 17% Fund Balance which is recommended by the Government Finance Office Association. It is advised to keep a minimum of two month's expenses on hand which calculates to the 17%. He suggested ways to correct this such as to raise taxes and cut costs.

Mayor Graham stated that there will need to be a major programmatic change.

Mr. Mills noted that he would like Council to hear this now so that they are not caught off guard next year. He stressed that continually using \$1.5 - \$1.6 million fund balance cannot continue forever.

The Budget Session ended at 8:55 p.m.

Ann M. Saunders
City Clerk