

**CITY OF WATERTOWN, NEW YORK
AGENDA**

This shall serve as notice that the next regularly scheduled meeting of the City Council will be held on Tuesday, July 6, 2010, at 7:00 p.m. in the City Council Chambers, 245 Washington Street, Watertown, New York.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

ROLL CALL

ADOPTION OF MINUTES

COMMUNICATIONS

PRIVILEGE OF THE FLOOR

RESOLUTIONS

- Resolution No. 1 - Authorizing a Grant Application to the New York State Office of Parks, Recreation and Historic Preservation for the Soldiers and Sailors Monument Restoration Project
- Resolution No. 2 - Adopting Amendments to the Guidelines and Administrative Procedures for the Rental Rehabilitation Program
- Resolution No. 3 - Accepting Bid for Reconstruction of Riggs Avenue, A.J. Montclair, Inc.
- Resolution No. 4 - Approving Contract for Workers' Compensation and Claims Administration Services, General Municipal Law 207-a and 207-c, POMCO Group

ORDINANCES

- Ordinance No. 1 - A Ordinance Authorizing the Issuance of \$390,000 Bonds of the City of Watertown, Jefferson County, New York, to Pay the Costs of the Reconstruction of Riggs Avenue, Including Street, Sidewalks, Storm Sewer, Water Main and Sanitary Sewers, in and for Said City

LOCAL LAW

PUBLIC HEARING

OLD BUSINESS

STAFF REPORTS

1. City Manager's Update – July 2010
2. Request to Purchase Property Adjacent to Stewart's at 229 North Massey Street
3. Offer to Purchase a Portion of Edmund Street
4. Property Donation to the City – VL Mill Street, Parcel No. 3-11-138.002
5. Request for In-Kind Assistance, 122 Ten Eyck Street
6. Sewall's Island Redevelopment
7. J.B. Wise Parking Lot, Former Manufactured Gas Plant Update
8. Lachenauer Plaza Fountain
9. National Grid – Utility Tax – Gross Receipts, Update

NEW BUSINESS

EXECUTIVE SESSION

WORK SESSION

ADJOURNMENT

**NEXT REGULARLY SCHEDULED CITY COUNCIL MEETING IS MONDAY,
JULY 19, 2010.**

Res No. 1

June 30, 2010

To: The Honorable Mayor and City Council
From: Michael A. Lumbis, Planner
Subject: Soldiers and Sailors Monument

At its June 21, 2010 meeting, the City Council agreed to authorize the submission of a grant application to the NYS Office of Parks, Recreation and Historic Preservation through the Environmental Protection Fund Grant Program for the cleaning and restoration of the Soldiers and Sailors Monument.

The total cost of the project is estimated to be \$200,000. The grant will provide up to 75% of the project cost, meaning that the City would be responsible for 25% or \$50,000.

The grant application requires that the City Council make a determination regarding the State Environmental Quality Review (SEQR). Since the proposed project is maintenance or repair involving no substantial changes in an existing structure or facility, the project is considered a Type II Action as defined by Section 617.5 (c) (1) of SEQR. Type II Actions are not subject to SEQR review. The attached resolution includes language regarding the SEQR determination.

The grant application also requires that a resolution be adopted by the City Council authorizing the application. The attached resolution authorizes and directs the City Manager to file an application for funds in an amount not to exceed \$150,000.

RESOLUTION

Page 1 of 2

Authorizing a Grant Application to the New York State Office of Parks, Recreation and Historic Preservation for the Soldiers and Sailors Monument Restoration Project

Council Member BURNS, Roxanne M.
 Council Member BUTLER, Joseph M. Jr.
 Council Member MACALUSO, Teresa R.
 Council Member SMITH, Jeffrey M.
 Mayor GRAHAM, Jeffrey E.
 Total

YEA	NAY

Introduced by

WHEREAS the City Council of the City of Watertown desires to complete the restoration of the Soldiers and Sailors Monument located in Public Square, and

WHEREAS the Soldiers and Sailors Monument Restoration Project is the final component needed to complete the restoration and rehabilitation of the Public Square streetscape area, and

WHEREAS the State of New York has announced that grant funds are available through the Environmental Protection Act of 1993 for historic preservation projects under the Historic Property, Preservation and Planning Program, and

WHEREAS the City Council desires to make an application for funding, and as part of the application, the Council must consider the potential environmental impacts according to the requirements of the State Environmental Quality Review (SEQR),

NOW THEREFORE BE IT RESOLVED that the City Council has review the criteria set forth in Section 617.5 (c) (1) of SEQR and has determined that the Soldiers and Sailors Monument Restoration Project is maintenance or repair involving no substantial changes to the existing structure and therefore considers the project a Type II Action under SEQR which requires no further environmental review, and

RESOLUTION

Page 2 of 2

Authorizing a Grant Application to the New York State Office of Parks, Recreation and Historic Preservation for the Soldiers and Sailors Monument Restoration Project

Council Member BURNS, Roxanne M.
 Council Member BUTLER, Joseph M. Jr.
 Council Member MACALUSO, Teresa R.
 Council Member SMITH, Jeffrey M.
 Mayor GRAHAM, Jeffrey E.
 Total

YEA	NAY

BE IT FURTHER RESOLVED that Mary M. Corriveau, as City Manager of the City of Watertown, is hereby authorized and directed to file an application for funds from the New York State Office of Parks, Recreation and Historic Preservation in accordance with the provisions of Title 9 of the Environmental Protection Act of 1993, in an amount not to exceed \$150,000, and upon approval of said request, to enter into and execute a project agreement with the State for such financial assistance to the City of Watertown for the Soldiers and Sailors Monument Restoration Project and, if appropriate, a conservation easement/preservation covenant to the deed of the assisted property.

Seconded by

Res No. 2

July 1, 2010

To: The Honorable Mayor and City Council

From: Kenneth A. Mix, Planning and Community Development Coordinator

Subject: Adopting Amendments to the Guidelines and Administrative Procedures for the Rental Rehabilitation Program

The City Council adopted revised guidelines for the Rental Rehabilitation Program on December 21, 2009. The program provides Community Development Block Grant (CDBG) funds for rehabilitation of existing substandard apartments throughout the City, but gives priority to the creation of new apartments on the upper floors of commercial buildings in the downtown area.

The difficult nature of renovating downtown buildings for housing has caused the bids for the projects to come in higher than anticipated. Neighbors of Watertown, Inc. believes that some of the projects can still be completed if the terms of the CDBG loans are changed. They have also requested more flexibility in the terms for City-wide rehabilitations.

The resolution prepared for City Council consideration amends the guidelines as follows:

1. The interest rate is changed from 3% to 0% for the entire program.
2. Allows loan terms up to 10 years for City-wide rental rehabilitation instead of limiting to 5 years.
3. Allows loan terms up to 20 years for downtown apartments instead of limiting to 10 years.
4. Revises sale and rent limitation language for new regulatory periods based on the new loan terms.

RESOLUTION

Page 1 of 2

Adopting Amendments to the Guidelines and Administrative Procedures for the Rental Rehabilitation Program

Council Member BURNS, Roxanne M.
 Council Member BUTLER, Joseph M. Jr.
 Council Member MACALUSO, Teresa R.
 Council Member SMITH, Jeffrey M.
 Mayor GRAHAM, Jeffrey E.

Total

YEA	NAY

Introduced by

WHEREAS the City of Watertown has received Community Development Block Grant (CDBG) funding from the New York State Housing Trust Fund Corporation (HTFC) to support rehabilitation of existing substandard apartments through the City and to create new apartments on the upper floors of commercial buildings in the downtown area, and

WHEREAS the operation of the Rental Rehabilitation Program is governed by guidelines and administrative procedures that were adopted by the City Council on January 20, 2009, and revised on December 21, 2009, and

WHEREAS the program administrator has requested changes to those guidelines to offer more attractive financing and allow flexibility in negotiating the terms of each project, and

WHEREAS those changes have been reviewed with the Planning and Community Development Coordinator who recommends their approval,

NOW THEREFORE BE IT RESOLVED that Section 5.2.a of the guidelines is hereby amended to allow CDBG loans to be made with an interest rate of 0% APR and repayment terms of up to 10 years with the understanding that all program requirements, including sale and rent restrictions, will be met for the full term of each loan, and

BE IT FURTHER RESOLVED that Section 5.3.a of the guidelines is hereby amended to allow CDBG loans to be made with interest at 0% APR and repayment terms of up to 20 years. The regulatory period specified in Paragraph (c) of Section 5.3 will not be extended beyond 10 years, and

RESOLUTION

Page 2 of 2

Adopting Amendments to the Guidelines and Administrative Procedures for the Rental Rehabilitation Program

Council Member BURNS, Roxanne M.

Council Member BUTLER, Joseph M. Jr.

Council Member MACALUSO, Teresa R.

Council Member SMITH, Jeffrey M.

Mayor GRAHAM, Jeffrey E.

Total

YEA	NAY

BE IT FURTHER RESOLVED that Section 6.3 of the guidelines is hereby amended to make the regulatory period equal to the length of the CDBG loan (not less than 5 years and not more than 10 years) and require repayment of a portion of the CDBG financing of the properties is sold during the regulatory period, and

BE IT FURTHER RESOLVED that Section 6.4 of the guidelines is hereby amended to require repayment of a portion of the CDBG financing if any apartment or work was completed under the program is not rented to a qualified lower income tenant with rent is considered affordable during the applicable regulatory period.

Seconded by

5.2 Financing for Rehabilitation of Rental Properties *

For rehabilitation of existing substandard apartments in absentee-owned Rental Properties, CDBG financing will be available to pay the full cost of eligible improvements up to a maximum of \$20,000 for each housing unit that is occupied by a tenant who qualifies as Low or Moderate Income. Vacant apartments will qualify for assistance if the property owner agrees to rent those units to tenants who qualify as Low or Moderate Income with the rent not to exceed the current Rent Limit (see APPENDIX A).

Grants will be calculated as 50% of the Eligible Cost of improvements in rental apartments that qualify for assistance; and CDBG loans will be available to cover the balance of the Eligible Cost at the option of the property owner.

a. CDBG Loan Terms (Revised)

CDBG loans will be repaid to the city in monthly installments over a term of not less than five years and not more than ten years beginning 30 days after all work is completed. Monthly payments are calculated as the amount that is required to repay the full amount of the loan without interest over the term of the loan. Payments may be accelerated without penalty at the option of the property owner. A \$10.00 service charge will be added for any payment that is more than 10 days late; and the city may declare the loan in default and demand immediate repayment of the outstanding balance if any payment is more than 30 days late.

b. Minimum Owner Contribution

The property owner may be required to contribute cash to the project to pay for any Excess Cost, including:

- i.** the cost of ineligible improvements, which may not be paid with CDBG grant or loan funds;
- ii.** the cost of improvements in the non-residential portions of eligible properties, incl: garages, sheds or other outbuildings;
- iii.** the cost of required improvements in apartments occupied by households that are not Low or Moderate Income; and
- iv.** the extra cost incurred when the property owner does not select the contractor who submitted the lowest proposal.

The Minimum Owner Contribution may not be reduced by any financing from other federal or state programs.

5.3 **Financing for Development of New Rental Apartments ***

CDBG financing may be combined with HOME funds and New York Main Street (NYMS) funds that are available through Neighbors of Watertown to support projects that will create new apartments on the upper floors of commercial buildings in the downtown area. In those projects, the CDBG funds will be available up to a maximum of \$30,000 per housing unit to fill any gap that is left after the maximum amount of HOME funds are committed to the project. Half of the CDBG financing will be structured as a grant and half will be structured as a loan.

a. CDBG Loan Terms (Revised)

CDBG loans will be repaid to the city in monthly installments over a term of not less than five years and not more than twenty years. Monthly payments are calculated as the amount that is required to repay the full amount of the loan without interest over the term of the loan. Payments may be accelerated at the option of the property owner without penalty. A \$10.00 service charge will be added for any payment that is more than 10 days late; and the city may declare the loan in default and demand immediate repayment of the outstanding balance of the loan if any payment is more than 30 days late.

- b. Income Eligibility** - Each apartment that is created with this financing must be rented to a tenant who qualifies as Low Income. Moderate Income tenants will not qualify for the HOME financing that is required for these projects.
- c. Rent Limitation** - The gross rent for each apartment that is created with this financing (including an allowance for the cost of utilities that are paid by the tenant) cannot exceed the Rent Limit that is established by HUD for the Section 8 Housing Choice Voucher Program (see current limits in APPENDIX A).
- d. Regulatory Period** - the property owner must agree to comply with all program requirements, including the income and rent limits outlined above, for a period of ten years after the work is completed under this program.
- e. Restrictive Covenant** - the HOME financing that is required for each project includes a restrictive covenant that will be recorded in the office of the Jefferson County Clerk. That deed restriction will be attached to the land and will survive sale of the property or bankruptcy of the property owner. Accordingly, the requirement to rent all apartments in the property to tenants who qualify as Low Income with the rent not to exceed the current Rent Limits will remain with the property for the full ten year regulatory period even if the CDBG and HOME financing are repaid earlier.

6.0 SPECIAL CONDITIONS

The following Special Conditions apply in all cases where CDBG assistance is provided under this program.

6.1 Property Taxes

Before any assistance is approved under this program, all property taxes and other local charges (eg: water & sewer) must be paid for every property owned by the applicant in the City of Watertown.

6.2 Insurance

All properties assisted through this program must be insured. The applicant must provide proof of adequate liability and hazard insurance before any assistance can be approved. Flood insurance will also be required if the property is located within a 100 year flood plain.

6.3 Sale Limitation * (Revised)

For all properties where assistance is approved under this program, applicants must agree not to sell those properties during a regulatory period that begins when all construction work is completed and continues for the term of the CDBG Loan. The regulatory period will be not less than five years for rehabilitation of rental properties; it will be ten years for projects that involve creation of new apartments on the upper floors of downtown commercial buildings. If the property is sold during the applicable regulatory period, the seller must immediately repay the outstanding balance of the CDBG loan plus a portion of the CDBG grant, as follows:

- a. 100% of the grant must be repaid if the property is sold within one year after work on the project is completed;
- b. that repayment obligation is reduced by an equal amount for each year that the applicant maintains ownership of the property and complies with all other requirements of the program during the applicable regulatory period; and
- c. no repayment will be required at the end of the applicable regulatory period if the property owner maintains ownership of the property during that time and has satisfied all other requirements of these guidelines and the terms of their Project Agreement.

6.4 Rent Limitation * (Revised)

For all properties where assistance is approved under this program, the owner must agree to rent each apartment to a tenant who qualifies as Low or Moderate Income (as applicable) and limit rents to a level that is considered affordable during the applicable regulatory period. The current Rent Limits are listed in APPENDIX A. Those limits are established by HUD for the Section 8 Housing Choice Voucher Program and revised annually to reflect the fair market rents for existing apartments in Jefferson County.

This requirement will be detailed in the Project Agreement and a Note & Mortgage that will be recorded in the office of the Jefferson County Clerk establishing a lien on the property that will be in effect during the applicable regulatory period.

If an apartment is vacant when the project is approved, the property owner must agree to rent that apartment to a tenant who qualifies as Low or Moderate Income (as applicable). When an apartment becomes vacant during the regulatory period after rehabilitation work is completed, that apartment must be rented to a tenant who qualifies under the same Income Limits.

This special condition will not be violated when a tenant's household income increases beyond the applicable Income Limit if that tenant qualified as Low or Moderate Income (as applicable) at the time the CDBG financing was approved or at the time they moved into the apartment (whichever is later).

If any apartment is rented to a tenant who does not qualify as Low or Moderate Income (as applicable) or the rent for any apartment (including an allowance for utilities paid by the tenant) exceeds the applicable Rent Limit, the property owner must repay the outstanding balance of the CDBG loan plus a portion of the CDBG grant, as follows:

- a. 100% of the grant must be repaid if this requirement is not met within one year after the rehabilitation work is completed;
- b. that repayment obligation is reduced by an equal amount for each year that rent limitations are satisfied during the applicable regulatory period; and
- c. this rent limitation expires at the end of the regulatory period and no repayment will be required if the property owner has satisfied all other terms and conditions of the Project Agreement.

6.5 Other Federal or State Assistance *

[Section Deleted]

GRANT AND LOAN COMPUTATIONS

A. Eligibility:	Apt. #1	Apt. #2	Apt. #3	Apt. #4
1. Family Size				
2. Annual Household Income				
3. Income Limit (APPENDIX A)				
4. Qualified as Lower Income?	YES / NO	YES / NO	YES / NO	YES / NO
B. Rent Eligibility:				
1. Number of Bedrooms in Unit				
2. Rent Limit (APPENDIX A)				
3. Current Rent				
4. Utility Allowance				
5. Current Housing Expense (B.3+B.4)				
6. Under Current Rent Limit?	YES / NO	YES / NO	YES / NO	YES / NO
C. Grant & Loan Computation:				
1. Cost of Accepted Work Items				
2. Ineligible Cost (NO on Line A.4 or B.6)				
3. Cost of Eligible Work (C.1 - C.2)				
4. Low Bid for Eligible Work Items				
5. Contract Adjustment (C.3 - C.4)				
6. Excess Cost (C.2 + C.5)				
7. Eligible Cost (C.1 - C.6)				
8. CDBG Limit (C.7, max. \$20,000)				
9. CDBG Grant Limit (C.8 x 0.500)				
10. CDBG Loan Limit (B.8 - B.9)				
D. Allocation of Project Cost:				
1. Total Cost of Improvements		(total from Line C.1)		
2. Excess Cost		(total from Line C.6)		
3. Line D.1 - Line D.2		(not less than 0)		
4. CDBG Grant Award		(lesser of Line D.3 or total on Line C.9)		
5. Line D.3 - Line D.4		(not less than 0)		
6. CDBG Loan Authorization		(lesser of Line D.5 or total on Line C.10)		
7. Line D.5 - Line D.6		(not less than 0)		
8. Owner Contribution		(Line D.2 + Line D.7)		
9. Monthly Loan Payment		(Line D.6 ÷ Loan Term in Months)		

**CITY OF WATERTOWN
RENTAL REHABILITATION PROGRAM**

PROJECT AGREEMENT

THIS AGREEMENT, between _____ (the "Owner") and the City of Watertown (the "City") details the mutual understandings of the parties regarding improvements to be made by the Owner under the Rental Rehabilitation Program (the "Program") on the property located at:

The Guidelines and Administrative Procedures that were adopted by the City Council on December 21, 2009 and all other documents included in the Project File are hereby incorporated in and made a part of this Agreement.

I. REHABILITATION IMPROVEMENTS

The Owner will complete the improvements detailed in the Work Writeup (Form 103) working with contractors who are acceptable to the City. During the course of this project, the Owner will work with representatives of the City to assure that all improvements are completed in compliance with the Program Guidelines and other requirements of the U.S. Department of Housing and Urban Development and/or the NYS Housing Trust Fund Corporation.

II. GRANT AND LOAN ASSISTANCE

Subject to compliance by the Owner with the Guidelines and Procedures established for this Program, the following financing plan has been approved by the Project Review Committee for this project:

CDBG Grant Award	\$
CDBG Loan Authorization	\$
Owner Contribution	\$
Total Project Cost	\$

All payments for work completed under this Program will be made by checks payable to the Owner and the contractor who has been approved for that work. Payments will be made only for work that is completed and in place after approval by the Owner and by the Program Administrator.

- A. The Owner Contribution must be deposited in an escrow account established by the City before any work may begin on this project. Those funds will be used before any other funds are advanced for this project.
- B. Grant and loan funds will be advanced for progress payments to the contractor until the total of all progress payments equals 75% of the Total Project Cost. All such advances will require approval by the Owner and the Program Administrator after inspection of the work in place.
- C. Final payment will be made only after all work has been completed and approved by the Owner and the Program Administrator. At the time of final payment, the Owner will sign a Certificate of Satisfactory Completion (Form 115) and provide a copy of the contractor's Release of Liens and Warranty (Form 114). At the same time, the Program Administrator will supply a Disposition of Funds Report (Form 116) to the Owner detailing all payments that have been made during the course of the project.

III. LOAN REPAYMENTS

The Owner agrees to repay the CDBG loan in monthly installments of \$_____ beginning 30 days after the final payment under this Agreement. That payment is calculated as the amount that is required to repay the full amount of the loan without interest over the term of the loan. Prepayments may be made without penalty at the option of the owner. A \$10.00 Service Charge will be added for any installment not received within 10 days after the due date; and the City may, at its option, demand repayment of the outstanding loan balance if any payment is more than 30 days overdue. The Owner agrees to pay all costs of collection including reasonable legal fees in the event the City is forced to pursue legal action in order to secure repayment of this loan.

IV. SECURITY

A note and mortgage will be executed and recorded in the office of the Jefferson County Clerk to secure the CDBG loan with a lien that is subordinate only to existing liens on the property, which include:

- A \$_____ Mortgage given to _____
- A \$_____ Mortgage given to _____

V. CONDITIONS

A. Sale Limitation: If this property is sold or transferred during the term of the loan, the Owner will be required to repay the outstanding balance of the CDBG loan plus a portion of the CDBG grant, which will be calculated as 100% during the first year and declining in equal amounts each year so that no grant repayment will be required at the end of the regulatory period, which will not be less than five years for any project.

B. Rent Limitation: The following chart lists the current occupants and the monthly rent charged for each rental apartment in the property (including the average monthly cost of utilities that are paid by each tenant). The chart also lists the current Rent Limit for each apartment based on the Fair Market Rents established by HUD.

Apt #	Occupant	Current Rent	Utility Allowance	Rent Limit
		\$ /month	\$ total/month	\$
		\$ /month	\$ total/month	\$
		\$ /month	\$ total/month	\$
		\$ /month	\$ total/month	\$

During the term of the CDBG Loan (but not less than five years), any apartment where work was completed with CDBG financing must be rented to qualified lower income tenants with rents (including an allowance for utilities paid by the tenant) not to exceed the Fair Market Rent Limit established by HUD. If any violation of this condition is not corrected within 30 days after receipt of a written notice from the City, the balance of the CDBG loan (if any) plus a portion of the CDBG grant must be repaid to the City as detailed in Section V.A above.

VI. CERTIFICATIONS

A. Eligibility for Assistance - All information and documentation that has been provided to establish eligibility and to calculate the amount of CDBG grant and loan assistance under this Program is complete and accurate and there have been no changes that affect this project.

B. Civil Rights Compliance - There will be no discrimination on the basis of race, color, creed, national origin, sex, age, handicap or family status in the sale, lease, rental, or the use or occupancy of the property to be improved under this Program.

C. Lead-Based Paint Hazards - The work included in this project will not disturb existing painted surfaces in excess of the de minimis limitations detailed in the Federal Lead-Based Paint Hazard Rule at 24 CFR Part 35.1350(d) unless those surfaces have been tested by an inspector who has been certified by EPA to do lead-based paint inspections and the work is completed by a contractor who has been trained to use "safe work practices".

D. Conflict of Interest - No officer, employee or agent of the City who exercises any control or influence in connection with this Program will have any interest, direct or indirect, in the work to be done on this property or in any contract related to this project. No member or delegate to the Congress of the United States shall have any interest in or derive any benefit from this project.

VII. MODIFICATION

This Agreement and related documents in the Project File include all of the understandings of the parties regarding the improvements to be made on the property with CDBG grant and loan financing under the Rental Rehabilitation Program. The terms and conditions may be modified only by written agreement. Any adjustment of the amount of grant or loan assistance or the scope of work included in the project must be approved by the Project Review Committee on the basis of a written change order that is accepted by the Owner and the contractor and recommended by the Program Administrator.

VIII. TERMINATION

This Agreement may be terminated by the City if the Owner fails to satisfy any of the terms or conditions detailed above or fails to comply with the Program Guidelines and Procedures during the course of the project. In the event of such termination, the Owner may be required to reimburse any CDBG grant funds and repay any CDBG loan funds that have been advanced by the City. After the project is completed, this Agreement may not be terminated for a period of five years unless the Owner repays any outstanding CDBG loan balance and a portion of the CDBG grant as detailed in Section V.A. Notwithstanding this provision, however, the City may waive these requirements in special circumstances that create a hardship for the Owner, provided those circumstances are beyond the control of the Owner and neither the Owner nor its heirs will benefit financially from such a waiver.

IN WITNESS WHEREOF, this Agreement has been executed on the date written below.

OWNER:

PROJECT REVIEW COMMITTEE:

Date: _____

REVISED GRANT AND LOAN COMPUTATIONS

A. Eligibility:	Apt. #1	Apt. #2	Apt. #3	Apt. #4
1. Proposed Change Order (+ or -)				
2. Eligible Cost in Change Order				
3. Ineligible Cost in Change Order				
4. Qualified as Lower Income?	YES / NO	YES / NO	YES / NO	YES / NO
5. Under Current Rent Limit?	YES / NO	YES / NO	YES / NO	YES / NO

B. Revised Grant & Loan Computation:

1. Cost of Accepted Work Items				
2. Revised Cost (B.1 +/- A.1)				
3. Original Contract Adjustment				
4. Original Ineligible Cost				
5. New Ineligible Cost (B.4 +/- A.3)				
6. New Excess Cost (B.3 + B.5)				
7. Revised Eligible Cost (B.2 - B.6)				
8. CDBG Limit (B.7, max. \$20,000)				
9. Revised Grant Limit (B.8 x 0.500)				
10. Revised Loan Limit (B.8 - B.9)				

C. Allocation of Project Cost:

1. Revised Cost of Improvements		(total from Line B.2)
2. Revised Excess Cost		(total from Line B.6)
3. Line C.1 - Line C.2		(not less than 0)
4. Revised CDBG Grant Award		(lesser of Line C.3 or total from Line B.9)
5. Line C.3 - Line C.4		(not less than 0)
6. Revised CDBG Loan		(lesser of Line C.5 or total from Line B.11)
7. Line C.5 - Line C.6		(not less than 0)
8. Revised Owner Contribution		(Line C.2 + Line C.7)
9. Revised Monthly Loan Payment		(Line C.6 ÷ Loan Term in Months)

**CITY OF WATERTOWN
RENTAL REHABILITATION PROGRAM**

CERTIFICATE OF COMPLETION AND LOAN AGREEMENT

Project Location:	Case No:	
Property Owner:		
Address:		
<p>I hereby give notice to the City of Watertown that all work in this property has been completed according to the Work Writeup (Form 103) and the Construction Contract (Form 108) dated _____ including any Change Orders that have been approved for this project. I am satisfied with the quality of workmanship and materials used for this work and have approved final payment to the Contractor.</p> <p>I understand that the terms and conditions in our Project Agreement (Form 107), including limitations on sale or transfer of the property and limitations on rent increases for apartments at this location, will continue in effect for a period of five years or until the CDBG Loan is repaid, whichever is longer.</p>		
LOAN AGREEMENT		
<p>If the financing for this project includes a CDBG Loan, that debt will be repaid in monthly installments beginning 30 days after the date of this Certificate as detailed in the Project Agreement (Form 107) and the Note and Mortgage which has been recorded in the office of the Jefferson County Clerk. I understand that monthly installments are calculated as the amount that is required to repay the full amount of the loan without interest over the term of the loan and that payments may be accelerated at my option without penalty.</p>		
Loan Amount: \$ _____	Term: _____ Months	Payments: \$ _____
Date First Payment is Due: _____		
<p>I understand that a \$10.00 Service Charge will be added for any payments not received within 30 days after the due date; and the City may, at its option, demand repayment of the outstanding loan balance if any payment is more than 30 days overdue. I agree to pay all costs of collection including reasonable legal fees in the event the City is forced to pursue legal action in order to secure repayment of this loan.</p>		
Signed: _____		Date: _____
Property Owner		

**CITY OF WATERTOWN
RENTAL REHABILITATION PROGRAM**

SALE AND RENT LIMITATION

Project Location:		Case No:		
Property Owner:				
Date of Final Payment:				
<p>Section 6.3 of the guidelines for the Rental Rehabilitation Program requires that owners of rental apartments where improvements are made with assistance under this program must agree not to sell those properties during a regulatory period that begins when all construction work is completed and continues for the term of the CDBG Loan financing (not less than five years). Section 6.4 of the guidelines requires that those apartments will be rented to qualified Lower Income families during the regulatory period and that rents (including an allowance for utilities paid by the tenant) may not exceed the current Fair Market Rent established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 Housing Choice Voucher Program. The following chart identifies the current occupant for each rental apartment and lists the current Fair Market Rent, the actual monthly rent and allowances for utilities paid by each tenant.</p>				
Apt. #	Current Occupant	Fair Market Rent	Current Rent	Utility Allowances
		\$ /mo.	\$ /mo.	Heating \$ /mo. Cooking \$ /mo. Other Electric \$ /mo. Water Heating \$ /mo.
		\$ /mo.	\$ /mo.	Heating \$ /mo. Cooking \$ /mo. Other Electric \$ /mo. Water Heating \$ /mo.
		\$ /mo.	\$ /mo.	Heating \$ /mo. Cooking \$ /mo. Other Electric \$ /mo. Water Heating \$ /mo.
		\$ /mo.	\$ /mo.	Heating \$ /mo. Cooking \$ /mo. Other Electric \$ /mo. Water Heating \$ /mo.
<p>I understand that this sale and rent limitation will be in effect during the term of the CDBG Loan (not less than five years) and that I may be contacted annually by representatives of the City to document compliance. If any violation is not corrected within 30 days of notification, the outstanding balance on the CDBG loan and a portion of the CDBG grant must be repaid to the City, as detailed in Section V.A. of the Project Agreement.</p>				
Signed: _____		Date: _____		
Property Owner				

Res No. 3

June 29, 2010

To: The Honorable Mayor and City Council

From: Mary M. Corriveau, City Manager

Subject: Accepting Bid for Riggs Avenue Reconstruction,
A.J. Montclair, Inc.

The City's Purchasing Department, in conjunction with the City's Engineering Department, advertised and received sealed bids for the reconstruction of Riggs Avenue, per City specifications.

Invitations to bid were issued to six (6) prospective bidders with two (2) bids being submitted and publicly opened and read in the City Purchasing Department on Tuesday, June 22, 2010, at 11:00 a.m.

City Purchasing Agent Robert J. Cleaver reviewed the bids received with City Engineer Kurt Hauk, and it is their recommendation that the project be awarded to A.J. Montclair, Inc. of Canastota, New York, as the lowest qualified bidder meeting our specifications, in the amount of \$385,696.50.

A resolution accepting the bid submitted by A.J. Montclair, Inc. of Canastota, New York, for the reconstruction of Riggs Avenue has been prepared for City Council consideration. The other bid submitted is detailed in the attached report of Mr. Cleaver.

RESOLUTION

Page 1 of 1

Accepting Bid for Reconstruction of Riggs Avenue,
A.J. Montclair, Inc.

Council Member BURNS, Roxanne M.
 Council Member BUTLER, Joseph M. Jr.
 Council Member MACALUSO, Teresa R.
 Council Member SMITH, Jeffrey M.
 Mayor GRAHAM, Jeffrey E.
 Total

YEA	NAY

Introduced by

WHEREAS the City Purchasing Department has advertised and received sealed bids for the reconstruction of Riggs Avenue, per our specifications, and

WHEREAS invitations to bid were issued to six (6) prospective bidders with two (2) bids being received, and

WHEREAS on Tuesday, June 22, 2010, at 11:00 a.m., the bids received were publicly opened and read in the City Purchasing Department, and

WHEREAS City Purchasing Agent Robert J. Cleaver reviewed the bids received with City Engineer Kurt Hauk and they are recommending that the City Council accept the bid submitted by A.J. Montclair, Inc. of Canastota, New York, in the amount of \$385,696.50, the lowest qualifying bidder meeting City specifications, for the reconstruction of Riggs Avenue,

NOW THEREFORE BE IT RESOLVED that the City Council accepts the bid submitted by A.J. Montclair, Inc. of Canastota, New York, in the amount of \$385,696.50, the lowest qualifying bidder meeting City specifications, for the reconstruction of Riggs Avenue.

Seconded by



CITY OF WATERTOWN, NEW YORK

ROOM 205, MUNICIPAL BUILDING
245 WASHINGTON STREET
WATERTOWN, NEW YORK 13601
Tel. (315) 785-7749 • Fax (315) 782-9014

ROBERT J. CLEAVER
PURCHASING AGENT

June 29, 2010

To: Mary Corriveau
From: Robert J. Cleaver
Subject: Riggs Ave Reconstruction Bid



The City's Purchasing Department advertised in the Watertown Daily Times, on Tuesday, June 1, 2010 calling for sealed bids for the reconstruction of Riggs Avenue per City's bid specifications. The Dodge Reports, NNY and Syracuse Builders Exchanges were also notified of the pending bid.

Plan sets were issued to 6 potential bidders with 2 bids submitted to the Purchasing Department where they were publicly opened and read on Tuesday, June 22, 2010 at 11:00 am local time. Results of those bids are as follows:

- | | | |
|----|--|------------------------------|
| 1) | A.J. Montclair, Inc.
PO Box 186
Canastota, N.Y. | \$ 385,696.50
(corrected) |
| 2) | Luck Brothers Inc.
73 Trade Road
Plattsburgh, N.Y. 12901 | \$ 427,000.00 |

The original proposal submitted by A.J. Montclair, Inc. was in the amount of \$384,453.50. In reviewing their submittal and performing a bid verification, mathematical errors were discovered in their extensions for two of the items listed. Per opinions of the State Comptroller "Derouins's Plumbing v City of Watertown, 71 AD2d 822, 419 NYS2d 390" clerical mistakes are generally excusable. The reasoning is that these errors do not represent the true intention of the bidder so there can be no meeting of the minds. In addition the existence of the error can be objectively determined.

I have reviewed the two submittals with City Engineer, Kurt Hauk, and it is my recommendation that we accept the lowest qualifying bid submitted by A.J. Montclair, Inc., Central Square, N.Y. in the corrected amount of \$385,696.50.

If you have any questions regarding this recommendation please contact me at your convenience.

cc: Kurt Hauk, City Engineer
Thomas Maurer, C.E. II
Jim Mills, Comptroller
File

FISCAL YEAR 2010-2011
CAPITAL BUDGET
INFRASTRUCTURE
STREET CONSTRUCTION

PROJECT DESCRIPTION	COST
Riggs Avenue Reconstruction	\$ 500,000
<p>Reconstruction of approximately 550 LF of street, to include sidewalk, curbs, replacement of approximately 600 LF of 6" water main with 8" D.I.P., storm and sanitary sewer. The project is required to remove large amounts of stormwater infiltration into the sanitary sewer. The storm sewer is located directly above the sanitary sewer.</p>	
STREET	\$ 82,000 15 years - \$ 8,829
STORM SEWER	122,000 15 years - \$13,135
SIDEWALKS	<u>38,000</u> 15 years - \$ 4,091
GENERAL FUND	\$ 242,000
SANITARY SEWER	\$ 124,000 15 years - \$22,154
WATER MAIN	\$ 134,000 15 years - \$14,427
	
Total	\$ 500,000

Res No. 4

July 1, 2010

To: The Honorable Mayor and City Council

From: Mary M. Corriveau, City Manager

Subject: Accepting Bid for Workers' Compensation and 207 A & C
Claims Administration

The City's Purchasing Department advertised and received sealed bids for proposals for professional services seeking a Claims Administrator to (1) service Workers' Compensation claims on behalf of the City arising out of our facilities that are located in and around the City of Watertown, and (2) service General Municipal Law Section 207A and 207C claims on behalf of the City arising from the activities of our Police and Fire Departments located in and around the City of Watertown for the period commencing August 1, 2010 through June 30, 2013.

Request for Proposals were issued to six (6) prospective bidders with three (3) proposals submitted to the Purchasing Department where they were publicly opened and read on Thursday, May 20, 2010, at 11:30 a.m.

City Purchasing Agent Robert J. Cleaver reviewed the three proposals submitted and prepared a memorandum detailing the responses. As noted in his report, a committee was formed to examine all aspects of each proposal and to interview each prospective agency. It is the consensus of this committee to accept the proposal from POMCO Group, 2425 James Street, Syracuse, New York.

A resolution has been prepared for City Council consideration authorizing a three (3) year Agreement for the provision of Workers' Compensation claims administration for employees of the City of Watertown, along with administration of claims under General Municipal Law 207-a and 207-c. City Attorney Robert J. Slye has reviewed the Agreement submitted by POMCO. His comments have been forwarded and POMCO's legal department is reviewing the proposed changes. As soon as the finalized Agreement is available, it will be provided to the City Council for your review and consideration.

July 6, 2010

To: The Honorable Mayor and City Council

From: Mary M. Corriveau, City Manager

Subject: Workers' Compensation and GML 207 a & c Administrative Services Agreement, POMCO

Attached for City Council review is the Administrative Services Agreement between the City of Watertown and POMCO for workers' compensation and GML 207 a and c. This Agreement has been reviewed by City Attorney Robert J. Slye.

CITY OF WATERTOWN
ADMINISTRATIVE SERVICES AGREEMENT

For Workers' Compensation and 207 a & 207 c Administration Services

THIS AGREEMENT, is made and entered into by and between CITY OF WATERTOWN, having its principal place of business located at City Hall 245 Washington St., Rm. 302 Watertown, NY 13601 (hereinafter referred to as "CITY OF WATERTOWN" and/or "Client") and POMCO, Inc. (hereinafter referred to as "POMCO"), a New York business corporation with an office at 2425 James Street, Syracuse, New York 13206.

WHEREAS, CITY OF WATERTOWN is duly qualified as a self-insured under the Workers' Compensation Law of the State of New York (hereinafter referred to as the "Law"), and desires to retain POMCO to provide claims administration, medical management, return-to-work, and other agreed upon services for its Workers' Compensation program (hereinafter referred to as the "WC Plan") and the administration of all 207a & 207 c claims;

WHEREAS, POMCO is duly licensed by the State of New York as a Workers' Compensation Benefits Third Party Administrator and has the experience, staff and facilities necessary to provide the claims administration services desired by CITY OF WATERTOWN;

NOW, THEREFORE, in consideration of the foregoing and of the terms and conditions hereinafter set forth, the parties hereto agree as follows:

1. Appointment and Authorization. This Agreement shall be for a term of three (3) years and shall become effective on August 1, 2010.

2. Services. POMCO shall perform the services set forth and agrees at all times to properly manage and administer the WC Plan in accordance with the stated purposes of CITY OF WATERTOWN and in compliance with the law and the applicable rules and regulations thereunder. POMCO shall also serve as "Administrator" of the CITY OF WATERTOWN's 207a and 207c Plans as that term is defined in the CITY OF WATERTOWN's negotiated procedures for the same, as those procedures may, from time to time, be amended and notice to POMCO under Paragraph 5(c) of this Agreement is provided. CITY OF WATERTOWN acknowledges and agrees that POMCO is acting as administrator for the WC Plan and 207a & 207c Plan, and that nothing herein shall be construed or interpreted to mean that POMCO has assumed the responsibilities of an insurer of claims under the WC Plan and 207a & 207c Plan.

3. Compensation. POMCO shall be compensated for its services in accordance with and pursuant to the schedule of

compensation set forth in Schedule "A" attached hereto. The parties agree to modify the administrative fee listed in Schedule "A" if a change in law or regulations or a change in the plan results in a significant revision of the duties originally contemplated at the time of this Agreement. Such modification shall be agreed to by both parties.

4. Funding of Claims Payments. CITY OF WATERTOWN will maintain claims checking accounting for the payment of Workers' Compensation and 207a & 207c claims to participants of the Plans. POMCO will furnish CITY OF WATERTOWN, via email transmission, with a copy of the check register for each claims payment run. CITY OF WATERTOWN is responsible to deposit funds into the account to cover anticipated claims payments. POMCO shall not be liable for any claims, penalties, judgments or any other cost whatsoever arising from CITY OF WATERTOWN's failure to fund the account in a timely or sufficient manner. Failure by CITY OF WATERTOWN to fund the account in a timely or sufficient manner constitutes a material breach of this agreement and may result in immediate termination of the contract by POMCO.

5. Obligations of CITY OF WATERTOWN. During the term of this Agreement, CITY OF WATERTOWN agrees that it shall:

- (a) Promptly report to POMCO all Workers' Compensation and 207a and 207c claims to administer. POMCO shall not be responsible in any manner whatsoever for information that has not been timely provided to POMCO. Client assumes the responsibility for the accuracy of the information and material submitted by the Client;
- (b) Furnish POMCO with such other data and/or written information and reports required by POMCO in administering and managing the WC and 207a & 207c Plans;
- (c) Notify POMCO of any and all proposed changes, amendments to or modifications of the WC Plan and 207 a & 207 c Plans at least fourteen (14) working days before the effective date of any such changes, amendments or modifications. If such changes, amendments or modifications result in special system revisions or adaptations, the resulting costs and expenses will be charged by POMCO to CITY OF WATERTOWN; and
- (d) Communicate in writing to POMCO all interpretations of the WC Plan, policy decisions and directions made by

CITY OF WATERTOWN relating to the operation of the WC Plan.

6. Confidentiality. POMCO agrees that unless otherwise directed in writing by CITY OF WATERTOWN, it and its employees will at all times hold any and all data and other information concerning CITY OF WATERTOWN in strict confidence. POMCO acknowledges that all files and other documents maintained by POMCO relative to the WC Plan and 207a & 207c Plan are and shall remain the property of CITY OF WATERTOWN. CITY OF WATERTOWN agrees that, unless otherwise directed in writing by POMCO, it and its employees will at all times hold any information concerning POMCO and its methods and procedures of operation in strict confidence. The terms of this section shall survive the termination of this Agreement.

7. Solicitation of POMCO, Inc. CITY OF WATERTOWN agrees that during the term of this Agreement and for one (1) year thereafter it will not encourage or solicit any employee of POMCO, Inc. to become employed by CITY OF WATERTOWN in connection with the performance of services provided hereunder.

8. Independent Contractor Status. POMCO expressly acknowledges that it will be acting as an independent contractor for all purposes including payment of social security withholding tax and all other federal, state and local taxes. Under no circumstances are POMCO, or its directors, officers or employees, to be considered an employee or agent of CITY OF WATERTOWN.

9. Errors and Omissions Insurance. POMCO agrees to maintain, at its own expense an errors and omissions insurance policy in the amount no less than \$1,000,000 covering POMCO in connection with its management and administration of the Plans, and upon written request of CITY OF WATERTOWN to provide certificates of such insurance to CITY OF WATERTOWN. Clerical errors or normal variations in administering the Plan without intent to defraud and absent negligence or willful misconduct are recognized in this Agreement as possible. When such errors or variations are made and discovered, CITY OF WATERTOWN and POMCO shall work together in correcting, adjusting or otherwise making them right to the extent such is both possible and recoverable.

10. Indemnification. CITY OF WATERTOWN shall indemnify and hold harmless POMCO, and its directors, officers and employees, from and against any and all claims, lawsuits, settlements, judgments, liabilities, damages, costs, penalties, and expenses, including the cost of reasonable attorney's fees, and, at its own cost and expense, defend any action or proceeding against POMCO arising from CITY OF WATERTOWN's material breach of its obligations under

this Agreement and any claim that arises out of and in accordance with the administration by POMCO of CITY OF WATERTOWN's plan including from the Centers for Medicare Services (CMS) or any other governmental entity, which claim arises out of and in accordance with the administration by POMCO of the Client's plan including allegations, mistakes or errors in reporting under the CMS Mandatory Reporting Requirements, provided POMCO shall have fully and faithfully performed its duties hereunder. Notwithstanding the foregoing, CITY OF WATERTOWN shall not be required to indemnify POMCO for any of the foregoing which is the result of the willful misconduct, breach of contract, fraud or criminal conduct of POMCO, or its directors, officers or employees.

POMCO shall indemnify and hold harmless CITY OF WATERTOWN and its directors, officers and employees, from and against any and all claims, lawsuits, settlements, judgments, costs, penalties and expenses, including the cost of reasonable attorneys' fees, and, at its own cost and expense, defend any action or proceeding against CITY OF WATERTOWN arising from (i) the willful misconduct, fraud or criminal conduct of POMCO, or its directors, officers or employees, or (ii) any material breach of POMCO's obligations under this Agreement. References herein to the directors, officers and employees of the parties shall be deemed to include the directors, officers and employees of any affiliated subsidiary or parent corporation of the parties.

11. Right of Ownership. Client agrees that the POMCO system, computer programs and documentation of that system utilized to render the services detailed in this Agreement are, and shall remain, the exclusive and sole property of POMCO. It is further expressly understood that the systems, programs and documentation that are the exclusive and sole property of POMCO shall not be disclosed orally, in writing, or by any other means by the Client, its agents or employees without the prior written approval of POMCO. The provisions and restrictions of this paragraph shall otherwise survive and be binding upon the parties for a period of fifteen (15) years after the termination of this Agreement.

12. Disclaimer of Liability. CITY OF WATERTOWN acknowledges and agrees that POMCO has disclaimed and does not assume any liability for any consultation, diagnosis, treatment, care, service or supply provided to any participant in the Plans by any physician, hospital or other medical service provider. There is no liability on the part of POMCO for disruption of services or termination of this Agreement due to a pandemic/epidemic disease outbreak.

13. Examinations and Maintenance of Records. CITY OF WATERTOWN or its designated representative shall have the right to examine any of the books and records of POMCO related to the Plans and payments thereunder, provided such examination is subject to such reasonable restrictions as POMCO shall, in its sole discretion, impose

for the purpose of protecting the confidentiality of medical information concerning participants in the Plans. Any examination of such books and records shall be conducted at the offices of POMCO during normal business hours and at the sole expense of CITY OF WATERTOWN.

POMCO shall retain all of CITY OF WATERTOWN's closed files according to POMCO's retention schedule. Files will be given retention dates of at least eighteen (18) years from the date of closing. All files will be returned to CITY OF WATERTOWN, or destroyed with the written permission of CITY OF WATERTOWN, once retention dates have been reached. CITY OF WATERTOWN understands and agrees that these files are not retained in duplicate, and that POMCO shall not be held liable for any loss or damage to these files while in the possession of POMCO, or while being returned to CITY OF WATERTOWN.

14. Termination. This Agreement shall be deemed terminated at the earliest of the times specified below:

- (a) The effective date of the discontinuance of the Plan by CITY OF WATERTOWN, provided POMCO has been given thirty (30) days prior written notice of such discontinuance;
- (b) The date that is thirty (30) days after receipt of written notice by either party that it desires to terminate this Agreement without cause;
- (c) Immediately upon a material breach of this Agreement and the breaching party has been given fifteen (15) days to rectify the issues but has failed to do so.
- (d) On any other date mutually agreeable to the Client and POMCO.

Termination of this Agreement shall not terminate the rights or liabilities of either party arising out of the period prior to such discontinuance.

15. Duties Upon Termination. In the event of termination of the agreement, POMCO will continue to handle all existing WC Plan claims for 90 days after the date of termination. CITY OF WATERTOWN shall be responsible for any outstanding and continued balance of payment on all existing claims handled by POMCO after date of termination. POMCO agrees that the Client information necessary to continue the administration of all pending claims as of the date of any termination, for any reason, shall be maintained by POMCO pursuant to Paragraph 13 and transferred to any new administrator as directed by the Client as part of its services under this Agreement.

16. Notice. All notices under this Agreement shall be in writing and shall be given by mailing the same by registered or certified mail, return receipt requested, Federal Express or other reputable overnight carrier, or facsimile

transmission to the parties at their addresses as set forth above or to such other addresses as the parties may hereafter designate in writing. All notices shall be deemed served and given when mailed.

17. Assignment: Neither party may assign, delegate or subcontract or otherwise transfer its rights or obligations hereunder absent the express written consent of the other party and any assignment or transfer in violation of this agreement shall be void; provided, however, POMCO, Inc. may assign its rights and delegate its duties pursuant to this Agreement to any successor, subsidiary or affiliate. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties' permitted successors and assigns.

18. Controlling Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New York without regard to its principles of conflict of laws.

19. Modification. This Agreement contains the entire Agreement of the parties. No representations have been made or relied upon by either party, other than those that are expressly set forth in this agreement. This Agreement may not be changed except in writing signed by the parties.

20. Waiver. The failure of either party to this Agreement to object to or to take affirmative action with respect to any conduct or failure to act of the other which is a violation of the terms of this Agreement shall not be construed as a waiver of the violation or breach, or of any future violation, breach or wrongful conduct.

21. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

22. Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of each of the parties and their respective successors and permitted assigns.

CITY OF WATERTOWN.

By:

Title:

Date:

POMCO, Inc.

By:

Title: President

Date:

SCHEDULE "A"

Schedule of Compensation

Workers' Compensation Support Services	Proposed Fee
Workers' Compensation Administrative Services Annual Flat Fee	
Contract Year One 2010-2011	\$17,000.00
Contract Year Two 2011-2012	\$17,000.00
Contract Year Three 2012-2013	\$17,000.00
General Municipal Law 207A and 207C Annual Flat Fee	
Contract Year One 2010-2011	\$ 7,500.00
Contract Year Two 2011-2012	\$ 7,500.00
Contract Year Three 2012-2013	\$ 7,500.00
Allocated Loss Adjustment Expense -- to the Claim File	
Medical Bill Audits (State Fee Schedule)	25% of savings
OR	
Medical Bill Audits (State Fee Schedule)	Per Bill \$ 9.85
Medical Bill Audits (PPO network – additionally realized savings)	35% of savings
Nurse Case Management and Return to Work Services (per hour)	\$ 95.00
MMSEA Reporting to CMS (per claim annual fee)	\$ 10.85
Unlimited Access to RMLink! -- Internet Reports	
<ul style="list-style-type: none"> • RMLink! Access for Two (2) Users • Tools for Completion of C-2 forms – Online Reporting • Tools for Completion of OSHA Log/Summary 	
Plan Administration (Annual Fee)	Included

*Allocated expenses are paid to the claim file include, but not limited to, surveillance, legal fees, MBA, NCM, MMSEA etc.

POMCO's Plan Administration fees include the following:

- Financial and Accounting Services (as previously outlined in this proposal), including all regulatory reporting.
- Claims Management Reporting outside of the offerings of RMLink! (benchmarking to national claim costs, incidence rates, and durations of disability).
- Costs associated with quarterly claim reviews, annual plan reviews, and related Client service functions.

RESOLUTION

Page 1 of 1

Approving Contract for Worker's Compensation and Claims Administration Services, General Municipal Law 207-a and 207-c, POMCO Group

Council Member BURNS, Roxanne M.
 Council Member BUTLER, Joseph M. Jr.
 Council Member MACALUSO, Teresa R.
 Council Member SMITH, Jeffrey M.
 Mayor GRAHAM, Jeffrey E.
 Total

YEA	NAY

Introduced by

WHEREAS the City of Watertown is a municipal government which operates facilities in and around said City, and

WHEREAS City employees, Police and Fire personnel work in these facilities in and around the City, and

WHEREAS the City of Watertown requires claims administration services for the City's Workers' Compensation claims arising at our facilities, and

WHEREAS the City of Watertown also requires claims administration services for the City's General Municipal Law 207-a and 207-c claims arising at our facilities,

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Watertown approves the contract for Workers' Compensation and General Municipal Law Section 207-a and 207-c Claims Administration Services with POMCO Group, 2425 James Street, Syracuse, New York, for Fiscal Years 2010-2013, in the amount of \$24,500 annually, a copy of which is attached and made a part of this resolution, and

BE IT FURTHER RESOLVED that City Manager Mary M. Corriveau, is hereby authorized and directed to execute the contract on behalf of the City.

Seconded by



CITY OF WATERTOWN, NEW YORK

ROOM 205, MUNICIPAL BUILDING
245 WASHINGTON STREET
WATERTOWN, NEW YORK 13601
Tel. (315) 785-7749 • Fax (315) 782-9014

ROBERT J. CLEAVER
PURCHASING AGENT

June 29, 2010

To: Mary Corriveau
From: Robert J. Cleaver
Subject: Claims Administrator Proposals



The City's Purchasing Department advertised in the Watertown Daily Times on Sunday, April 25, 2010 calling for proposals for professional agencies to act as the City's Claims Administrator to 1) service the Worker's Compensation claims on behalf of the City arising out of our facilities that are located in and around the City of Watertown and 2) to service the General Municipal Law Section 207A and 207C claims on behalf of the City arising from the activities of our Police and Fire Departments located in and around the City of Watertown, N.Y. for the period commencing July 1, 2010 through June 30, 2013 in accordance with our requirements.

Requirements for proposals were issued to six (6) prospective agencies with three (3) proposals submitted to the Purchasing Department where they were publicly opened and read on Thursday, May 20, 2010 at 11:30 a.m. local time. Results of submittals are as follows:

1) POMCO Group	Worker's Compensation	\$17,000.00/yr
2425 James Street	GML 207A & 207C	\$ 7,500.00/yr
Syracuse, N.Y. 13206	Start Up Fee	no charge

Above fees do not include allocated expenses paid to the claim file. They are but not limited to, surveillance, legal fees, MMSEA, MBA, NCM etc.

2) EBS-RMSCO, Inc.	Worker's Compensation	\$25,000.00/yr
115 Continuum Drive	GML 207 A & 207C Administration	Included in above
Liverpool, N.Y. 13088	Start-Up Fee	Waived

EBS-RMSCO's fees do not include:

All costs, expenses or fees incurred in the investigation or handling of claims will be paid as a file-allocated expense. These fees include (but are not limited to) service of process, fees to attorneys in connection to Workers' Compensation Board proceedings, fees to physicians including IMEs, cost of surveillance, copies of transcripts, field nurse case management and any and all other expenses associated with the claim adjudication process, plus custom programming as needed, cost of copying medical records, cost of medical bill adjudication, cost of telephonic nurse case management, cost of ISO claim indexing and optional cost of PPO.

3) USA TPA	Worker's Compensation	\$22,000.00/yr
21101 NYS Rt. 12 F	207A & 207 C Administration	\$17,500.00/yr
Watertown, N.Y. 13601	Start-Up Fee	-0-

USA TPA pricing *includes*:

Access to Xeva (USA-TPA proprietary claims information system).

Medical Bill Review

Subrogation recovery services

Report Generation

On-site meetings

Outside entity reporting (WCB, HCRA, Medicare SCHIP act)

Attorney fees, medical services and investigative services are not included and will be billed to the file.

To determine the proposal that would best benefit the City of Watertown a committee was formed to examine all aspects of each proposal and to interview each prospective agency. The committee consisted of City Manager Mary Corriveau, City Comptroller James Mills, Legal Counsel, Robert Slye, and myself.

On Thursday June 24th the committee hosted each of the prospective agencies to allow them the opportunity to present their proposals in detail, and to respond to any questions from the committee .

After an extensive interview process and a thorough analysis of each proposal it is the committee's unanimous decision to award the contract to the POMCO Group, 3425 James Street, Syracuse, N.Y. in the amount of \$24,500 per year, exclusive of fees as detailed in their proposal.

Respectfully,



Robert J. Cleaver

cc: Jim Mills, Comptroller
Robert Slye, Legal Counsel

Ord No. 1

June 29, 2010

To: The Honorable Mayor and City Council
From: James E. Mills, City Comptroller
Subject: Bond Ordinance – Riggs Avenue Reconstruction

Included in tonight's agenda is a resolution to accept the bid submitted by A.J. Montclair for the reconstruction of Riggs Avenue in the amount of \$ 385,697. The project was included in the Fiscal Year 2010-11 Capital Budget at an estimated cost of \$500,000. A bond ordinance has been prepared for City Council consideration to cover the current estimated project costs.

A.J. Montclair	\$ 385,697
Estimated bonding costs (approx. 1%)	<u>4,303</u>
Bond Ordinance	\$ 390,000

ORDINANCE

Page 1 of 6

A Ordinance Authorizing the Issuance of \$390,000 Bonds of the City of Watertown, Jefferson County, New York, to Pay the Costs of the Reconstruction of Riggs Avenue, Including Street, Sidewalks, Storm Sewer, Water Main and Sanitary Sewers, in and for Said City

Council Member BURNS, Roxanne M.
 Council Member BUTLER, Joseph M. Jr.
 Council Member MACALUSO, Teresa R.
 Council Member SMITH, Jeffrey M.
 Mayor GRAHAM, Jeffrey E.
 Total

YEA	NAY

Introduced by

At a regular meeting of the Council of the City of Watertown, Jefferson County, New York, held at the Municipal Building, in Watertown, New York, in said City, on July 6, 2010, at 7:00 o'clock P.M., Prevailing Time.

The meeting was called to order by _____, and upon roll being called, the following were

PRESENT:

ABSENT:

The following ordinance was offered by Councilman _____, who moved its adoption, seconded by Councilman _____, to wit:

WHEREAS, all conditions precedent to the financing of the capital purposes hereinafter described, including compliance with the provisions of the State Environmental Quality Review Act to the extent required, have been performed; and

WHEREAS, it is now desired to authorize the financing of such capital project; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of Watertown, Jefferson County, New York, as follows:

Section 1. For paying the costs of the reconstruction of Riggs Avenue, including street, sidewalks, storm sewer, water main and sanitary sewer, in and for the City of Watertown, Jefferson County, New York, including incidental expenses in connection therewith, a class of objects or purposes, there are hereby authorized to be issued \$390,000 bonds of said City pursuant to the provisions of the Local Finance Law.

ORDINANCE

Page 2 of 6

A Ordinance Authorizing the Issuance of \$390,000 Bonds of the City of Watertown, Jefferson County, New York, to Pay the Costs of the Reconstruction of Riggs Avenue, Including Street, Sidewalks, Storm Sewer, Water Main and Sanitary Sewers, in and for Said City

Council Member BURNS, Roxanne M.
 Council Member BUTLER, Joseph M. Jr.
 Council Member MACALUSO, Teresa R.
 Council Member SMITH, Jeffrey M.
 Mayor GRAHAM, Jeffrey E.
 Total

YEA	NAY

Section 2. It is hereby determined that the estimated maximum cost of the aforesaid class of objects or purposes is \$390,000 and that the plan for the financing thereof is by the issuance of the \$390,000 bonds of said City authorized to be issued pursuant to this bond ordinance.

Section 3. It is hereby determined that the period of probable usefulness of the aforesaid class of objects or purposes is fifteen years, pursuant to subdivision ninety-two of paragraph a of Section 11.00 of the Local Finance Law, as said class shall consist of items having periods of probable usefulness of at least fifteen years under one or more of subdivision one, three, four and twenty of said paragraph a.

Section 4. Subject to the provisions of the Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the bonds herein authorized, including renewals of such notes, is hereby delegated to the City Comptroller, the chief fiscal officer. Such notes shall be of such terms, form and contents, and shall be sold in such manner, as may be prescribed by said City Comptroller, consistent with the provisions of the Local Finance Law.

Section 5. The faith and credit of said City of Watertown, Jefferson County, New York, are hereby irrevocably pledged for the payment of the principal of and interest on such obligations as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such obligations becoming due and payable in such year.

Section 6. Such bonds shall be in fully registered form and shall be signed in the name of the City of Watertown, Jefferson County, New York, by the manual or facsimile signature of the City Comptroller and a facsimile of its corporate seal shall be imprinted thereon and may be attested by the manual or facsimile signature of the City Clerk.

Section 7. The powers and duties of advertising such bonds for sale, conducting the sale and awarding the bonds, are hereby delegated to the City Comptroller, who shall advertise such bonds for sale, conduct the sale, and award the bonds in such manner as he shall deem best for the interests of the City; provided, however, that in the exercise of these delegated powers, he shall comply fully with the provisions of the Local Finance Law and any

ORDINANCE

Page 3 of 6

A Ordinance Authorizing the Issuance of \$390,000 Bonds of the City of Watertown, Jefferson County, New York, to Pay the Costs of the Reconstruction of Riggs Avenue, Including Street, Sidewalks, Storm Sewer, Water Main and Sanitary Sewers, in and for Said City

Council Member BURNS, Roxanne M.
 Council Member BUTLER, Joseph M. Jr.
 Council Member MACALUSO, Teresa R.
 Council Member SMITH, Jeffrey M.
 Mayor GRAHAM, Jeffrey E.
 Total

YEA	NAY

order or rule of the State Comptroller applicable to the sale of municipal bonds. The receipt of the City Comptroller shall be a full acquittance to the purchaser of such bonds, who shall not be obliged to see to the application of the purchase money.

Section 8. All other matters, except as provided herein relating to such bonds, including determining whether to issue such bonds having substantially level or declining annual debt service and all matters related thereto, prescribing whether manual or facsimile signatures shall appear on said bonds, prescribing the method for the recording of ownership of said bonds, appointing the fiscal agent or agents for said bonds, providing for the printing and delivery of said bonds (and if said bonds are to be executed in the name of the City by the facsimile signature of the City Comptroller, providing for the manual countersignature of a fiscal agent or of a designated official of the City), the date, denominations, maturities and interest payment dates, place or places of payment, and also including the consolidation with other issues, shall be determined by the City Comptroller. It is hereby determined that it is to the financial advantage of the City not to impose and collect from registered owners of such bonds any charges for mailing, shipping and insuring bonds transferred or exchanged by the fiscal agent, and, accordingly, pursuant to paragraph c of Section 70.00 of the Local Finance Law, no such charges shall be so collected by the fiscal agent. Such bonds shall contain substantially the recital of validity clause provided for in Section 52.00 of the Local Finance Law and shall otherwise be in such form and contain such recitals in addition to those required by Section 52.00 of the Local Finance Law, as the City Comptroller shall determine.

Section 9. This ordinance shall constitute a statement of official intent for purposes of Treasury Regulations Section 1.150-2. Other than as specified in this ordinance, no monies are, or are reasonably expected to be, reserved, allocated on a long term basis, or otherwise set aside with respect to the permanent funding of the object or purpose described herein.

Section 10. The validity of such bonds and bond anticipation notes may be contested only if:

- (1) Such obligations are authorized for an object or purpose for which said City is not authorized to expend money, or
- (2) The provisions of law which should be complied with at the date of publication of this ordinance are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or

ORDINANCE

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 Total

YEA	NAY

(3) Such obligations are authorized in violation of the provisions of the Constitution.

Section 11. This ordinance, which takes effect immediately, shall be published in summary in the Watertown Daily Times the official newspaper, together with a notice of the City Clerk in substantially the form provided in Section 81.00 of the Local Finance Law.

Unanimous consent moved by Councilman _____, seconded by Councilman _____, with all voting "AYE".

The question of the adoption of the foregoing ordinance was duly put to a vote on roll call, which resulted as follows:

_____ VOTING _____
 _____ VOTING _____
 _____ VOTING _____
 _____ VOTING _____
 _____ VOTING _____

The ordinance was thereupon declared duly adopted.

* * * * *

APPROVED BY THE MAYOR
_____, 2010
Mayor

STATE OF NEW YORK)
) ss.:
COUNTY OF JEFFERSON)

ORDINANCE

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 Council Member SMITH, Jeffrey M.
 Mayor GRAHAM, Jeffrey E.
 Total

YEA	NAY

I, the undersigned Clerk of the City of Watertown, Jefferson County, New York, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Council of said City, including the ordinance contained therein, held on July 6, 2010, with the original thereof on file in my office, and that the same is a true and correct transcript therefrom and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Council had due notice of said meeting.

I FURTHER CERTIFY that, pursuant to Section 103 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public.

I FURTHER CERTIFY that, PRIOR to the time of said meeting, I duly caused a public notice of the time and place of said meeting to be given to the following newspapers and/or other news media as follows:

Newspaper and/or Other News Media	Date Given
-----------------------------------	------------

Regular meeting of the City Council held in accordance with Section 14-1 of the Municipal Code

I FURTHER CERTIFY that PRIOR to the time of said meeting, I duly caused public notice of the time and place of said meeting to be conspicuously posted in the following designated public location(s) on the following dates:

Regular meeting of the City Council held in accordance with Section 14-1 of the Municipal Code

Designated Location(s) of Posted Noticed	Date of Posting
--	-----------------

Regular meeting of the City Council held in accordance with Section 14-1 of the Municipal Code

July 6, 2010

ORDINANCE

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A Ordinance Authorizing the Issuance of \$390,000 Bonds of the City of Watertown, Jefferson County, New York, to Pay the Costs of the Reconstruction of Riggs Avenue, Including Street, Sidewalks, Storm Sewer, Water Main and Sanitary Sewers, in and for Said City

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 Mayor GRAHAM, Jeffrey E.
 Total

YEA	NAY

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said City on July _____, 2010.

 Donna Dutton
 City Clerk
 (CORPORATE SEAL)

Seconded by

ASSESSMENT DEPARTMENT:

2011 Review– Inspection of those properties that had not been physically inspected during the last 6-year revaluation plan are being inspected. To date some 1,100 properties have been inspected and inventories corrected where necessary. Valuation modeling has been completed for the entire City and will allow us to begin reviewing outlier assessments.

City Tax Bills – 8,433 City tax bills were calculated, printed and mailed.

Real Estate Market – An increase in the average selling prices and rebounding number of sales seem to indicate a strengthening residential market. While this period's average is skewed somewhat by a large number of more expensive homes being sold we continue to see considerable value increases to more modest homes.

City of Watertown Real Estate Market Snapshot -

	Current Period May-Jun 2010*	Prior 2 Months Mar-Apr 2010**	One Year ago Mar-Apr 2009	2 month averages for last 2 years May 08 –Apr 10
Single-family homes				
Number of valid sales	37	33	38	32
Average sale price	\$158,321	\$128,946	\$139,711	\$ 135,105
2 & 3 family homes				
Number of valid sales	3	5	5	5
Average sale price	\$151,167	\$100,992	\$93,800	\$107,701
Commercial				
Number of valid sales	2	2	3	3
Average sale price	\$550,000	\$167,500	\$141,467	\$1,194,215

* Due to the timing of this report only those sales filed by 5/25 were included.

**Includes previously unreported deeds and/or corrections.

City Clerk's Office:

Unions - At the end of June, we have issued over 590 marriage licenses and performed 330 wedding ceremonies.

Volunteer - Clancy Hopkins, our volunteer extraordinaire in the Historian's Room, recently performed the National Anthem in front of the thousands that attended the Relay for Life event at the Fairgrounds. He did an outstanding job and is to be commended. Clancy, a cancer survivor, is an active member and the facilitator for the Man to Man organization in Watertown and has been a volunteer at the Jefferson County Relay for many years.

Intern - Gisela Ocasio, our summer intern, returns for her third year. Gisela is a student at Robert Wesleyan University and will be entering her sophomore year in the fall.

Dog Licensing – The City has been notified that due to state budget changes, our office will be issuing municipal dog licenses instead of Dept. of Ag & Markets licenses beginning in January. While it will mean an extra expense for mailing out renewal notices and purchasing dog tags, the City should realize a profit as all of the money from the licensing will go into the general fund. At the present time, the state and the county all receive a share of the license fees and the City only receives \$2.50 per dog.

City Comptroller's Office:

Tax Sale Auction - On Thursday, June 24th the City Comptroller's Office held the annual tax sale auction. The auction included 141 parcels with outstanding taxes of \$374,864. The City received bids on 109 of the parcels totaling \$301,395 from individuals participating in the auction. The City, by default, was the bidder on only 32 parcels for \$73,469. The largest tax sale certificate auctioned was for \$37,500 for 218 Stone Street owned by MGNH, Inc. and was bid on by an auction participant and therefore not the City. Some of the parcels where the City was the bidder by default were 424 Vanduzee Street and 11 Public Square.

	2010		2009		2008	
Bidder	# of Parcels	Amount	# of Parcels	Amount	# of Parcels	Amount
City	32	\$ 73,469	28	\$ 20,667	27	\$ 14,088
Non-City	109	\$ 301,395	105	\$ 309,331	123	\$259,626
Total	141	\$374,864	133	\$329,998	150	\$273,714

Property Redemptions

The two year redemption period ended on Friday, June 25, 2010 for those parcels included in the June 25, 2008 tax sale auction. The following is a list of those properties for which the City is eligible to issue itself a tax sale deed.

<u>Address</u>	<u>Parcel #</u>	<u>Previous Owner</u>	<u>Property Class</u>	<u>Assessed Value</u>	<u>Lot size</u>
670 Rear Grant St.	4-5-123.003	Abbott Bromka Real Estate	Residential VL	\$ 250	50' x 20'
165 Rear Union St.	12-2-113.001	Russell Phelps	Commercial VL	\$ 1,350	60' x 37'
VL Sewalls Island	4-12-107	Robert Gair Co. Inc.	Industrial VL	\$ 500	10' x 276'

Additionally, tax sale deeds for the following parcels may be issued to the non-City tax sale certificate holders:

<u>Address</u>	<u>Tax Sale Certificate Holder</u>
201 Academy Street	ICA Renovations
601 Burlington Street	Cedarcrest
156 Clinton Street	ICA Renovations
58 Spring Street	St. Michael Properties

BUREAU OF CODE ENFORCEMENT:

Building Permits – As of our last report, the following Building Plans had been received and were under review: McDonalds, 1805 State St., Demolition and Rebuild; Tilted Kilts, 1050 Arsenal St., new restaurant at former Davidson’s Site; Hibachi/Japanese Restaurant, 1025 Arsenal St., new restaurant at former Long John Silver’s site; Show Time Skating, 144 Eastern Blvd., former Hackett’s; The Inn, 1190 Arsenal St, complete interior renovation and minor exterior renovation to carport and lobby; Kellie Sanzone (Dental), 1114 Washington St., Lab Addition; Burger King, 1081 Arsenal St., Remodel; 853 Emmett St., Complete Rehab.; Brent Lewis, 101 Public Sq., awaiting exterior egress plans; East Hills, 1708 Ohio St., Renovations; Days Inn (to be Comfort Inn), 110 Commerce Park Dr., Interior Renovation; 172 Palmer St., new Single Family Home; 14-16 Public Sq., Rehab of Upper Apartments- On hold pending further determinations; DANC, 122 Ten Eyck St., new Single Family Home; 154 Breen Ave. – new Single Family Home. Of the aforementioned, Burger King & Show Time Skating have seen completion. All remaining permits are either approved & under construction or approved for certain phases of the project upon review of sections of plans and each site is monitored by on-site inspections. Since May 6, 2010, we have issued 33 Building Permits for new construction and demolitions, and 77 Maintenance & Repair Permits.

Complaints – This office received and investigated a total of 152 complaints, with 25 cases being referred to DPW for compliance and 2 cases being referred to City Attorneys.

Appearance Tickets – This office issued another 8 Appearance Tickets to City Court to owners of City properties for a range of violations from trash and debris to New York State Property Maintenance Code violations.

Buildings and Grounds – Maintenance crews meticulously prepared the grounds & decorative flags for the upcoming and now underway Farmers Market held every Wednesday. Staff

Members continue to keep up with the mowing, weeding of flower beds, and care of trees, parking lot and various other duties. We are currently installing new heat pumps at the Flower Memorial Library with in-house personnel.

ENGINEERING DEPARTMENT:

J.B. Wise Parking Lot Reconstruction - The Design Services Agreement with Lu Engineers was approved by the Council in June 2007. The final plans and specifications are nearing completion. The project was given approval to proceed by the Council at the June 14, 2010 meeting.

As a result of this authorization being published in the Watertown Times, detailed testing information was provided to the Engineering Department for the former MGP site in the area. A portion of the utility work will cross the defined area from the initial investigation done by National Grid.

In order to mitigate the possibility of encountering MGP material, the contractor will be required to provide 29 CFR 1910.120 certified workers and continuous monitoring when operating in the defined MGP area. A cost sharing agreement with National Grid will be entered into to facilitate the reimbursement of costs incurred by the City to monitor for, handle and dispose of any MGP material. A Community Air Monitoring Plan and a Health and Safety Plan will need to be submitted to and approved by the NYSDEC prior to starting work.

The above items, as well as final changes to the construction plans and specs will be incorporated into the bid documents. The intent is to advertise and bid in August/September of 2010.

Breen Avenue- The project was designed in-house by engineering department staff. The project was approved by the Council to proceed in 2010 at the March 1st Council Meeting. A public meeting was held on April 7, and the bid date was April 12, 2010. The DEC and DOH have granted approval of the project. Construction started in June and work is progressing.

VPP Stimulus Funding- The Engineering Department is processing and managing the Pass Through contract with the NYSDOT for Vendor Placed Paving (VPP) for mill and fill paving projects for Washington Street and Arsenal Street 100-200 Blocks. The City Council approved the agreement in April 2009. Engineering is responsible to administer the Pass-Through Agreement, provide construction inspection, and conduct the mandatory project safety audit (SAFETAP). The Arsenal Street portion was completed in September 2009. Prep work is well underway by DPW crews and Washington Street is anticipated to be paved in July 2010.

Dosing Station Dam Repair- The Department is progressing plans for structural repairs to the Dosing Station Dam. The project entails scour repair and concrete repair to eliminate the leakage of untreated water into the settling basin. This will reduce the amount of chemicals required to treat the water and also may reduce the occurrence of Disinfectant Byproducts in the water system. This work is broken into two phases. Phase 1 is programmed for the 2010 construction season. Phase 2 is projected to be complete in 2011. The plans have been submitted to the

NYSDEC and the USACE for permit approval. DEC has granted approval and USACE approval is pending. Once all permits are in place, the project will be advertised for bid.

Sidewalk Program –The 09-10 District was approved by the Council in December, and a public hearing was held on February 1, 2010. Work resumed on April 26th. The summer 2010 District public hearing has been held and work will begin in July.

Riggs Ave – The preliminary design is complete. A public meeting was held on August 27, 2008. Bids were received for this project on June 22nd. Approval of the project is anticipated at the July 6, 2010 City Council meeting. Work will begin after all insurance and bonding is in place and a pre-construction meeting is held.

Greensview/Ives Sanitary Sewer – The project was designed in-house. NYSDEC has granted approval and a meeting with the property owners was held on May 26th. Bids were received on May 26th and approved by the City Council. The Massey Street portion of the work is projected to be done in July-August and the golf course section is slated for late in the fall.

Franklin Street Sidewalk – The Engineering Department is working with the Planning Department to facilitate the design of improvements to the sidewalk, curbs, ornamental lighting, and grading. The private utility conflicts in the project area will be resolved in July. The bid is anticipated for August. Construction inspection coverage will be done in-house to help the project stay within budget.

Gaffney Drive Sewer Upgrade – The Engineering Department has designed the upgrade of the gravity sewer north of the pump station, and prepared plans for acquiring the gravity sewer across the Stateway Plaza property, and is evaluating the pump station for upgrade. The gravity sewer is currently being replaced by DPW crews, and the easement is pending negotiations with the property owners.

Bicentennial and Marble Street Parks – The Engineering Department is working with the Planning Department and DPW. Engineering and construction inspection support is being provided during the in-house construction of the parks.

WOTS Lining – Plans and specifications are being prepared for the installation of a slip liner in the section of the Western Outfall Trunk Sewer (WOTS) from Wealtha Ave to the overflow device at the WWTP. The liner system will be similar to what was installed on the NSTS. This project will fix the massive amounts of infiltration and inflow that is leaking into pipe from the drainage ditch located above it. This is required to meet the criteria for the LTCP with the DEC. Bid documents will be prepared in July for an anticipated bid in the Fall.

Clinton Street Reconstruction- Detailed design is underway for the street reconstruction from Washington Street to Holcomb Street. The project is scheduled for FY 11-12.

Factory Street Reconstruction – The Council approved the agreement for the design of the reconstruction of Factory Street from Mill Street to Huntington Street. This project will be a Locally Administered Federal Aid (LAFA) project. The federal share is 80% and it is anticipated that the State share will be 15% when its' budget is approved. An RFP is being prepared for

engineering consultant selection. The consultant will be selected from the City of Watertown Locally Driven Selection Arrangement (LDSA) short list. Construction is programmed to start in the spring of 2013.

N. Michigan-Bronson St. –The project is currently being designed in-house by department staff. The project is scheduled for reconstruction in FY 14-15.

Barben Avenue Reconstruction- Design is underway for the street reconstruction from Washington Street to Holcomb Street. The project is scheduled for FY 15-16.

CSO Long Term Control Plan (LTCP) - The City held a meeting with the NYSDEC on May 18, 2006 to restart the CSO LTCP process. DEC approved the Characterization, Monitoring and Modeling plan in September 2006. Stearns & Wheeler was selected as the consultant for the CSO computer modeling from submittals from the RFP. This project provides modeling for five of the fifteen drainage areas within the City that have CSO's. The Council approved the design services agreement at the December 18, 2006 meeting. The completed model of the five basins and final report was received in March 2008. The department is working for approval to conduct modeling of four additional basins with the consultant. WWTP staff prepared the LTCP and submitted it to the NYSDEC by Dec 1, 2008. We are providing additional information to the DEC and EPA. A meeting with the NYSDEC was held on January 6, 2010 in Utica. The City has until August 2010 to complete revisions to the LTCP and submit it to the DEC for final review.

NSTS – The consultant has been chosen through the RFP process and the Engineering Services Agreement was approved by the Council. The project was bid on Sep 1, 2009. The low bidder was Bat-Con Inc., Marcellus NY. Work started on October 26, 2009. The liner in the sewer main was installed in the fall. The remaining liner for the manholes will be installed this summer.

NYS DOT Arsenal Street Reconstruction – A final walkthrough of the project was held, and are awaiting final transfer of the Western Blvd parcel.

Fire Department:

Calls for Service - The Fire Department has responded to 1581 calls year-to-date through June 22. 491 of those calls have been since the first of May. Of the 491 calls, thirteen were fire incidents. These included a structure fire at 131 Charles Street on May 27 and a mutual aid call to Black River for a structure fire on June 11. Engine 2 was the busiest engine company during this period with 151 calls. The Rescue responded to 397 calls in this period as well. This is the time of year when citizens like to enjoy the outdoors and we have responded to numerous calls for outdoor burns. Department crews were reminded of the codes that apply to this annual activity.

In May, representatives of the department met with City Council on two issues: The 2010-11 budget and a request to seek an Assistant to Firefighter Grant for equipment purchase of \$32,500 in which the City would be responsible for 10%. This equipment purchase was primarily centered on improving our department's rescue capabilities at automotive accidents.

Dispatch - In June, the County of Jefferson converted their Computer Aided Dispatch (CAD) system to a new vendor. This change has left the fire department's ability to receive information data from dispatch inoperable. With the assistance of the City's IT department, the fire department will install software from Firehouse that will allow us to reactivate our data link with the Dispatch Center.

Interoperability Grant - The Request for Proposals (RFP) for the interoperability radio grant was received on June 8th with four submissions. The committee members from both the City and County have been reviewing the proposals. The committee will be meeting in late June and early July to recommend a vendor to assist the City and County with determining what would be the most effective radio system to meet current and future needs of both entities.

NYS Fire Chief's Conference - The NYS Fire Chief's Association holds a conference each June with speakers on fire service topics as well as displays of new and current fire technology. Battalion Chief Herman, Captains Wiley and Randall attended this conference on June 10th. The intent of this trip was to gather information on computer software and vehicle stabilization technologies.

Academy - The department is moving forward with filling four vacancies within the Department. These four new hires will be attending the Recruit Fire Fighter Training (RFFT) at the NYS Fire Academy located in Montour Falls.

Training - The months of May and June have been busy ones. With the nice weather it has been easier to get outside and perform training that is essential to our operations on the emergency scene. In May the department conducted ground ladder training outside which consisted of each platoon setting the ground ladders properly, accounting for correct climbing angles, and raising techniques. They also used the roof simulator to conduct vent training and utilized the wall simulator from the garage at station three to practice escape moves through a studded wall that had been sheet rocked. These moves are needed if a firefighter finds himself trapped in a room and cannot find a door or window to escape from.

Military Duty - May also marked the return of Captain Harrienger from three years of active military duty. Captain Harrienger worked for two weeks with Captain Wiley to be updated in fire department procedures. Some of the things that we touched on were the proficient use of the apparatus, review of department SOP's, metering equipment, inventory of our specialized trailers, re-familiarization of the city, and training on our new escape device the PETZL EXO. This training was completed on May 20th and Captain Harrienger was returned to the line and was assigned to C Platoon.

New Equipment - June was highlighted by the arrival of five new thermal imaging cameras (TIC). With the cooperation of the Parks and Recreation Department, the Fire Department used the building at the pool behind the North Junior Elementary School for TIC training. The locker room was set up with a downed victim, the lights turned out and a smoke machine from the Fire Prevention Trailer was used to make the area as real as possible. Crews were sent in, one company at a time, in full personal protective equipment, including air packs, to find the victim and escape through a separate exit from which they entered. This evolution was done to use the new thermal cameras in an environment that was totally free of light so that companies would know how the cameras can best be utilized and also the shortcomings of the cameras before being

put into an IDLH atmosphere with the equipment. The training was very useful and much was learned by each of the companies. A thank you goes out to the Parks and Recreation Department for their assistance in providing us a safe and useful building to conduct this training.

River Rescue - June marked the annual river rescue training that is used to sharpen our skills in the rapids of the Black River. This training is extremely useful to be able to conduct rescues of kayakers, fisherman, or anyone else that may be in or near the river. Because of this training and equipment we now have the opportunity to help members of our community. The swimmers and boat operators from all shifts were trained in shore based rescues, swimming rescues, shallow water crossings, and boat rescues.

Personnel - Firefighter M. Blodgett will start his code enforcement training in June. FF Blodgett replaces FF Ward in Code Enforcement/Fire Prevention. This training is being held at the NYS Fire Academy. FF Blodgett will be attending three separate courses to become a Code Compliance Technician.

Captain DeMar attended the National Fire Academy from May 17 through the 28th to complete the final course in the Executive Fire Officer Program. This course was entitled Executive Leadership and focused on developing an effective managerial and supervisory style appropriate to the fire service.

Fire Prevention - During the month of May, the Fire Prevention Bureau conducted numerous Public education events which included Captain DeMar as a guest lecturer to students from Jefferson Community College's Fire Protection Program, participation in a career day in conjunction with South Jefferson School and the New York State Police, and a farm safety day in conjunction with Jefferson County Soils and Conservation. In total, public education in the month of May reached 431 people and 491 in June.

The Bureau participated in numerous events including fire extinguisher training for employees of the Holiday Inn Express, evacuation drills for county facilities including public health, social services, the county office building and the court complex.

Community Outreach - In June, Captain DeMar was the guest speaker at the awards ceremony at Knickerbocker School where he discussed the topic of courage with the student body of approximately 200. Prospective foster parents received fire prevention and safety training in conjunction with the House of the Good Sheppard.

The Fire Department also welcomed a large group of students (70) from Theresa Primary School who toured the Massey Street Fire Station and received prevention education that included the use of the fire prevention trailer. A group of 10 children and 15 adults from a private daycare center visited the Massey Street Station on June 6th. This tour also included the use of the fire prevention trailer. The fire prevention trailer also saw use on June 14th at Starbuck School where approximately 70 students were taken through evacuation training and fire safety as part of the "end-of-year" school event.

INFORMATION TECHNOLOGY DEPARTMENT:

Application, Software and System Updates –

Cartegraph - The Water Department continues work implementing the Work Order portion of the Cartegraph application.

Fiber Installation - The fiber optic cabling to the Public Safety Building is now installed and scheduled to be terminated July 14.

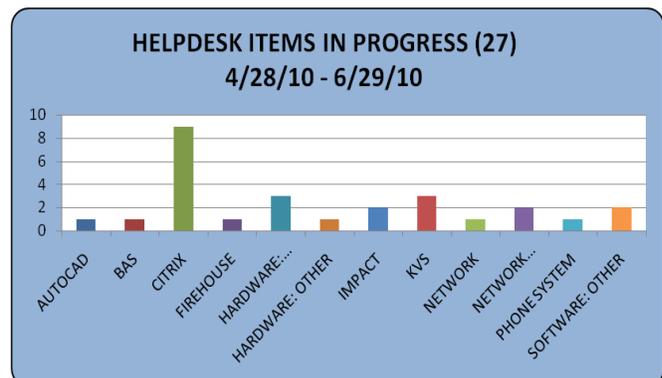
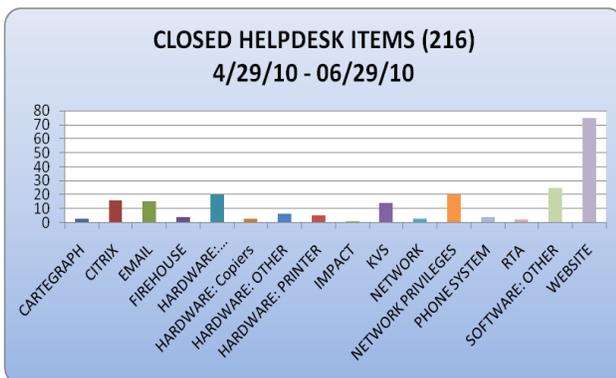
Parking Tickets and Registration Scanning System – Motorola provided an upgrade for handheld scanner that significantly improved its capability. The Parking Tickets module is now in use in the Comptrollers Office and staff have processed approximately ½ of the 26,000 records requiring DMV lookups thru the system to date. There are some remaining issues with field ticket printing and the general functionality of the handheld to be resolved and the scoffing procedure is being tested.

KVS - The City Tax bill run is completed as well as all the fiscal year end procedures. Staff is working on providing the ACH option for the Trash Totes program.

Firehouse Software – The most recent version of the application has been installed and made available for the Dept’s review prior to implementation. The database has been relocated to a new server prior to decommissioning its present EOL server.

Interface with the Jefferson County Dispatch CAD System – Early in June Jefferson County Dispatch decommissioned its CAD system and implemented a new system. The interface to the City’s Fire record system required an update to continue to function. That implementation is now in progress.

Helpdesk – 216 items were closed out in the past two months across the following categories with 27 currently in progress.



GIS Applications, Updates and Mapping

Transmap – Staff oversaw the Transmap Road Inventory Update project. Provided the consultant with updated roadway information and have added the new images to the GIS map site.

Training. - Developed a training program to train public works employees in the use of Cartograph and its integration with City ESRI GIS systems. This includes an overview of the geodatabase structure and how the two software packages work together.

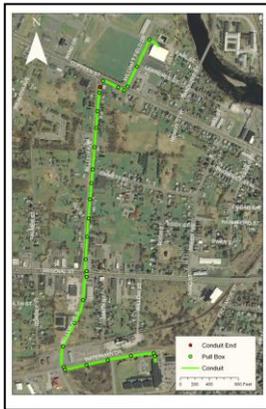
Mapping - Work on Tax map Conversion project continues with Engineering and Assessment.

Work on the new GIS Flex Web Mapping Application is continuing.

Finalized the new City Map.

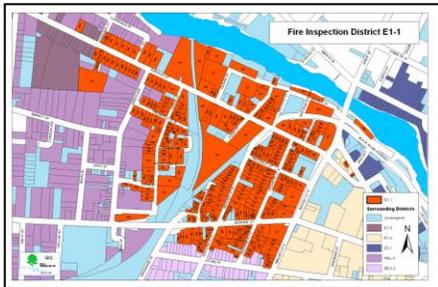
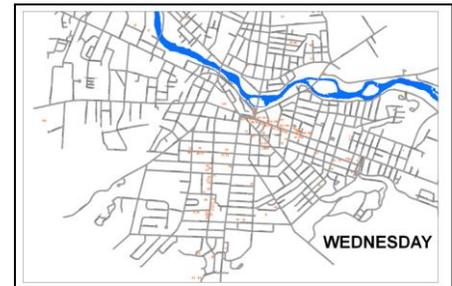
The following map requests were fulfilled:

Located and mapped a sinkhole in the City Center Industrial Park for DPW.



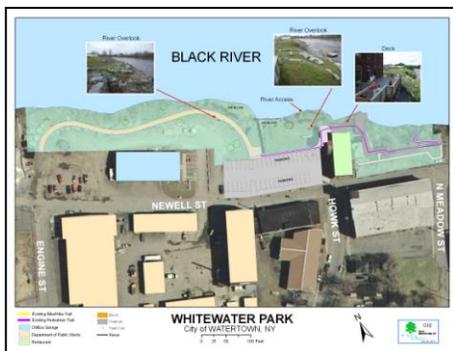
Created map for City Electricians of fiber optic path from PBS to Ice Arena.

Created working map for the summer intern for Planning to locate the tree watering sites around the city on Wednesdays.



Created 23 fire inspection maps for the Fire Department.

Created map of the DPW construction behind the Massey Fire Barn.



Created maps of Factory Square Park, Fairgrounds Trail Park, Marble Street Park, Thompson Park, Veteran's Memorial Riverwalk and Whitewater Park for inclusion in the website.

Banners – Staff has been working with a banner company as well as AUSA and FDRLO on the design and manufacture of new light pole banners for Public Square. The City will be purchasing American Flag banners, while AUSA and FDRLO will be purchasing Fort Drum/10th Mountain Division banners. The banners are due to be delivered and installed in early July. The City has also begun discussions with the Greater Watertown North Country Chamber of Commerce regarding the purchase of additional banners.

Downtown – Thanks to the generosity of the family of the late Albert Kaler, a new bench has been placed on the main island of Public Square. In addition, the Sunrise Rotary Club has purchased 2 new flower planters that have also been placed on the main island. Staff assisted both of these groups with the selection, purchase and installation of them.

Lachenauer Plaza Fountain – Staff coordinated the painting of the fountain with the Department of Public Works. At the same time, we have been working with the North Country Arts Council who has sponsored a competition for a design to be painted on the fountain. The designs are available to preview at: <http://www.nnyart.org/FountainDesignVotingPage.html>

Planning Board – During the last two months, the Planning Board approved a minor subdivision request for 480-482 Factory Street and approved to waive the requirements of site plan approval for the construction of building additions totaling 1,621 square feet to The Inn at 81 located at 1190 Arsenal Street.

River Committee – The River Committee will be holding their annual Black River Clean Up Day on Saturday, July 17, 2010 beginning at 9:00 a.m. at Whitewater Park on Newell Street.

Soldiers and Sailors Monument – Staff is preparing a grant application to the NYS Office of Parks Recreation and Historic Preservation to fund the Soldiers and Sailors Monument Restoration Project. The grant funding will provide 75% of the \$200,000 project cost needed to clean and restore the 1891 Civil War Monument. Grant announcements are expected by late 2010.



Street Tree Program – The summer tree watering and maintenance program began in May with the hiring of a local college student, Matthew Ditch. Mr. Ditch waters newly planted trees on a weekly basis and mulches other trees planted City wide. He also maintains flower beds and planting beds on City property. To date over 400 trees have been remulched, beautifying neighborhoods and protecting trees. Over the last two months, Staff also conducted hazard tree evaluations on 12 trees located throughout the City.

Wayfinding Signs – The Department of Public Works has finished producing the wayfinding signs and has started on the installation of them. New signs can be seen along Coffeen Street and Massey Street North. When the project is complete, the signage will provide direction throughout the City to various venues such as Thompson Park, the Fairgrounds, our River Parks as well as JCC, the Library, the Historical Society and the Sci-Tech Center. This project was part of the Downtown Awareness Project and was funded by a 2003 EPF Grant from the Department of State and matching funds from the City.

POLICE DEPARTMENT:

Officer Commendations – Four members of the Watertown Police Department were presented commendations at the May 10th City Council Meeting. Three Officers were awarded the “Meritorious Service Award” for their actions on July 21, 2009. The officers, Sgt. James Spencer, and Officer’s Fred March and Elizabeth Lewis entered the home of a mentally unstable male who had turned on the natural gas stove and had poured gasoline around the apartment. They were able to wrestle him to the floor while he was trying to ignite the gasses. The subject was transported to SMC and the incident resolved with no one being injured.

Officer Jonathan Pitts was awarded the “Honorable Service Award” for his actions in arresting a felony suspect on December 5th, 2009. The subject attempted to run from police and a chase in the city occurred. The vehicle was crashed and the suspect fled on foot. Officer Pitts pursued the suspect and attempted to arrest him when an altercation ensued. Officer Pitts was able to handcuff the suspect and take him into custody but only after injuring his which ended up needing surgery to repair. The suspect was charged with assault, felony drug possession and has since been sentenced to State prison.

Presentations - On May 17th 2010, Chief Goss did a presentation for 47 First Graders at IHC School. The students were instructed on bike safety, bullying, use of car and booster seats when riding in cars, and participated in a question and answer period. The presentation was topped off with the students being able to see a police car up close and turn on the emergency equipment.

Police Academy – A start date for the next police academy has been set for September 27th, 2010. We are looking for good turnout and have received inquiries from several departments from the Syracuse area. WPD expects to have five or six officers in attendance as we had some recent retirements and three other officers who have resigned for other employment.

Retirement - Detective John Montrois has completed a 22 year career with Watertown PD. John has severed in Patrol, Detectives, Juvenile Aid and most recently School Resource Officer. John has numerous awards for excellent service and had a true affinity to working with our youth. We wish John the best in his retirement.

Notable Cases – May and June 2010

Watertown Police Detectives have arrested a 28 year old Watertown man on numerous charges involving burglaries over the past few months. Charged with eight counts of burglary was Darrin Harra. Harra a convicted felon on parole was also charged with four counts of attempted burglary. He is accused of entering BJ’s Bar and Grill (twice), Ryan’s Jet gas, Shooties, Jean’s Beans, Cole muffler, a town of Pamela residence and the Medical Center Pharmacy. His arrest also assisted the Jefferson County Sheriff’s department and New York State Police solve burglaries in their respective jurisdictions. It is anticipated that upon sentencing he will be facing a state prison term. On March 30th, 2010 the Metro Jeff Drug task force assisted by Watertown Police executed a search warrant at 709 Mill St. in the City. Seized was almost \$4,000 in cash and 193 bags of heroin. Arrested was a 17 year old male from Queens, New York and a 16 and 20 year old Watertown women. All three were charged with Criminal Sale of a Controlled substance and were

remanded to the Jefferson County Jail pending Grand Jury action. This investigation led the Task force to the Inn on Arsenal St. where another search warrant was executed and \$6,000 in cash and addition 200 bags of heroin were seized. Charged at the motel was 17 year old Joel Gonzalez also from Queens, NY.

On April 12 the Metro Jeff Drug Task Force working with Watertown Police executed a search warrant at 697 LeRay St. and as a result of the search seized over 10 ounces of crack and powdered cocaine with a street value of \$20,000. Also recovered were various items used for the packaging and sale of narcotics. Arrested were 26 year old Stanley Kims a parolee, and Robert Sawyer age 24 from Manhattan, New York. Both were charged with Criminal Possession of a Controlled Substance 1st degree and are being held in the county jail pending Grand Jury.

DEPARTMENT OF PUBLIC WORKS:



Street Paving Program – The street paving program is well underway with crews having completed shim & overlay projects on both Lillian Street and Waite Avenue. Crews also placed approximately 250 linear feet of concrete pin-on curbing along Waite Avenue.

In addition to the shim & overlay projects, crews have also completed a milling & paving operation on Central Street. This work also included the placement of approximately 2,500 linear feet of concrete pin-on curbing.

Crews are now in the process of completing a shim & overlay projects on both Marra Drive and Morrison Street. The concrete crew is currently placing the concrete pin-on curbing. Once the curbing work is complete, a black top crew will place the top course of asphalt. Year-to-date crews have placed a total of 3,350 tons of asphalt and poured 180 cubic yards of concrete.

Washington Street Vendor Placed Pavement Project – The project encompasses the milling and paving of Washington Street from Flower Avenue to the City limits. The New York State Department of Transportation (NYS DOT), through the American Recovery and Reinvestment Act, is providing reimbursement for the cost of placing a tack coat and paving an asphalt top course. In preparation for the project, DPW crews have repaired/replaced sewer structures and will assist with the milling operations. The DPW will also develop a striping plan for Washington Street pavement markings.



Bridge and Concrete Deck Maintenance – Maintenance operations were performed on both the Court Street Bridge and the Mill Street Bridge. The two bridges were identified as part of this year's preventative maintenance schedule for City bridges and concrete decks. The maintenance operations include pressure washing the concrete bridge decks, curbing, and sidewalks and then sealing the surfaces with a penetrating concrete sealant. The work also includes re-grouting and repairing the curbing along the bridge deck.

GIS Based Photometric Inventory – A photometric survey for all 100+ miles of City streets has been completed. The study collected detailed assessment data on linear infrastructure, intersection infrastructure and pavement distresses. The photometrics collected in the survey are an extremely valuable and easily accessible tool used by Public Works for completing daily work assignments and investigations. The pavement distresses will also be evaluated to determine current pavement condition ratings. This data will be used to update the Department’s CarteGraph Management System, allowing the Department to analyze existing pavement conditions according to the Federal Highway standards.



Upper Gaffney Drive Sanitary Sewer Reconstruction – Sanitary sewer reconstruction project involves upgrading 450 feet of the existing 10 inch sewer with a new 12 inch sewer main and replacing three (3) sanitary sewer manholes. Sewer crews have installed approximately 230 feet of the new sewer main and two (2) of the manholes. This work has been completed throughout the evening hours to lessen the impact traffic and businesses located at the Coffeen Street/Gaffney Drive intersection.

Sanitary and Storm Sewer Infrastructure – Sewer crews have investigated a total of twenty (20) sewer back-up calls and repaired residential sanitary sewer laterals on Academy Street, Anne Street, Clinton Street, and Holcomb Street. Crews have also installed new sanitary sewer services for a business at 1071 Coffeen Street and the 122 Ten Eyck Street in-fill housing project. In addition to the new services, crews replaced approximately 175 feet of sanitary sewer servicing the Massey Street Fire Station and replaced six (6) drainage structures on Central Street. The drainage structures were replaced as part of the Central Street resurfacing project.



Fiber Optic Network – The Electric Department has completed the fiber conduit run between the Public Safety Building located on Waterman Drive and the Watertown Municipal Arena. After completing the conduit run, the department installed approximately 7,500 feet of fiber that will connect the two facilities once the



terminations are made and the testing is completed. The terminations and testing will be completed by a contractor for the Information Technology Department.

River Parks Improvement Project – This project includes the construction of a basketball court, pavilion and asphalt trail system at Bicentennial Park, as well as, a pavilion, rest rooms, and asphalt trail system at Marble Street Park. Construction of the Bicentennial Park basketball court is well under way. The Electric Department have installed the conduit runs and installed the light pole bases for the basketball court. The Sewer Crew has completed the storm water drainage system around the basketball court area and Road Maintenance Crew has paved the asphalt basketball court. In addition to the work being completed on the basketball court, the Electric Department has completed the installation of the electrical service for the power distribution panel and the (2) RV pedestals constructed in Bicentennial Park. The water and sanitary sewer services required for each pedestal have also been completed.

Lachenauer Plaza Site Improvements – Buildings & Grounds performed maintenance work at Lachenauer Plaza prior to the seasonal start-up of the plaza’s fountain. The crew scraped off years worth of old paint and primer from the fountain, applied a solvent to clean the bare metal fountain surfaces, and painted the fountain with a primer and paint designed to have a high degree of chemical, abrasion and corrosion resistance. In addition to the fountain work, the department will look to have the masonry bricks around the plaza and fountain re-pointed.



Way-finding Signage – There are a total of ninety seven (97) way-finding signs that will be installed throughout the City. Ninety (90) of these signs were produced in-house by the department’s sign shop, while the remaining signs were custom fabricated. The Sign Crew has begun installing the first round of signs. These signs were installed at the Fairgrounds and along Coffeen and Massey Streets. Currently, fifteen percent of the way-finding signage has been installed.

Training - Four (4) Motor Equipment Mechanics attended a brake seminar presented by NAPA. The seminar focused on new methods, products, and the proper procedure for longer brake life. Two (2) Motor Equipment Mechanics also attended an air conditioning seminar and became EPA Section 609 certified. Section 609 certification is needed to service motor

vehicle air conditions and to purchase refrigerant. This certification allows the purchase of any refrigerant, in any size container, from an auto supply house for use in cooling the passenger compartment of vehicles.

Parks & Recreation Programs – The City’s baseball program kicked off the first week of June with the youth baseball (ages 8-10), co-ed softball and men’s softball



leagues. This year there are ten (10) teams in the youth league with fifteen or more (15+) players per team. The youth group (ages 10-12) kicked off the season the week of June 21st with four (4) teams consisting of thirteen to fifteen (13-15) players each. Registration for T-ball is completed with one hundred seventy five (175) participants signed up to play. The teams were split into a morning league of four (4) teams and an evening league of ten (10) teams with thirteen to sixteen (13-16) players on each team.

In addition to the baseball program, the Watertown Golf Program began June 28th with over seventy (70+) participants enrolled. The golf program is a collaboration between Parks & Recreation and Watertown Golf Club that provides area youth with an opportunity to learn how to golf. This year Josh Woodward, local pro-golfer and graduate of the University of South Carolina Golf Academy, will head the program. Parks & Recreation is still accepting registration forms for the tennis program. Tennis lessons will be held on the tennis courts located within Thompson Park. Both programs were well received last year and are at capacity this year.



Bulk Drop-off have also taken place at the Arena.

The Fairgrounds Complex and Athletic Fields have hosted the annual Relay for Life, A Barker's Dozen Dog Walk, Diabetes Walk and the Saturday Morning Farmer's Market have begun for the season.

Additionally the Red and Black hosted a preseason football game on June 26th and the Watertown Wizards has kicked off the baseball season, filling the stands with students on Flag Day. The Wizards have also completed the construction of a party deck.

Summer lacrosse has begun and the main field has hosted high school sectionals and the exceptional senior game. The Fairgrounds Multi-Purpose Field #2, which was relocated, has been re-seeded and is expected to be in service later this summer.

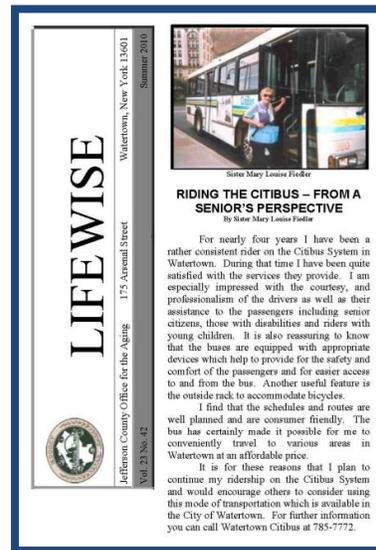


City Pools & Playgrounds – The Alteri Municipal Swimming Pool opened for the season on June 25th and the Flynn and Thompson Park Pools were opened on June 28th. Swimming lessons will be offered at each pool and new recreation centers will be established at both Alteri and Flynn Pools. The recreation centers are expected to open July 6th. The City's Summer Playground program also started on June 28th. The program provides the City's youth a fun and safe environment for summer activities at four (4) area playgrounds throughout the city. Parks &

Parks & Recreation Venues – This has been a busy year for the various Parks & Recreation Venues. The Watertown Municipal Arena has hosted events every weekend since the ice was removed. The events included several new shows such as the White's Home Show, a Puddle of Mud Concert, a Merchandise Show, a Car Show and a Classic Car Show. Annual events like the DPAO Kids Concert, the Heart Walk, the WPBS Ready Set Fun event, the 2CW Square Circle Wrestling event, the Shrine Circus and the DPW Spring

Recreation Summer Directors are located at each playground to oversee daily games & sports, assist with weekly crafts and plan summer trips & special event days.

Watertown CitiBus – An article, written by Sister Mary Louise Fiedler, appeared in the 2010 Summer Edition of Jefferson County Office for the Aging Lifewise newsletter regarding ridership of the CitiBus system from a senior’s perspective. In the article Ms. Fiedler praises drivers for their courtesy and professionalism and states that “it is also reassuring to know that the buses are equipped with appropriate devices which help to provide for the safety and comfort of the passengers and for easier access to and from the bus.”



Driver Safety - Watertown CitiBus has also received a letter of acceptance, from the New York State Department of Motor Vehicles – Bus Driver Unit, for the 2010 19A Affidavit of Compliances that were submitted by CitiBus to satisfy the requirement of Section 509-d(7) of the New York State Vehicle and Traffic Safety Law. Kathy Webster, Transit Supervisor attended an eight (8) hour Federal Transit Administration (FTA) Safety Security Program Seminar in Syracuse, New York.

Paratransit - The Watertown Paratransit contract has been negotiated and signed between the City of Watertown and Guilfoyle for July 1, 2010 to June 30, 2011.

Advertising - Five (5) new curbside advertisements for Stream Global Services have been placed on the buses and the advertisement signs promoting the DPW’s Trash Service are now complete. The trash service signs will be placed on the buses as vacancy occur.

Summer Service - CitiBus is now providing service to and from Thompson Park for the 2010 summer season.

New Vehicles & Equipment – The City took possession of two (2) new rear load refuse packers and a new zero-turn mower. The new packers are 2009 Sterling trucks and will be used by Refuse for brush and yard waste collections. The new vehicles were designated 1-006 and 1-008. The former 1-008 was traded in towards the purchase of the new



vehicles. The former 1-006 will be transferred to Thompson Park. The new zero-turn mower is a 2010 Kubota. This mower will be utilized by Buildings & Grounds crews. The former 1-117 will be transferred to the Fairgrounds.



Spring Bulk Drop-off – This bi-annual event provided city residents with the opportunity to dispose of their bulk items. The event took place at the Fairgrounds Arena Parking Lot on Saturday, May 22nd. A total of 186 customers attended the event disposing of 27.31 tons of

residential waste and 4.75 tons of scrap metal.

Curbside Pickup Program - In addition to the bulk drop-off event, city residents will also have the opportunity to participate in the seasonal curbside service. This on-demand bulk item collection service is tentatively scheduled to begin of July 6th.

WATER DEPARTMENT:

Shared Municipal Services Incentive Grant – A Disinfection By-Products Study to find the most cost effective methods to deal with stricter federal regulations that will affect the treatment processes for water produced at the City of Watertown water treatment facility to deal with the development of disinfection by-products that occur as water passes through and spends time in the distribution systems is nearing completion. The City Council approved the Agreement for Professional Services with Hazen and Sawyer, P.C. at the April 20, 2009 meeting.

A final workshop to review the draft report was held on May 24, 2010. The final report and recommendations for reducing disinfection byproducts levels at various points in the systems should be delivered by the middle of July. This will complete the project and provide us with an outline and guidance to move forward on this issue.

Water Treatment Facility Upgrades and Accomplishments – In addition to routine daily maintenance duties, water treatment plant maintenance staff personnel have completed several larger projects within the facilities. Staff has replaced the plastic tubing used in the chlorination process throughout the entire plant. They have also replaced the original controllers and status indicators on all five filter consoles. The surface wash wands on filter number 3 were observed to be not functioning properly. They were removed by maintenance personnel, who replaced the bearings in these units, then returned them to service. These wands assist in the cleaning of filter media during the backwash process. The wands in the other four filters will be thoroughly inspected and repaired, if necessary. The transmitters that monitor river and basin levels at the Dosing Station were also replaced with updated units last month.

Dosing Station Dam Repairs - The City Engineer has prepared the plans and specifications to have the Dosing Station Dam repairs done this summer. Plans have been submitted to the NYSDEC and the Army Corps of Engineers for review and approval for the permits that will allow the work to be done. The NYSDEC has approved them, but we are waiting for final approval from the Army Corps of Engineers. That approval is expected within a couple of weeks. We will then put the project out to bid. This is an important project in that it will not only enhance the pre-treatment process, but should also decrease the precursors that ultimately lead to higher disinfection by-product production.

Water Distribution – Distribution crews have installed, replaced, or repaired 15 water service lines since April 1st of this year. Three (3) fire hydrants have been repaired and crews have responded to and



repaired seven (7) water main breaks and service leaks since April 1st of this year.

Crews have performed several leak surveys in areas where water was flowing from an unknown source. In most cases the water was not coming from City mains.

Crews have laid out and marked service locations for several hundred UFPO requests.

The department's engineering technician has recently completed a project to upgrade and reprint the water gate record books that are used daily by field personnel in the maintenance of the distribution system and by engineering and administrative personnel for design purposes. The pages have been recreated in electronic format, making it much easier to update and to reproduce them when necessary.

Thompson Park Reservoirs - Maintenance crews drained and cleaned the two reservoirs at Thompson Park. This has to be done every 3 to 4 years. It takes about a week to clean each reservoir, seal any cracks, then disinfect and refill them. One reservoir is done at a time, with the other remaining on line. The reservoirs provide a consistent static pressure on the system and an adequate buffer in the event of a fire or major water main break.



THIS IS THE INSIDE OF THE LARGER (5 MILLION GALLON) RESERVOIR

Crews have also cleared brush around the perimeter fencing for visual and security reasons and pointed up some of the concrete work on the exposed portion of the exterior walls of the reservoirs.

Distribution crews have been working closely with the contractor on Breen Avenue and have assisted with chlorination and testing on the new 12" water main between Coffeen street and Emmett Street. Crews have also tapped the water mains for the contractor to make the required tie-ins to existing lines.

Annual Hydrant Flushing Program - The annual hydrant flushing program is currently underway in the City. This project takes approximately 8 to 10 weeks to complete. The annual flushing of the water mains through the fire hydrants is a critical maintenance process, which is necessary to flush iron, manganese, and other deposits from the distribution system piping and to prevent the formation of bio-film, which could lead to bacteria growth if left unchecked. Our

annual hydrant flushing program has been very successful in helping to maintain the high quality of potable water delivered to our customers.

Commerce Park Drive Water Main / Gaffney Drive Hotels – The City Council approved a budget amendment on September 28, 2009 for funding the cost of extending the water main on Commerce Park Drive to accommodate future development in the area. This work was driven by the proposal to build two hotels and a restaurant near the intersection of Gaffney Drive and Commerce Park Drive. We are in the process of reviewing revised plans for the water main work associated with these hotels.

City Water Department crews have completed the installation of approximately 800' of 8" water main on this project. Final testing and Chlorination has also been completed. The water main will be activated the first week of July and will be available to serve the proposed hotel project which is underway at the intersection of Gaffney Drive and Commerce Park Drive.

Water Meter Replacements – The meter service crew continues to install the radio reading meters as water meters are replaced for various reasons. 381 radio reading units have been installed since July 1, 2009 and there is now a total 1,152 radio read units in the system. This is approximately 13.7% of the water meters in the city. We continue replacing damaged or outdated meters with radio read style meters, as well as setting these meters in all new installations. Radio reading capability has made reading meters in pit settings much safer and has made reading meters at multiple unit housing developments faster and safer, as well.

Bicentennial and Mable Street Parks – Water Department personnel have installed the water supply system for the Bicentennial Park project at the fairgrounds. The water supply for the Marble Street Park will also be installed by departmental personnel in the upcoming months.

July 1, 2010

To: The Honorable Mayor and City Council

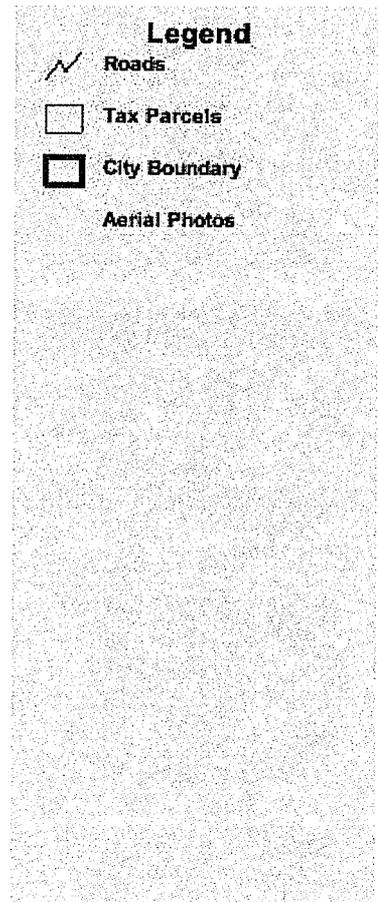
From: Kenneth A. Mix, Planning and Community Development Coordinator

Subject: Request to Purchase Property Adjacent to Stewart's at
229 North Massey Street

Stewart's Shops Corporation wishes to redevelop part of their existing store at the corner of Coffeen and North Massey Streets. Their proposed project will include upgrading underground fuel tanks and reconfiguration of the gas pump island. Part of the project as proposed will encroach upon the North Massey Street right-of-way.

Stewart's would like to purchase .12 acre from the City of Watertown so that they can follow through with the plan.

The New York State Department of Transportation acquired the wide right-of-way here when it was considering an alternative Court Street bridge alignment. If the property is sold, it should be sold with easements for the underground utilities that cross it.



July 1, 2010

Disclaimer: This map was prepared by the City of Watertown Internet Mapping Application. The information was compiled using the most current data available. It is deemed accurate, but is not guaranteed.

Stewart's



Mayor Jeffrey E Graham
City Council
City of Watertown
City Hall
245 Washington St, Room 302A
Watertown, NY 13601

Re: 229 North Massey Street

Dear Mayor Graham and City Council Members,

Stewart's Shops Corp. would like to invest in re-developing part of our existing store at Coffeen & North Massey.

The internal circulation of the existing lot leaves a lot to be desired. We would like to purchase .12 of an acre from the City, as shown on the attached site plan, so we can upgrade the tanks and construct a new gas island (with the same number of pumps as we currently have).

Please have someone contact me to discuss this proposal.

Sincerely,

A handwritten signature in cursive script that reads "Tom".

Tom L. Lewis
Stewart's Shops Corp.
Real Estate Representative
518-581-1201 ext. 4420
tomllewis1@gmail.com

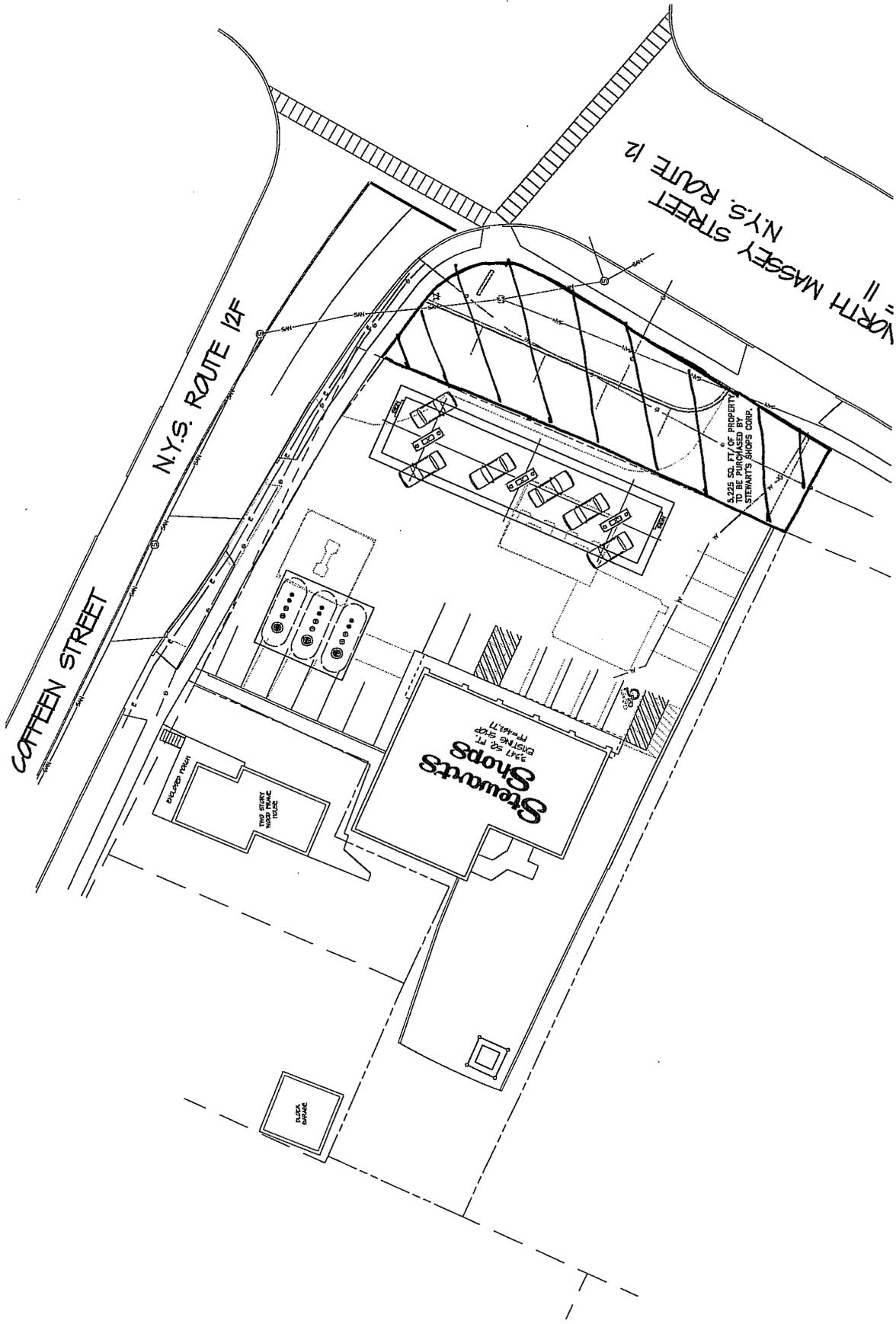
CC: City Manager, Mary M. Corriveau
Planning and Community Development Coordinator, Kenneth A. Mix

P.O. Box 435 Saratoga Springs, New York 12866

COTTEN STREET

N.Y.S. ROUTE 12F

NORTH MASSEY STREET
N.Y.S. ROUTE 12



Stewart's
Shops
3,217 SQ. FT.
DINING ROOM

KITCHEN

DISHWASHER ROOM

RESTROOM

3,225 SQ. FT. OF PROPERTY
TO BE PURCHASED BY
STEWART'S SHOPS CORP.

TRUCK

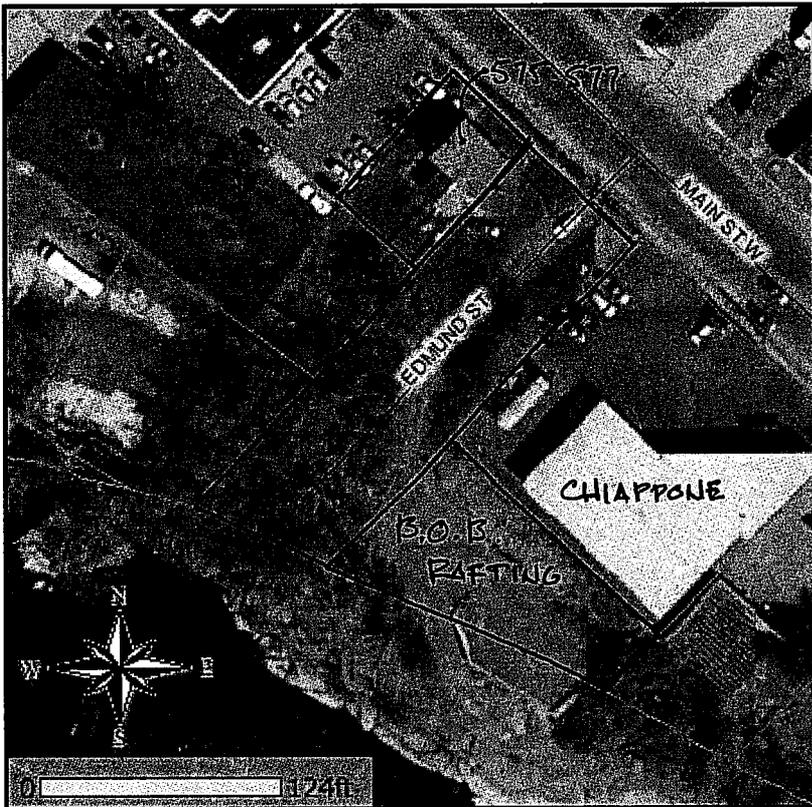
July 1, 2010

To: The Honorable Mayor and City Council
From: Kenneth A. Mix, Planning and Community Development Coordinator
Subject: Offer to Purchase a Portion of Edmund Street

Mary Desrosier owns 575-577 West Main Street. The house is a duplex and she lives at 575. She has been using Edmund Street as her driveway.

Edmund Street is an unimproved City street between West Main Street and the Black River. It provides access to Ms. Desrosier's property and B.O.B. Rafting's launch site. The right-of-way is 66' wide.

The street property line is very close to Ms. Desrosier's house. She is inquiring about whether or not the City Council is willing to consider an offer for the sale of a portion of Edmund Street so that she will own the area she currently parks on.



July 1, 2010

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Copy to ✓
Ken Mills

(1)

6/12/10

OFFICE OF CITY MANAGER
JUN 15 2010

Dear Ms. Corriveau,

I am writing to the City of Watertown with a request to purchase adjoining City property to my property at 575-577 West Main St. Watertown. My property adjoins the Edmund St. Extension which is my only access to my 575 West Main St. address. I and my family maintain this property and plow Edmund St. and have done so for many years. The City property comes to a little over a foot of my house and I would like any property of the City that adjoins it that is possible to purchase.

(2)

6/12/10

We have discussed
our situation with
City Planner Mr. Ken Mix
and he suggested we
address our situation
with the city.

I would appreciate
any help you could give
me to remedy our
situation

Thank you,
Mary Desrosier

Mary Desrosier
575 West Main St.
Watertown, NY 13601

July 1, 2010

To: The Honorable Mayor and City Council
From: Kenneth A. Mix, Planning and Community Development Coordinator
Subject: Property Donation to the City – VL Mill Street, Parcel No. 3-11-138.002

The City Manager has been contacted by the Executor of the Robert J. Valin Estate offering to donate Parcel No. 3-11-138.002 to the City. The parcel is approximately 3 acres and is vacant except for at least three City utility easements crossing it. It is adjacent to City School District property and near the William J. Flynn pool and John Q. Adams fields.

The Superintendent of Public Works is recommending that the City accept the property.

Does the City Council wish to accept it?



Legend

-  Roads
-  Tax Parcels
-  City Boundary
- Aerial Photos

NORTH ELEMENTARY

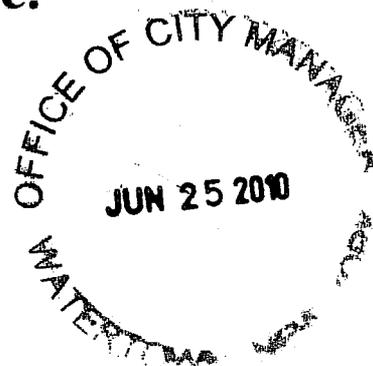
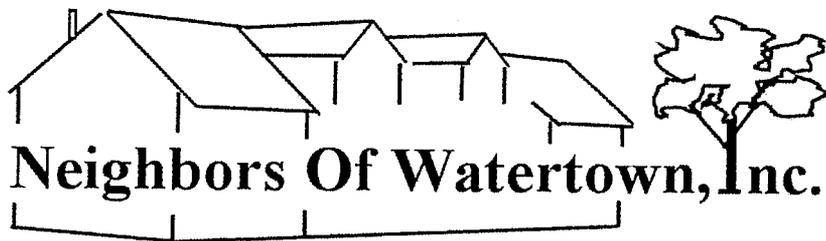
July 1, 2010

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July 1, 2010

To: The Honorable Mayor and City Council
From: Mary M. Corriveau, City Manager
Subject: Request for In-Kind Assistance, 122 Ten Eyck Street

I have received a request from Neighbors of Watertown asking that the City Council consider providing some 'in-kind' assistance to help offset costs incurred on this project, related to site development, that were unknown at the time the City transferred the property to the Development Authority of the North Country as an in-fill housing site. The request from Reg Schweitzer, Deputy Director, Neighbors of Watertown is attached for City Council review and discussion.



June 24, 2010

Re: 122 Ten Eyck St.

To: Mary Corriveau,

As you understand, we are currently building a new single family home as a trial for an infill housing program at 122 Ten Eyck St. This effort has incurred some significant setbacks based on the site conditions of the lot we are building on. The parcel that was obtained by the Development Authority of the North Country from the City of Watertown, has been the cause of these setbacks.

When excavating for the foundation, debris remaining from the previous structure was discovered just inches below the surface, including significant amounts of rebar, wiring, plumbing, and various other old building products. The foundation walls were still intact from the entire structure. In order to prepare the site for the new foundation, (23) loads of debris were removed from that area of the site. This unintended expense was paid for by Neighbors Of Watertown.

After erecting the house, an underground fuel oil tank was discovered by National Grid when installing the new natural gas service entrance. Neighbors of Watertown also incurred the expense of, registering, and removing the tank from the site.

Additional debris will need to be excavated from the remainder of the site and then be replaced by appropriate fill soil in order for the site to be completed.

I am requesting that the City of Watertown, consider some "In Kind" assistance to help offset the costs that we have already incurred and those that will be incurred to finish the site.

I am confident that an infill housing program would benefit our entire community by increasing the tax basis. We hope that this model could be duplicated elsewhere in the city but that would only be possible with a team effort between all of us involved.

Thank you for your consideration and please contact me with any questions or concerns.

Sincerely,

Reg Schweitzer
Deputy Director
Neighbors of Watertown



The Housing & Redevelopment Store
112 Franklin Street, Watertown, NY 13601

Phone (315) 782-8497 Fax (315) 782-0102

www.neighborsofwatertown.com

July 1, 2010

To: The Honorable Mayor and City Council
From: Kenneth A. Mix, Planning and Community Development Coordinator
Subject: Sewall's Island Redevelopment

As the environmental remediation of Sewall's Island is nearing completion, we need to turn our attention to its redevelopment and future use. City staff is proposing to put together an information package for potential developers. It will include information about the environmental remediation, the land base and utilities. The package will also include the City's preferences for uses if the City Council has any. The Council should also begin discussing changing the zoning to a district more conducive to those preferences.

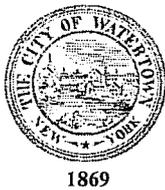
There has also been the suggestion of having the Watertown Local Development Corporation lead the effort in attracting developers like they have at City Center Industrial Park. The Trust would take the information package and provide it to developers to start informal discussions for the purpose of determining what they think is feasible. The information gathered through these informal discussions will be used to develop a request for proposals.

July 1, 2010

To: The Honorable Mayor and City Council
From: Mary M. Corriveau, City Manager
Subject: J.B. Wise Parking Lot, Former Manufactured Gas Plant Update

This past week, City Engineer Kurt Hauk and City Planner Michael Lumbis and I had an opportunity to talk with representatives from the NYS Department of Environmental Conservation and National Grid regarding the former manufactured gas plant adjacent to the J. B. Wise parking lot and its impact on the upcoming work in the parking lot. This site is one of about fifty (50) MGP sites in NYS that are currently under a DEC Order. The sites have been investigated and prioritized. DEC representatives were very helpful in defining what the City and National Grid will need to do in the area that has been identified as needing remediation.

This is not a new process for City Staff, when the City built the bus garage and DPW maintenance facility on Newell Street, the City and National Grid dealt with the same type of issues, as that site contained contaminants from another former MGP facility. City Engineer Kurt Hauk has prepared a memorandum summarizing our discussions and detailing the issues that we will need to be addressed as we move forward with construction.



CITY OF WATERTOWN
ENGINEERING DEPARTMENT
MEMORANDUM

DATE: 30 June 2010

TO: Mary Corriveau, City Manager

FROM: Kurt Hauk, City Engineer

SUBJECT: J.B. Wise Parking Lot and MGP Update

This memorandum provides an update to the J.B. Wise Parking Lot Reconstruction Project concerning the former MGP plant near the site and how that will affect the project.

A few days after the Council gave the approval to proceed with the work for J.B. Wise Parking Lot, I received a packet from the NYSDEC outlining the testing that has been performed at the site by National Grid. The information outlined the location of wells and test pits as well as the testing results.

From the information provided, the utility work for water and sanitary sewer will pass through a portion of the area that has been defined for remedial investigation. This does not mean that it is a guaranty that any work performed in this area will encounter MGP contaminated material. Because there is a reasonable expectation that it may be encountered, we will need to incorporate some items into the project. By doing so, if anything is encountered, all the necessary pieces will already be in place to prevent a stoppage of work.

The items that will need to be incorporated are:

1. A cost sharing agreement with National Grid that defines the scope and terms of reimbursing the cost to the City by National Grid for the all costs associated with MGP site and material. It will be very similar to the agreement used on the Bus Garage project.
2. A Community Air Monitoring Plan (CAMP) will need to be developed to outline measures to ensure air quality should MGP material be encountered.
3. A Health and Safety Plan will be developed to establish the procedures used by workers on the project should MGP material be encountered.
4. Specifications concerning the monitoring for, handling and disposal of MGP material will be included in the Spec. book. Crews working with MGP material will be required to be certified under 29 CFR 1910.120 requirements.

Items #2 through #4 will need to be approved by the DEC prior to implementation.

These requirements do not constitute a "show stopper" to the ability to proceed with J.B. Wise. It will, however, take more time to get the final bid package together and on the

street. It is important that all the items be incorporated into the project prior to bidding to avoid the delays and escalated costs of trying to negotiate a change order once work has started.

The goal is to still have a bid package for J.B. Wise on the street by the middle of July to get a bid date in mid-August. This would still give a contractor time to progress with the underground work this season. It will also provide the City the opportunity to bid the project in what has remained to this point, a period of very competitive bidding.



General Information About MGPs

What's an MGP?

MGP is an abbreviation for Manufactured Gas Plant. A manufactured gas plant was an industrial facility at which gas was produced from coal, oil and other feedstocks. The gas was stored, and then piped to the surrounding area, where it was used for lighting, cooking, and heating homes and businesses. The first MGPs in New York were constructed in the early 1800s, prior to the Civil War. Most were closed during the early-to-middle 1900s, and the last one ceased operations in 1972.

Gas from MGPs was used for all the same purposes that natural gas is used for today. In addition, in the late 1800s, gas was used for lighting prior to the introduction of electricity.

When and Where Did MGPs Operate?

For a period of over 100 years, manufactured gas plants (MGPs) were an important part of life in cities and towns throughout New York State and the United States as a whole. They had their beginnings in the early 1800s, providing small amounts of gas for street lighting systems. By 1900, production had greatly increased, and gas was being widely used for heating and cooking. Most towns in New York with populations of over 5000 had at least one gas plant, and larger towns often had more than one. New York City had several dozen.

Small-town facilities began to close in the 1920s and 1930s as the industry consolidated production at larger facilities and connected smaller systems together with new pipeline networks. As World War II approached, interstate pipelines were built, making natural gas from the Midwest more widely available, and cheaper than manufactured gas. Most New York State MGPs closed by 1950, but a few remained in operation in remote areas, or on standby status in areas where the interstate pipelines could not meet peak demand. The last MGP in New York State ceased operations in 1972.

How Was the Gas Produced?

Two main processes were used to produce the gas. The older and simpler process was coal carbonization. In this process, coal was heated in closed retorts or beehive ovens. Inside these ovens, the coal was kept from burning by limiting its contact with outside air. Volatile constituents of the coal would be driven off as a gas, which was collected, cooled, and purified prior to being piped into the surrounding areas for use. The solid portion of the coal would

become a black, granular material called coke. Coke was a valuable fuel for many industrial uses and for home heating, because it burned hotter and more cleanly than ordinary coal. Sometimes, the coke was the primary product, and the gas was a by-product, and the facility was called a coke plant.

As the gas manufacturing industry developed and expanded after the Civil War, a new process was introduced which produced a gas mixture that burned hotter and brighter. This process, carburetted water gas (CWG), was first introduced in the 1870s. By 1900, most MGPs in New York State were using this process. However, some MGPs in the state never made the conversion and continued as coal carbonization facilities for their entire lives.

A variety of water gas processes were developed, all of which involved a first step in which coke or coal was heated in a closed vessel or retort into which steam was injected. A chemical reaction took place which produced a flammable gas mixture of methane and carbon monoxide. Petroleum products were then sprayed into the hot gas mixture, creating another chemical reaction in which petroleum constituents were "cracked" to form methane, which increased the heating and lighting value of the gas.

Why are Former MGP Sites a Concern?

The production of manufactured gas created wastes, some of which may still remain at former MGP sites.

A dense, oily liquid known as coal tar would condense out of the gas at various stages during its production, purification and distribution. Although most of the tar was collected for sale or reuse, recovery was incomplete. Most plants had tar/water separators, which sometimes could not fully separate the two liquids. The resulting tar/water emulsion was often discharged to a nearby surface water body. Over the decades during which many of these MGPs operated, substantial amounts of tar also leaked from storage and processing facilities and contaminated surface soils, subsurface soils, and groundwater.

Today, at a number of former MGP sites, tar or tar/water emulsions continue to migrate slowly in the subsurface and may enter into sewers, basements, or nearby surface water bodies. Under some conditions, tar will temporarily float on the top of surface water bodies, creating oily sheens on the water surface. However, in most cases, the tar will sink to the bottom, leading to contamination of sediments. Whether present due to historic disposal or continuing migration, coal tar may impact water quality and the organisms which live or feed in the sediment.

Another byproduct, purifier waste, was made up of either lime or wood chips treated with iron oxides, and was used to remove cyanide and sulfur from the manufactured gas. Once it had

become saturated with impurities, purifier waste was often discarded or used as a fill material. This waste often contains complexed cyanide compounds which can contaminate groundwater. Purifier waste also generates a strong, objectionable odor when it is exposed on the ground surface. For more information on these MGP wastes, see the section on MGP Wastes.

How Many MGP Sites Are in New York?

Our best estimate is that there were roughly 300 sites where manufactured gas was produced either for distribution to the public or other uses. Of these, remedial programs are either under way or scheduled to start at 194. NYSDEC is currently working to identify how many other sites may exist in New York, and where they are located. At this stage, however, it appears that the utility-operated sites currently identified represent the most significant MGPs, by virtue of their larger size.

Lists and maps of the MGP sites that the DEC has identified.

What are the Current Uses of MGP sites?

Former MGP sites have found a variety of uses in the years since they ceased operations. Many are still owned by the utility companies and are used as electric substations, storage yards, truck garages, office buildings and major generating stations. Many also still contain gas regulating facilities, due to their access to the gas distribution system. Other uses range from abandoned industrial property, to commercial/retail uses, to schools and residences.

What are the Potential Problems Associated with MGP sites?

These sites often contain abandoned underground structures and pipes containing coal tar or other MGP residuals. Some of these waste materials (especially coal tars) may have migrated from existing/former structures and may be present in the subsurface. Impacts to surface water bodies and their sediments are also common since MGPs were typically located near a source of water.

It is not common to find MGP wastes exposed on the ground surface. Most of these plants have been closed for at least 50 years, and in some cases over 100 years. In many cases, subsequent redevelopment of the MGP sites has removed or covered wastes that were exposed at the surface. However, exposed wastes are sometimes found, and on some sites coal tars may migrate upwards to the ground surface from below.

July 1, 2010

To: The Honorable Mayor and City Council
From: Mary M. Corriveau, City Manager
Subject: Lachenauer Plaza Fountain

At the request of the City Council, City Clerk Donna M. Dutton did some research on Lachenauer Plaza. Attached is a copy of the information she was able to find on the structure, the design objective and its designer.

Earlier this week, the North Country Arts Council (NCAC) forwarded a disk containing all of the designs submitted to the NCAC for consideration. The NCAC has posted all of the submissions on their website and is running a survey to gather the public's input on the designs. At the same time, we have added a Press Release to the city website regarding this initiative that directs the public to the Arts Council's website.

Additionally, City Planner Mike Lumbis has printed all of the designs submitted and will be setting up a display for the public to view at the Flower Memorial Library. Staff has attached color copies of the designs for the City Council's review.

Lachenauer Plaza

Lachenauer Plaza was designed as an end result of Urban Renewal. Bids were accepted in June of 1972.

It was to be a "park/play" area. The Watertown Foundation and the Haas Foundation donated money for the plaza.

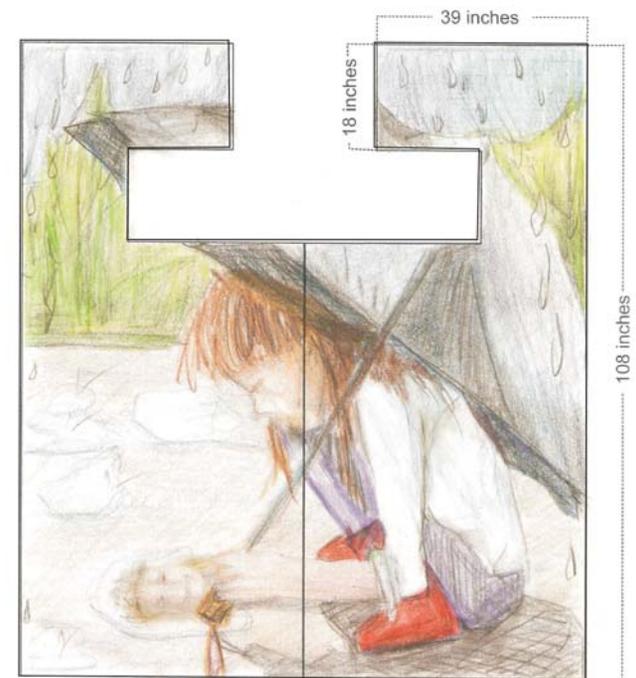
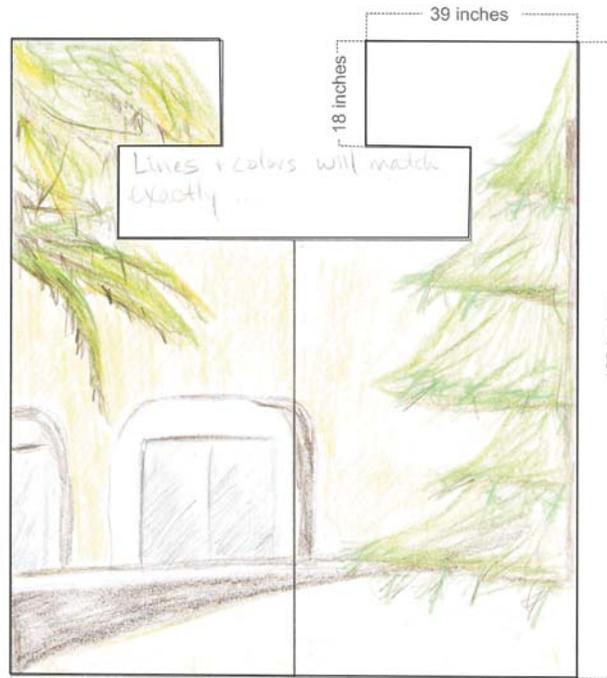
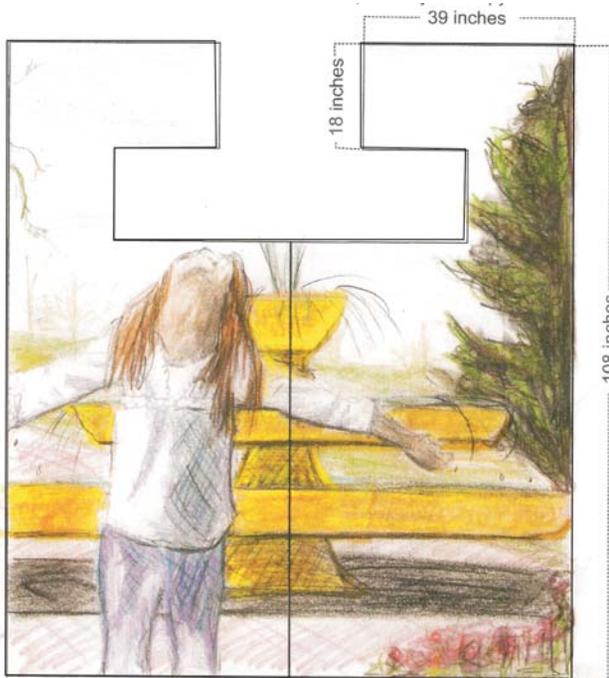
Not only did Council have to approve the plan, the federal Housing & Urban Dev. Regional Headquarters also had to give final approval. It was designed to "give the motorists traveling westward on Public Square, a modern view of the newest section of the downtown business community. The landscaping by any standard fits the meaning of the project. It will be neither ostentatious nor overly simple **Editorial**

WDT March 10, 1972

Design for the fountain has been scaled back. The original plan submitted by Montgomery & Moran Architects called for a high brick wall which produced a waterfall effect and a deep pit for recirculation of water. The waterfall, the deep pit and the extensive pumping system has been revised and scaled down to be more modest, City Manager Ronald D. Forbes said. From WDT files March 9, 1972

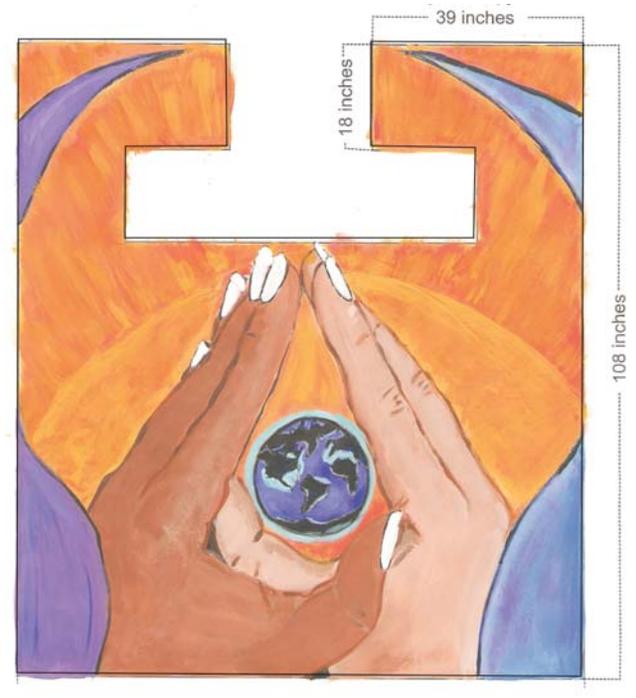
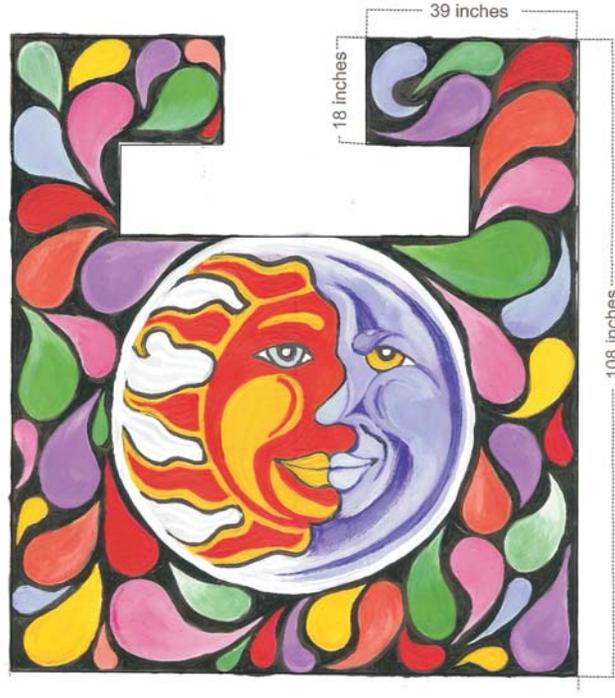
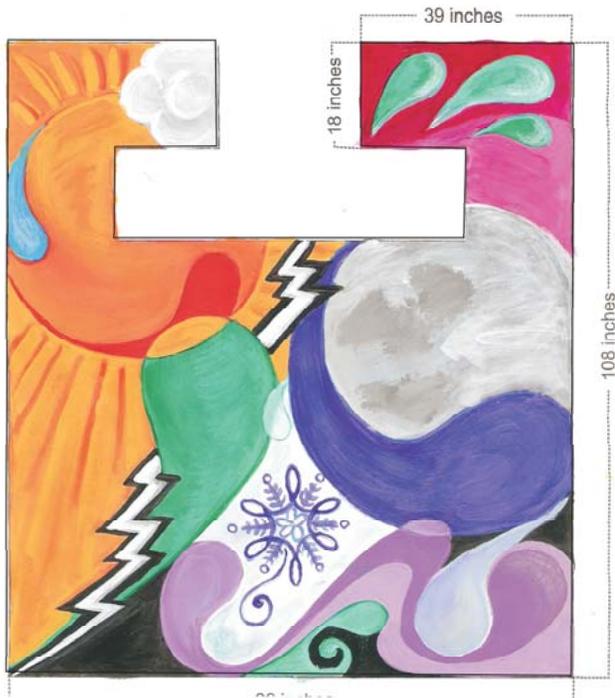
Design A

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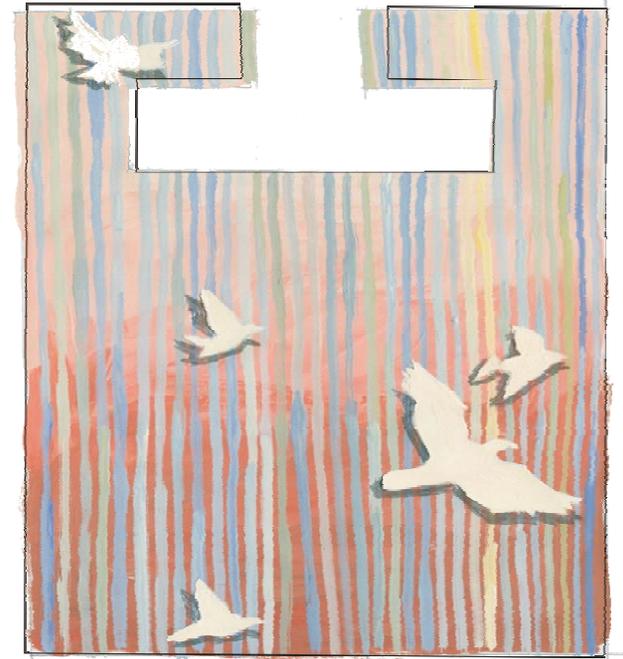
Design B

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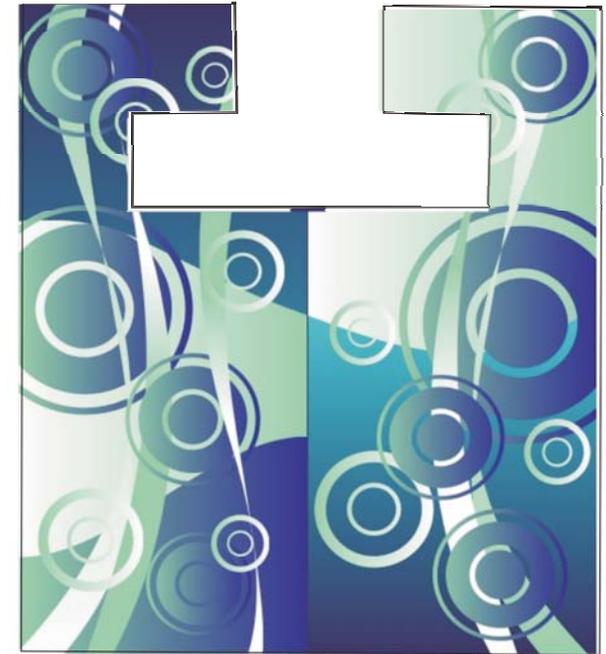
Design C

Three different sides designed.



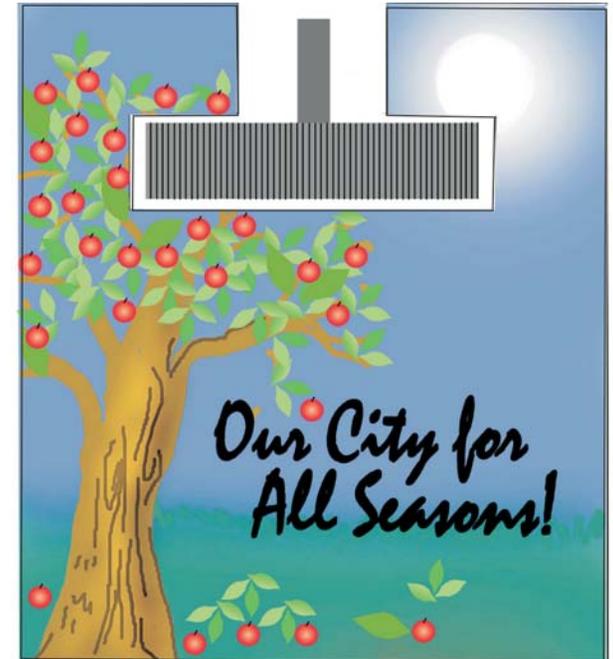
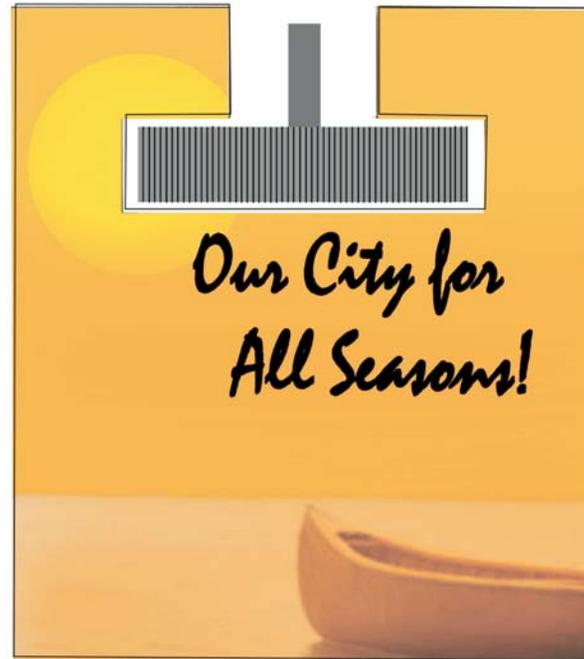
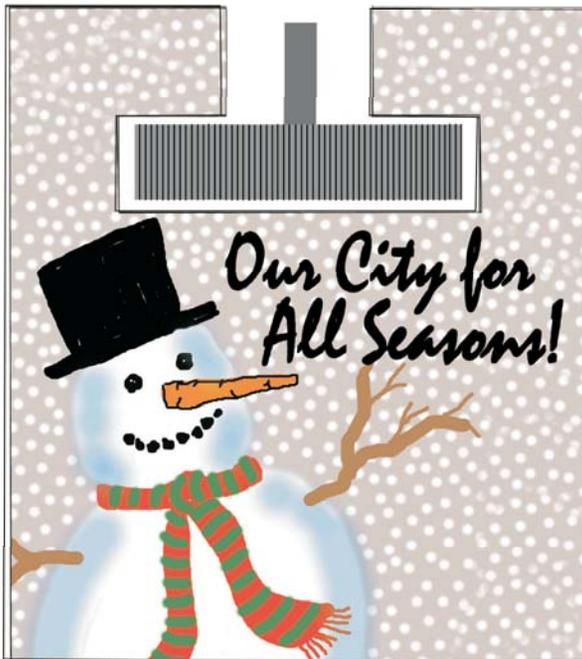
Design D

All sides designed the same design.



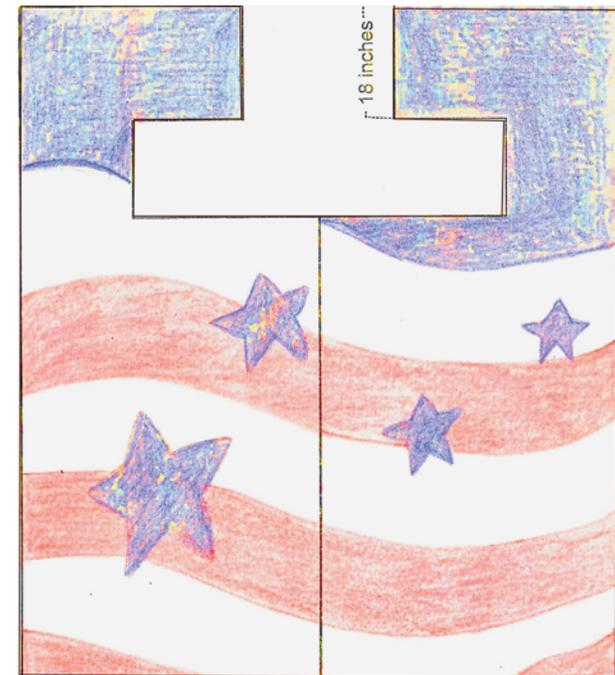
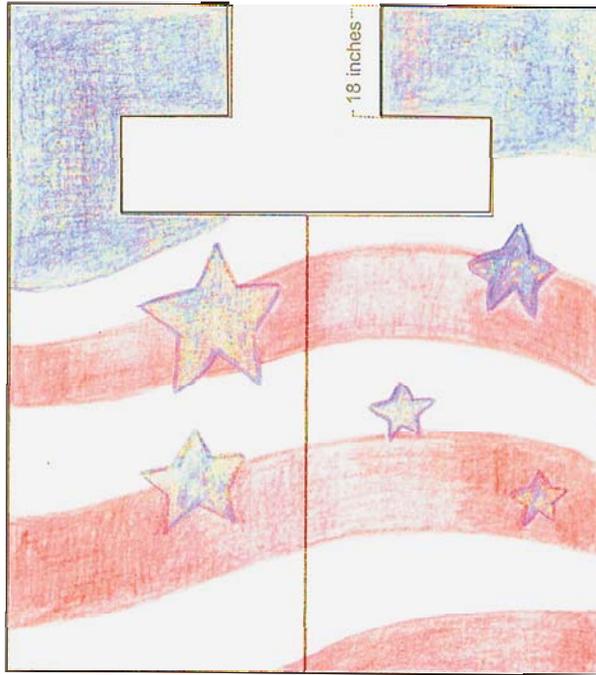
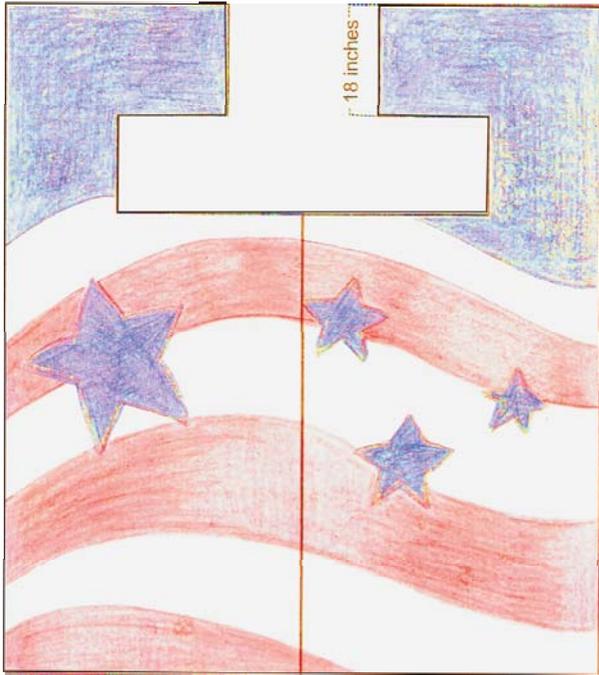
Design E

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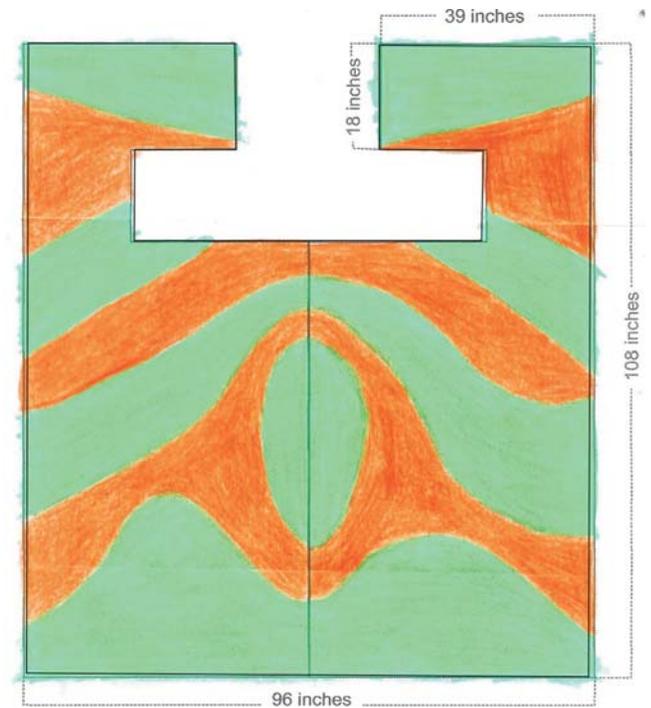
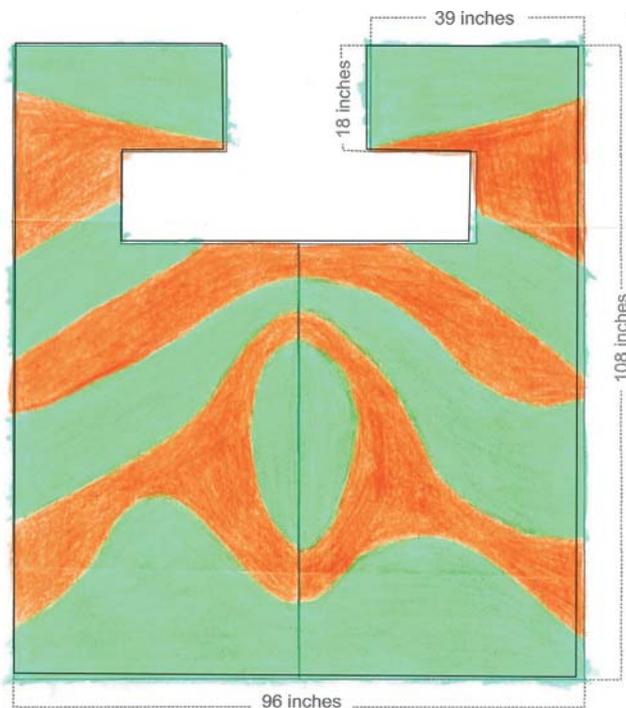
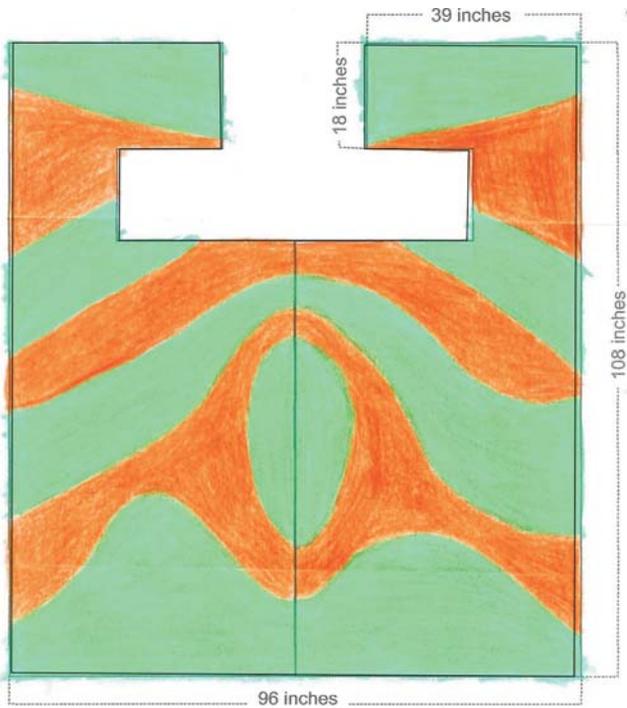
Design F

Three different sides designed.



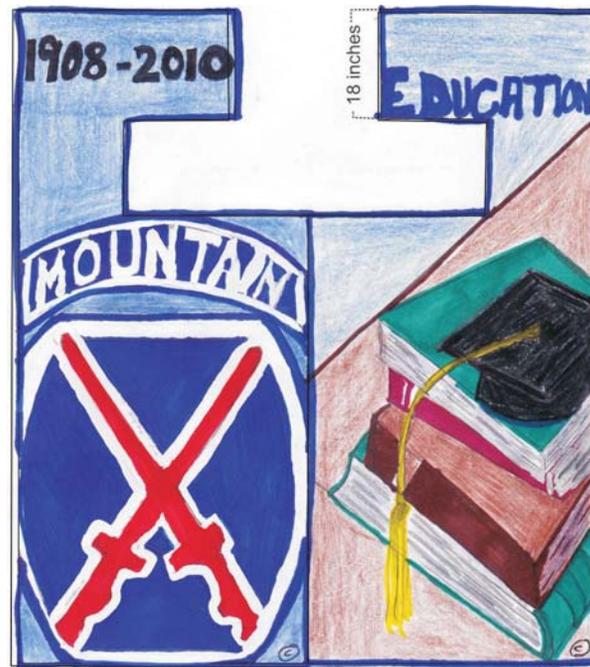
Design G

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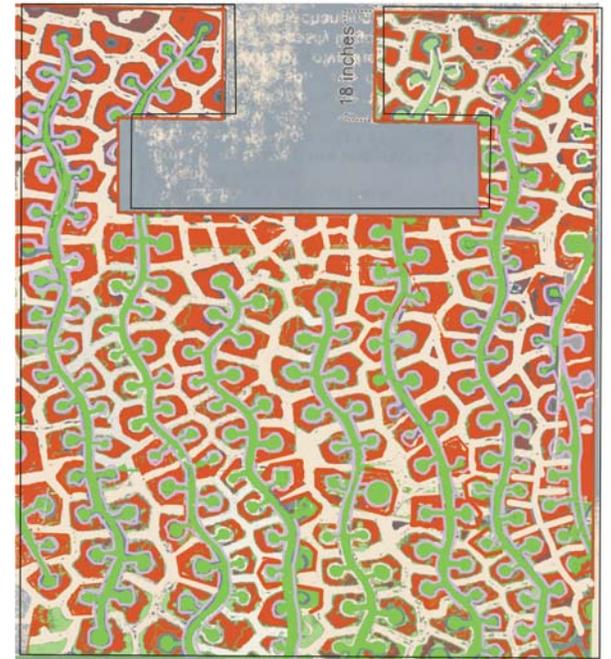
Design H

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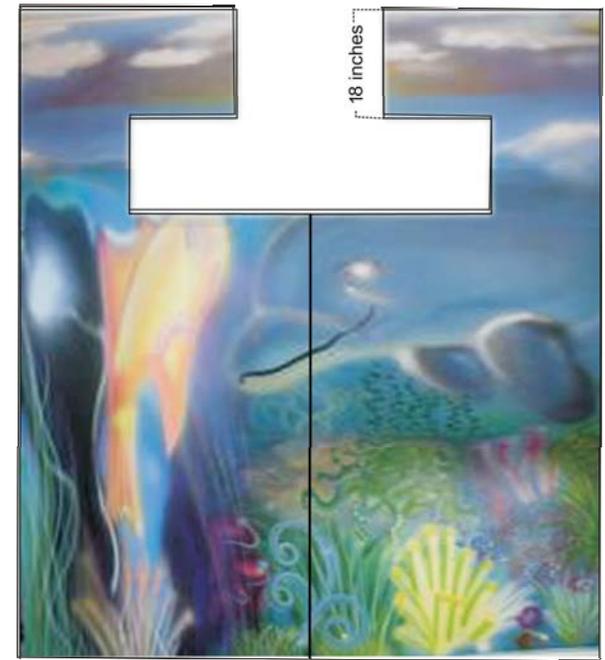
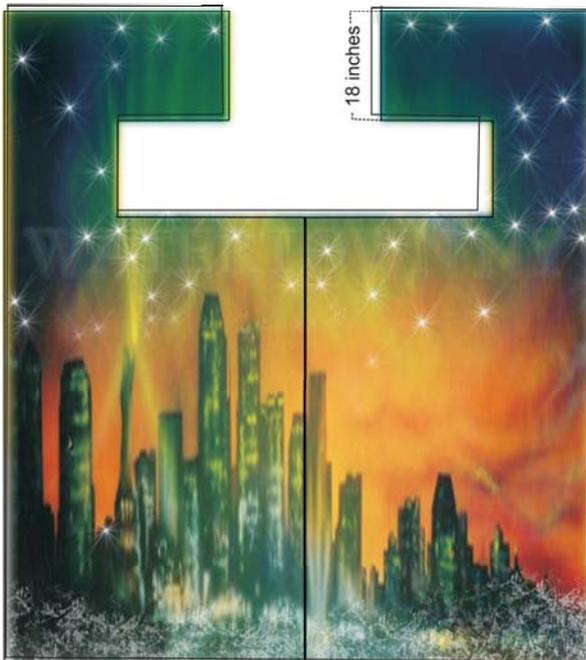
Design I

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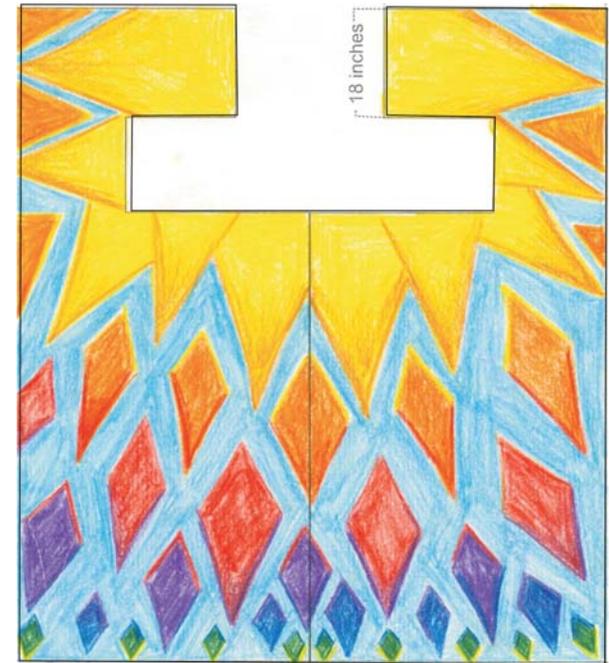
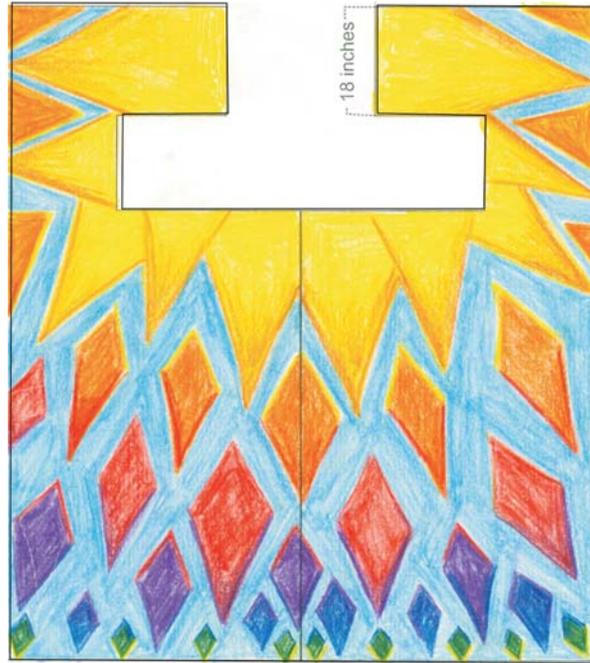
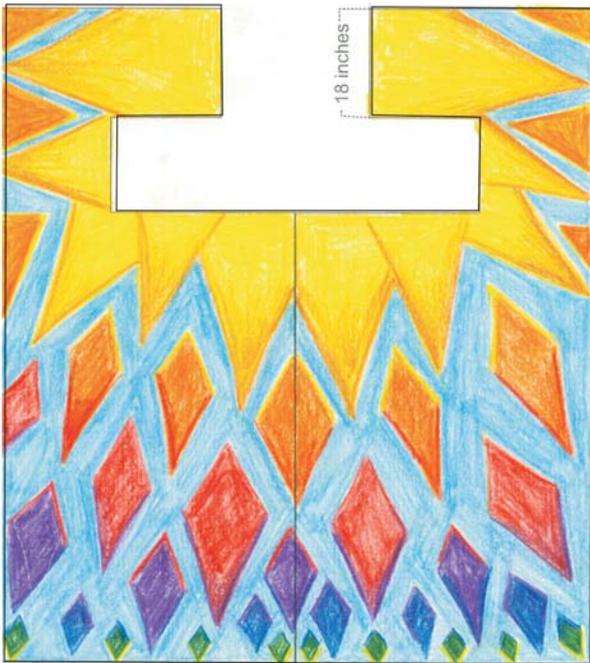
Design J

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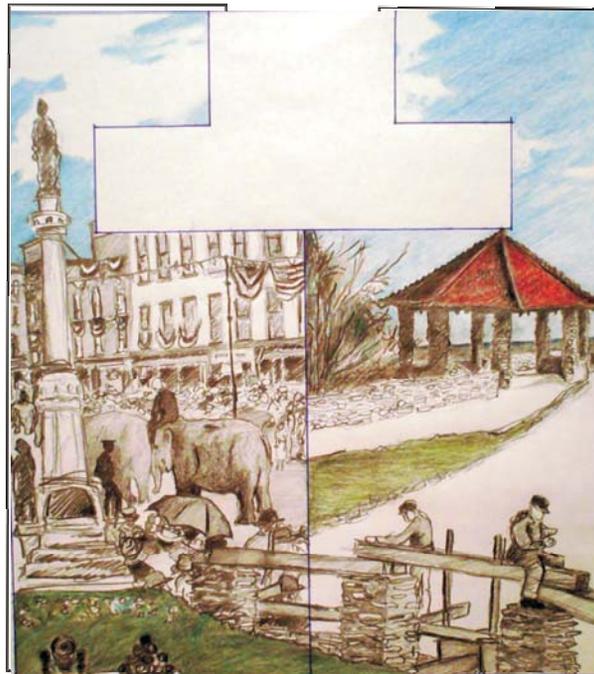
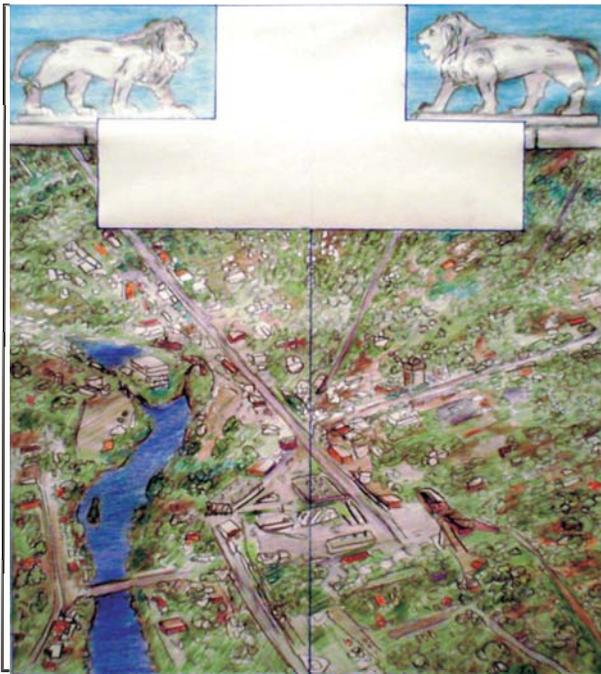
Design K

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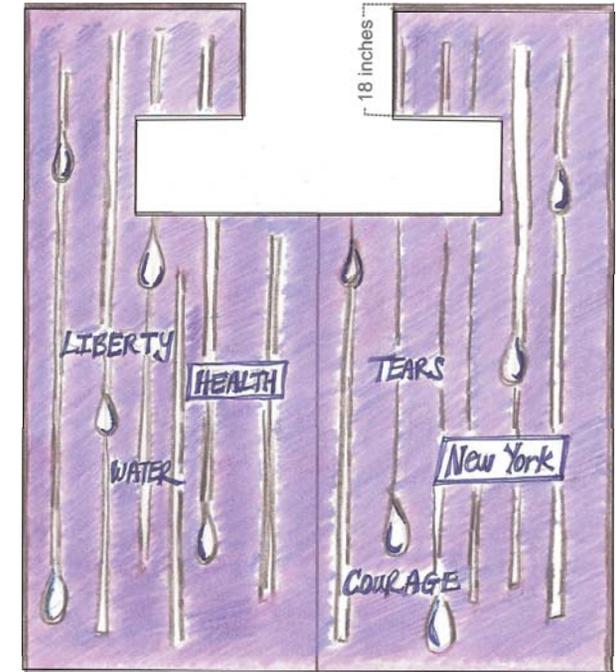
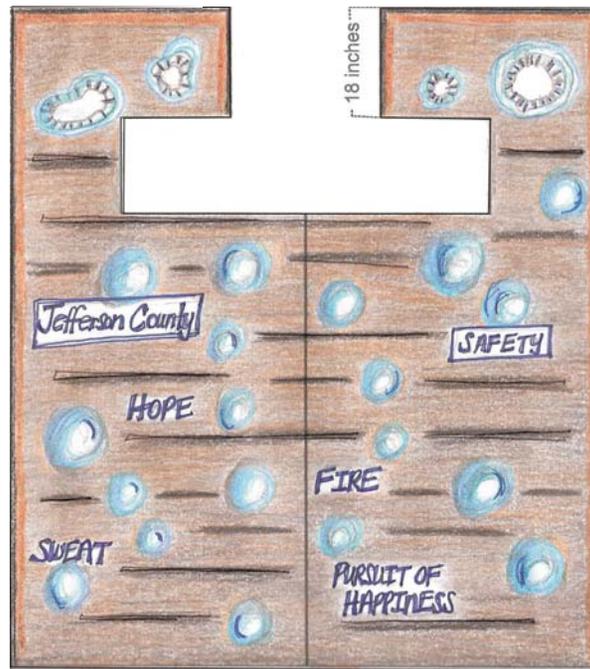
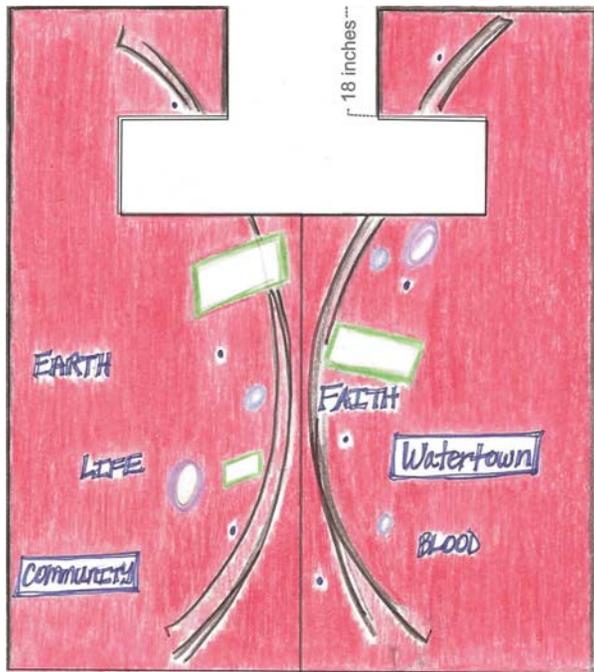
Design L

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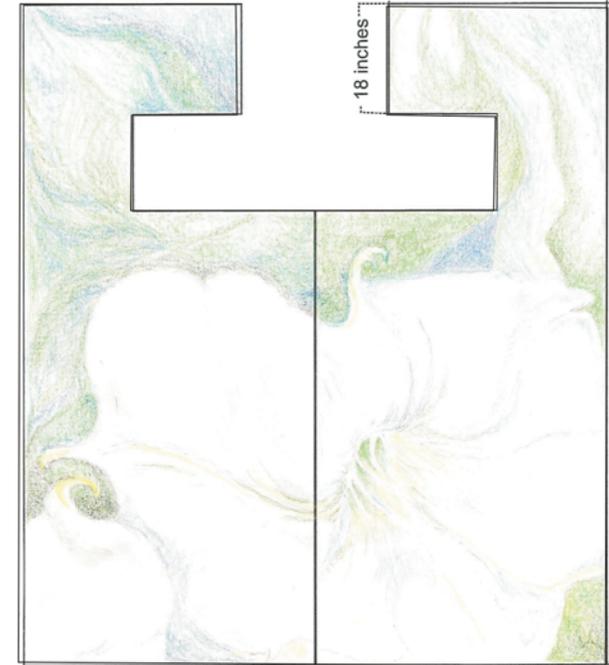
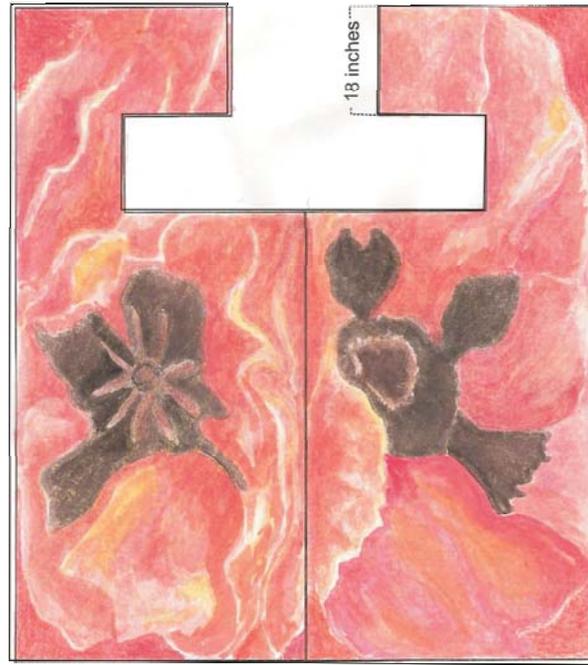
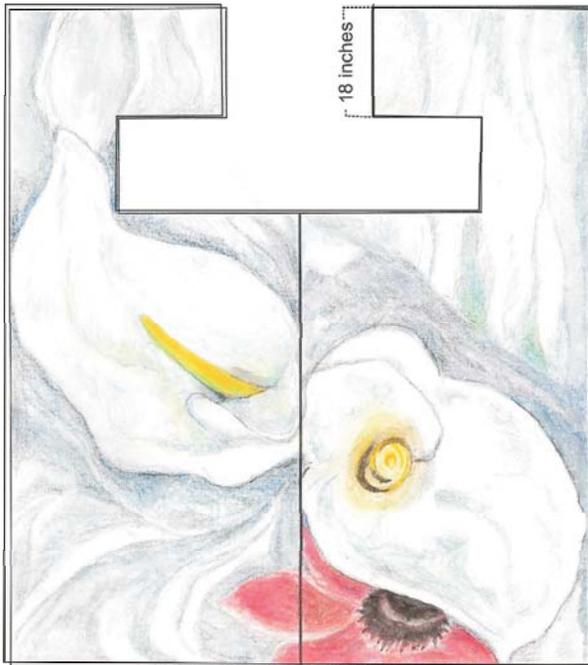
Design M

Three different sides designed.



Design N

Three different sides designed.



July 1, 2010

To: The Honorable Mayor and City Council
From: Mary M. Corriveau, City Manager
Subject: National Grid – Utility Tax – Gross Receipts, Update

As detailed in the attached memorandum from January 5, 2009, in December 2008, City Comptroller James E. Mills received letters from National Grid stating that Niagara Mohawk Power Corporation (NIMO) had erroneously included revenues from electric transmission and distribution service and gas transportation service which did not “originate within the geographic boundaries of the City of Watertown” in its calculation of taxable gross receipts.

The City of Watertown was one of roughly 150 cities and villages across central and northern New York to receive these letters from National Grid. The cities and villages have been working with the New York Conference of Mayors on this issue. Last July, NYCOM notified the impacted municipalities that they had obtained an Advisory Opinion from the NYS Department of Taxation and Finance and since have been working with National Grid to abide by the opinion.

On June 24, 2010, the City received a proposed Settlement Agreement from National Grid for discussion with all of the impacted communities through a series of regional conference calls on July 7, 2010. A copy of the proposed Settlement Agreement is attached for your review. City Attorney Robert J. Slye, City Comptroller James E. Mills and I have reviewed the proposed Settlement Agreement and will participate in the conference call on the 7th.

Following these conference calls, the impacted communities and NYCOM will also discuss the proposed settlement offer and what subsequent courses of actions may be appropriate. As more information is available, I will update the City Council.

nationalgrid

OFFER OF COMPROMISE
FOR SETTLEMENT PURPOSES ONLY
SUBJECT TO C.P.L.R. 4547

Susan Crossett
Vice President
Economic Development/Community Investment

Walter J. Lundahl
Assistant General Counsel

June 15, 2010

Hon. Jeffrey Graham
Mayor, City of Watertown
245 Washington Street
Watertown, NY 13601

**Re: Local Municipal Gross Receipts Tax
Settlement Agreement**



Dear Mayor Graham:

As you are aware, over the past year National Grid has been working to resolve issues arising from the imposition of city and village Gross Receipts Taxes ("GRT") upon the sale and delivery of natural gas and electricity in municipalities such as yours. We have worked with the New York Conference of Mayors ("NYCOM") and other groups to rectify an error discovered in December, 2008 and to build a procedure that will be fair, dependable and workable going forward. We are pleased to provide you with the attached settlement proposal which is the result of those efforts.

Attached hereto is a letter outlining the issues and the proposal that has been developed for resolution of this matter. The letter also includes a settlement stipulation that National Grid proposes to enter into with your municipality.

We plan to hold a series of regional conference calls on July 7, 2010 for the purpose of generally walking through the settlement proposal and discussing any general questions or issues pertaining to the settlement proposal.

We understand that after you and your counsel have reviewed this settlement package you may have questions that relate specifically to your municipality. We invite you to feel free to contact us in advance of the conference calls to discuss any issues or to request any further information that you may need. In addition, submission of your questions to us in advance of the conference calls will allow us to determine if there are common questions or issues that are applicable to the general group and will allow us to have the necessary information available during the call to share with the entire group. **Please call or submit your questions prior to July 1, 2010 so that the**

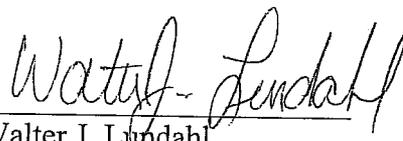
conference calls scheduled above will be both informative and productive.

Thank you very much for your continued cooperation and assistance in reaching a fair and satisfactory resolution of this matter.

Very truly yours,



Susan Crossett
Vice President
Economic Development/Community Investment
(315) 428 5430



Walter J. Lundahl
Assistant General Counsel
(516) 545-4397



OFFER OF COMPROMISE
FOR SETTLEMENT PURPOSES ONLY
SUBJECT TO C.P.L.R. 4547

Susan Crossett
Vice President
Environmental Development/Community Investment

Walter J. Lundahl
Assistant General Counsel

June 15, 2010

Hon. Jeffrey Graham
Mayor, City of Watertown
245 Washington Street
Watertown, NY 13601

**Re: Local Municipal Gross Receipts Tax
Settlement Agreement**

Dear Mayor Graham:

Over the past year National Grid has been working to resolve issues arising from the imposition of city and village Gross Receipts Taxes (“GRT”) upon the sale and delivery of natural gas and electricity in municipalities such as yours. We have worked with the New York Conference of Mayors (“NYCOM”) and other groups to rectify an error discovered in December, 2008 and to build a procedure that will be fair, dependable and workable going forward.

Background:

The issue with local GRT arises over the applicability of city and village GRT, imposed pursuant to General City Law §20-b and Village Law §5-530, to transactions involving the delivery of gas and electric commodity purchased from Energy Supply Companies (ESCOs). Local GRT applies to “bundled” transactions (*e.g.*, transactions where the commodity and delivery service are both purchased from National Grid) that take place entirely within the boundaries of the taxing authority. An ESCO transaction involves the same two components as a “bundled” transaction:— (1) the **sale** of the commodity; and (2) the **delivery** of the commodity. However, in an ESCO transaction, the commodity is sold by an ESCO, whereas the delivery service is provided by National Grid. In every electric ESCO transaction and in almost every natural gas ESCO transaction, the sale of the commodity to the consumer occurs outside the municipal boundaries. As a result, local GRT does not apply to ESCO transactions.¹

¹ State Gross Receipts Tax is applied differently than local GRT and unlike local GRT, is applicable to unbundled transactions.

Time Period 1: In December of 2008, during a routine audit of tax payments made to New York State, National Grid discovered that it had inadvertently remitted to your municipality a portion of the tax collected for New York State GRT on the delivery portion of ESCO transactions in Niagara Mohawk service territory. This error resulted in an improper overpayment of funds to your municipality in the amount set forth below, and an inadvertent underpayment of New York State GRT in the amount of approximately \$13 million over the period from 2005 to 2008. National Grid had not collected any local GRT on the delivery portion of local ESCO transactions and indeed, was not permitted to collect such taxes under its tariffs filed with the New York State Public Service Commission (PSC).² National Grid made payment of the mis-directed amount to New York State, and reluctantly asked your municipality (and the other municipalities which received improper overpayments) for a refund of the overpaid amount. The amount inadvertently remitted to your municipality is listed below under the heading "Time Period 1".

Time Period 2: Effective December, 2008, National Grid recalculated its reportable revenues and discontinued the mistaken and improper payment of local GRT on the delivery portion of ESCO transactions. Although National Grid still felt that local GRT was not applicable to these ESCO transactions, National Grid worked to create a resolution that would be fair to its customers, its ratepayers and the municipalities. In July of 2009 National Grid petitioned the PSC for approval of amended Tariff leaves that would allow it to collect local GRT on the delivery portion of ESCO transactions. That petition was granted by the PSC's Order Adopting Tariff Filing Issued and Effective November 19, 2009. National Grid's Amended Tariff leaves were approved, and effective December 1, 2009, National Grid was permitted to collect local GRT on the delivery portion of ESCO transactions. Until the approval of these amended Tariff leaves, National Grid was still bound by its existing tariffs and was not permitted to recover taxes on the delivery portion of ESCO transactions and, as such, did not remit such payments to local municipalities. The estimated amount that was not remitted to your municipality is listed below under the heading "Time Period 2".

Time Period 3: Effective December 1, 2009, National Grid's Electric and Gas tariffs permit it to collect local GRT on the delivery portion of ESCO transactions. National Grid is currently collecting such taxes and remittance will be made in accordance with local tax requirements, beginning with the next quarterly payment due in 2010. However, National Grid's payment will be "under protest," as it has reserved its right to challenge the validity of the imposition of local GRT upon the delivery portion of ESCO transactions that do not begin and end within the boundaries of the municipality as required by applicable law.

City of Watertown		
Time Period 1	Time Period 2	Time Period 3
Amount overpaid:	Amount:	Local GRT collected and remitted on the delivery portion of ESCO transactions from December 1, 2009 onwards
\$ 184,430.99	\$ 94,000	

² PSC "Order Adopting Tariff" Case 09-E-0548, Case 09-G-0549, Nov. 19, 2009, p.2

Proposal:

While National Grid has taken steps to resolve the issue of its inability to collect local GRT, the filing of amended Tariff leaves that allow it to collect local GRT does not resolve the core issue relating to the applicability of local GRT to the delivery portion of ESCO transactions. Indeed, National Grid's position on the applicability of local GRT is set forth in the PSC Order, and if the applicability of local GRT is ever determined not to be applicable to these transactions, National Grid will request a refund of amounts paid and provide notice of refund to the PSC and submit a petition relating to the disposition of such a refund.³

Although the prudent course of action taken by National Grid involved the filing of revised Tariff leaves, the collection, and the payment, under protest, of local GRT going forward, the questions surrounding local GRT still remain and there is much uncertainty:

- With respect to Time Period 1, National Grid clearly overpaid approximately \$13 million to local municipalities, monies that had not been collected as taxes from ESCO customers and which National Grid was not permitted to collect from customers under its then-effective tariffs. National Grid still maintains that local municipalities should honor its requests for refunds of overpayments of local GRT from 2005 – 2008.
- With respect to Time Period 2, no monies were remitted as National Grid worked to obtain PSC approval to allow it to collect local GRT on the delivery portion of ESCO transactions, although local municipalities still maintain that National Grid should have continued to pay local GRT since December of 2008.
- With respect to Time Period 3, although taxes are now being collected and will be remitted going forward, municipalities face the very real possibility of a refund of these payments should it be determined that the tax laws are not applicable to these ESCO transactions. Any future determination that local GRT is not applicable to these types of ESCO transactions will result in a further obligation on the municipalities to refund payments now being made.

Therefore, in order to bring this issue to a resolution that is fair, dependable and workable going forward, National Grid submits the following proposal which is designed to resolve all outstanding issues without litigation, which clearly is in the best interest of all parties. The essence of the proposal is that (a) your municipality would keep the money that was mistakenly paid to it for the 2005-08 period; (b) National Grid would not be required to remit further monies for the payments due from December 2008 through November 30, 2009; and (c) prospectively, National Grid would collect and pay local GRT on the delivery portion of ESCO transactions.

³ PSC "Order Adopting Tariff" Case 09-E-0548, Case 09-G-0549, Nov. 19, 2009, p.4

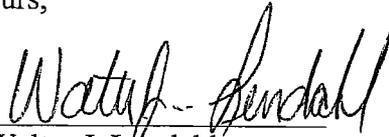
A "SETTLEMENT AGREEMENT" is attached hereto for your review and consideration. If the document meets your approval, have it executed and returned to National Grid by July 30, 2010.

Thank you for your cooperation in reaching a fair, dependable and workable resolution of these issues.

Very truly yours,



Susan Crossett
Vice President
Economic Development/Community Investment
(315) 428 5430



Walter J. Løndahl
Assistant General Counsel
(516) 545-4397

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by and between Niagara Mohawk Power Corporation d/b/a National Grid (hereinafter “National Grid”) and City of Watertown:

WHEREAS, City of Watertown’s code contains a provision imposing local Gross Receipts Taxes (“Local GRT”) pursuant to General City Law §20-b or Village Law §5-530 on certain purchases of certain commodities; and

WHEREAS, when a customer purchases the commodity from an Energy Supply Company (“ESCO”), the commodity is sold by an ESCO, whereas the delivery service is provided by National Grid; and

WHEREAS, in every electric ESCO transaction and in almost every natural gas ESCO transaction, the sale of the commodity to the consumer occurs outside the municipal boundaries; and

WHEREAS, National Grid and City of Watertown dispute whether Local GRT applies to the delivery portion of ESCO transactions; and

WHEREAS, in December of 2008 National Grid requested refunds of improperly remitted Local GRT which was attributable to delivery of commodities purchased from ESCOs; and

WHEREAS, effective December 2008, National Grid recalculated its reportable revenues and discontinued the mistaken and improper payment of Local GRT on the delivery portion of ESCO transactions; and

WHEREAS, National Grid’s Tariff leaves in effect in December 2008 did not permit National Grid to recover taxes on the delivery portion of ESCO transactions and, as such, did not remit such payments to local municipalities; and

WHEREAS, National Grid’s Amended Tariff leaves were approved effective December 1, 2009, permitting National Grid to collect Local GRT on the delivery portion of ESCO transactions; and

WHEREAS, effective December 1, 2009, National Grid’s Electric and Gas tariffs permit it to collect Local GRT on the delivery portion of ESCO transactions. National Grid is currently collecting such taxes and remittance will be made “under protest” beginning with the next quarterly payment due in 2010; and

WHEREAS, the Parties hereto seek to resolve all issues concerning the applicability, assessment, collection and/or payment of City of Watertown’s

assessment of Local GRT on the delivery portion of natural gas and electricity ESCO transactions.

NOW, THEREFORE, in consideration of the mutual promises and agreements made by the Parties herein and other good and valuable consideration, including, but not limited to, the surrender of rights which the Parties may have against each other as set forth herein, the Parties hereby agree as follows:

A. SETTLEMENT TERMS.

1. Subject to the provisions set forth in Section B of this Agreement, National Grid agrees to pay City of Watertown's Local GRT on the delivery portion of natural gas and electricity ESCO transactions prospectively and agrees not to commence a proceeding to challenge the validity and applicability of City of Watertown's assessment of Local GRT on the delivery portion of natural gas and electricity ESCO transactions;

2. Subject to the provisions set forth in Section B of this Agreement, National Grid agrees to waive its claim for a refund of Local GRT paid to City of Watertown for the period from September 1, 2005 to August 31, 2008;

3. City of Watertown agrees to waive its claim to any payments of Local GRT on the delivery portion of any natural gas and electricity ESCO transactions for the period prior to December 1, 2009; and

4. Subject to the provisions set forth in Section B of this Agreement, National Grid and City of Watertown agree to mutually release, defend, indemnify and hold each other harmless from and against any and all claims relating to the applicability, assessment, collection and/or payment of City of Watertown's Local GRT on the delivery portion of natural gas and electricity ESCO transactions prior to December 1, 2009.

B. CONDITIONS SUBSEQUENT.

1. Should any municipality seek to enforce the applicability of its Local GRT (including, but not limited to, City of Watertown's Local GRT) to the delivery portion of natural gas and electricity ESCO transactions, National Grid reserves its rights to defend fully against such actions, including, but not limited to, the right to challenge the applicability of Local GRT to the delivery service provided by gas and electric utilities to customers obtaining energy commodities from another supplier.

2. Should City of Watertown breach this Agreement or otherwise act in contravention of the terms of this Agreement, National Grid reserves its rights to enforce this Agreement and to challenge the applicability of Local GRT (including, but not limited to, City of Watertown's Local GRT) to the delivery

service provided by gas and electric utilities to customers obtaining energy commodities from another supplier.

3. In the event a judicial decision, administrative determination or order, regulation, statute, or local law, or other provision is issued or otherwise becomes effective after the execution of this Agreement by all parties, providing and/or determining that Local GRT is not applicable to delivery service provided by gas and electric utilities to customers obtaining energy commodities from another supplier, or should the PSC otherwise deny National Grid recovery of the cost of Local GRT that it pays to a municipality, National Grid reserves the right to challenge the validity and applicability of Local GRT (including, but not limited to, City of Watertown's Local GRT) on the delivery portion of natural gas and electricity ESCO transactions of any settling municipality retroactive to December 1, 2009.

C. GOVERNING LAW. This Agreement is governed by and shall be construed in accordance with the laws of the State of New York, with the exception of its choice of law rules.

D. BINDING EFFECT. The Parties acknowledge and agree that this Agreement shall be binding upon, inure to the benefit of, and be enforceable against the parties and their respective successors, assigns, affiliates, parents, subsidiaries, agents, servants, officers, directors, employees, and representatives.

E. MISCELLANEOUS.

1. Entire Agreement; Modifications. This Agreement constitutes the entire understanding of the Parties with respect to the matters set forth herein and supersedes all prior and contemporaneous written or oral understandings between the Parties with respect thereto. No amendment, modification, or waiver of any of the provisions of this Agreement shall be valid unless set forth in a written instrument signed by all the Parties hereto.

2. No Waiver. No waiver by any party to this Agreement of any provision hereof, and no failure by any party to exercise any of that party's rights or remedies hereunder, shall be deemed to constitute a waiver of such a provision, right, or remedy in the future, or of any other provision, right, or remedy hereunder, unless that waiver shall be set forth in a written instrument signed by the party against whom that waiver is sought to be enforced.

3. Mutual Warranty. Each party represents and warrants that this Agreement is a legal, valid, and binding agreement, enforceable against that party in accordance with its terms, and that the individual signing the Agreement has the requisite authority to sign on behalf of that party.

4. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

