

**City of Port Jervis  
Finance/Insurance Committee  
Minutes for Meeting May 15, 2019**

Present: Committee Members Kristin Trovei, David Bavoso, Lisa Randazzo and Dominick Santini. Also in attendance were: Mayor Kelly Decker, George Becher, Maria Mann and Robin Waizenegger City Clerk-Treasurer.

Absent: None

Finance meeting opened at 6:07 p.m. Chairperson Kristin Trovei opened the meeting with the pledge of allegiance.

**Public Comment:** Mr. Peter Zhang whose property was destroyed by fire indicated that he was far away when the fire occurred and he has been charged \$794 for the City to install panels on the house. The Mayor indicated that after a fire the owner is responsible to secure the property and if an owner cannot be located the DPW secures it and bills the owner. He asked why he could not do it a few days late. The Mayor indicated that by Code it must be secured as soon as the fire investigator releases the scene.

He questioned the source of the costs billed. Mrs. Trovei indicated that we bill for the cost of supplies used and the labor cost with fringes. Mrs. Waizenegger will send the details of all costs to the Council and the owner and his request to reduce or delete bill will be reconsidered at the next Council meeting.

Mr. Zhang also questioned the tax basis of house and trying to get it lowered due to the fire. The Mayor explained that the assessment from the prior year is used for the current tax rate. Mrs. Trovei recommended to Mr. Zhang that he go to grievance day on May 28<sup>th</sup> with our assessor for more clarity and to make an appeal for change.

The Mayor addressed Laura Myers and suggested that they discuss the purchase of a stage versus rental. Various options were discussed and if it was worthwhile to repair/modify the existing stage or even if a portable stage is necessary given the amount of money to be invested. It was suggested that we borrow the Orange County owned stage or do a daily rental if absolutely necessary.

The Mayor will discuss the issue with Jack Farr as a portable stage is used only a few times a year and the investment may not be worthwhile. It was noted that any option must be ADA compliant.

**Insurance Renewal** – Mr. Robert Stubbs of Marshall and Sterling was present to brief the committee on the renewal proposal for coverage. There are three proposals which were forwarded via email to the Council members that are available to the coverage requirements. Those carriers are Trident our current carrier, Travelers a previous carrier and a new carrier Tokio-Marine. The highest cost proposal is the incumbent Trident which is currently \$288,000 but is proposing an increase to \$313,000 as a result of some potentially large claims that have come in recently. Travelers has come in at \$280,000. Tokio-Marine HCC is part of the group including US Specialty, which will underwrite most of the coverage lines, has come in at \$244,000.

Mr. Stubbs explained that there is some changed where they moved items such as park memorials to the inland marine versus property and moved some larger DPW Equipment to the Equipment listing versus motor vehicles which allow replacement coverage. One coverage limitation from Tokio that is a reduction of coverage is the limitation of one million on the zoning, planning, permitting and building inspection. These claims would not have the umbrella apply. Mr. Stubbs questioned if there was any major development pending which would make this a concern. The members indicated there was not.

Mrs. Trovei asked about the cyber security coverage. Mr. Stubbs indicated that it is not presently available but will be shortly and can be added by endorsement when it does become available.

Mayor Decker indicated that there is a concern about training but with the savings that could be addressed.

Mr. Bavoso asked if these other companies had more knowledge of the recent claims, could their quotes have been higher. Mr. Stubbs indicated that it was certainly possible.

Mr. Stubbs indicated that there is one improvement in the area of defense for non-monetary claims in that there is \$25,000 of coverage for defense of those claims, such as article 78 claims.

It was discussed that we value the Trident on-line training and the committee asked Mrs. Waizenegger to attempt to obtain the on-line training for us directly as a City and for our agent to explore more training options with Tokio. Should the combination of direct contracting training and insurance through Tokio still result in savings then the coverage with Tokio would be preferred. If the on-line training is not cost effective directly then the 2<sup>nd</sup> option would be Travelers who also provide the on-line training. Mrs. Waizenegger indicated that her experience from a claims perspective have been consistent between Travelers and Trident.

A motion was made by Kristin Trovei and seconded by Lisa Randazzo to go with Tokio-Marine if the training component can be worked out effectively and cost efficiently and to use Travelers as a second option should the training component not be cost effective.

All members present voted in favor.

**Old Business:** Mrs. Trovei indicated that she explored the possibility of joining the County which seems difficult. Therefore the City will attempt to contract independently with the auction vendor. It was noted that an independent auction company is preferred to alleviate any appearance of the City having control over the bidding and marketing process.

Mrs. Trovei received quotes for 4 different companies ranging from \$0 to \$6000 for a review and update of the employee handbook. The zero dollar quote was more about adding forms as opposed to reviewing the handbook. She has not yet met with the committee regarding the proposals and goals. It was noted by Mrs. Waizenegger that there is a time limit on the sexual harassment updates and that we already have an update from our labor attorney. The committee requested that Mrs. Waizenegger add the sexual harassment update and re-issue the handbook to get it into compliance for now and then a plan will need to be put into place for an on-going process.

The financial audit is in process and right now targeted for completion sometime in June.

It was noted that the part-time code enforcement officer is in the budget and we will proceed from there.

Mrs. Trovei was contacted regarding drainage issue on Hornbeck Avenue. She addressed the issue with the DPW Director. Mr. James Farr, city engineer, indicated that the puddling dissipated with 24 hours and really is not a major concern. The DPW will begin by cleaning out the drains and basins.

Mrs. Waizenegger indicated that she received a written update from Stanley Siegel that Water's Edge has been asked to the appropriate curb cut but he does not have a response yet. Mr. Siegel will forward a response when received.

With respect to the drainage issue at Gordon Street there needs to be a meeting with the owners and negotiations regarding rights-of-way upon the return of corporation counsel from vacation. City Engineer James Farr stated that they are still looking at options and does not have a cost estimate yet.

**New Business:** Mrs. Waizenegger will send out a copy of the detailed invoice and backup on 18 Erie Street for everyone's review before the Council meeting.

The Towing Fee Increase is also code committee agenda item. It was noted that the fees have not been raised in years. The finance committee has no problem with the raising of the fees which can be raised by resolution. They are deferring to the Code Committee on this item with the finance committee's recommendation to raise the fees but leave it in the hands of the Code committee to review the law aspects.

A motion was made by Kristin Trovei and seconded by Dominick Santini to put forth to the Common council a resolution to increase the towing fees.

All members present voted in favor

Mrs. Trovei indicated that Valerie Maginsky has identified a Natural Land Grant for \$10,000 with a \$2500 match which will provide funds for the White Water Kayak Project for continued permitting work. Mayor Decker had indicated that he felt the Council is at a point where they are not willing to put additional monies into this as it seems to have become a never ending process. We cannot predict if these monies will resolve all the study issues necessary. The committee debated the pros and cons of proceeding. Most members agreed to proceed only if the grant monies can be obtained along with an estimate of the study required so that the City will know that the costs will all be covered by the grant.

Mrs. Waizenegger presented the renewal proposal with respect to the actuarial work for GASB 74&75 which are now the new pronouncements pertaining to OPEB. She recommends renewal due to the reasonable fee and the excellent past performance of USI.

Mr. James Farr presented the cost estimate for the demolition of 19 Owen Street which is condemned of \$38,000 plus asbestos which will raise the cost to \$45,000. As there is no eminent danger of collapse the demo will be looked at further before proceeding. It was noted that there are two other city owned properties pending demolition costs as well whose demolition costs will be greater.

A lump sum cost contract proposal from James Farr to provide the Administrative services as the Acting Building Inspector and Code Enforcement Director at \$5000 per month was presented for the committee's review as opposed to paying an hourly fee. Included in his fee he wants to do a review of our fee structure to attempt to recoup some of his expenses. He explained how is handling the administration of the office and the duties. He stated that he is willing to do the work on a temporary basis. The committee will recommend the fee schedule to the Council.

Mrs. Randazzo summarized a letter from a homeowner requesting a waiver of the vacant building fee. The Mayor suggested it be forwarded to the Council as an executive session item.

**Public Comment:** none

**Executive Session:** none

The meeting was adjourned at 7:30 pm. Next month's meeting - June 19<sup>th</sup> at 6:00pm.