

**City of Port Jervis
Finance/Insurance Committee
Minutes for Meeting August 28, 2019**

Present: Committee Members, Kristin Trovei, Lisa Randazzo (late arrival) and Dominick Santini. Also, in attendance were: Mayor Kelly Decker, Maria Mann and City Clerk Treasurer Robin Waizenegger.

Excused: David Bavoso

Finance meeting opened at 6:00 p.m. Chairperson Kristin Trovei opened the meeting with the pledge and requested that public comment be received after the scheduled presentation.

Presentation – Mrs. Trovei introduced Richard Iannella and Tom Sprague from Badger Meter systems to provide information regarding the replacement of meter reading equipment.

The representatives from Badger Meter gave a brief history of meter reading systems and the changes in technology. He noted that the present system that we have is no longer supported due to software changes. He noted that what was originally expected to have a maximum life of 10 years but have lasted 16 plus years in place and operational. They have moved to cloud based software and it requires a cellular based reading system. This will eventually allow customers to view their usage via the internet. The new system will allow monitoring at the maximum rate of every 15 minutes as opposed to quarterly monitoring as we do now. This system can also be set to send alerts to owners directly.

Mr. Farr spoke about the need for additional cellular components to make the equipment work. The Badger representative indicated that they have sent our area out for evaluation to find out. Mr. Farr also indicated that not all meters need to be replaced since we have such good quality water that only the heads will need to be replaced and not the meter.

Mrs. Waizenegger noted that we will be doing a staged implementation with the priority of first installations being commercial customers as they are the customers billed by usage at present.

Mr. Iannella also reviewed alerts that can be set on the system with respect to over and under usage and the actions to be taken in each case. Mr. Farr indicated that the costs are about \$300 per household and commercials are higher. It was noted that approximately \$18,000 is the upfront software cost and total cost for all installation is approximately 1 million for overall for equipment and another \$500,000 for an outside installer.

Linda Van Horn asked if we have checked with other vendors. Mrs. Trovei indicated that we have not and Mr. Farr explained that if you went with another vendor it would be much more expensive as all equipment would have to be replaced rather than possibly just meter heads.

There was a discussion regarding the ultimate goal of billing by the rates and the cost of equipment replacement every 10 years that will have to be passed on to consumers.

Mrs. Van Horn questioned available grants versus rate increases. It was noted that the original installation was done via grants on the condition meters were installed for leak detection but there was never a requirement to bill on usage. It was also clarified that to obtain any future grants are dependent on us raising the amounts charged for water and sewer regardless of the basis for billing.

A member of the public asked who sets up each account for access via the internet for all 3000 plus accounts. It was noted that work will be required of the clerk's office and by the consumer.

Public Comment - Mrs. Linda Van Horn asked about the cost of the City dumpster cover. Mrs. Waizenegger indicated that it was approximately \$9,000 plus from her recollection. The Mayor gave a short history of that area and indicated that mostly it was about aesthetics. There was a recommendation from former Assessor Yvonne Duryea to collect \$800 per

year. That however was not implemented and is being re-visited as a possibility to charge to vendors who use the enclosure.

Mrs. Van Horn questioned if the dumpster area was covered by the city insurance and is it driving premiums up. Mrs. Waizenegger responded by indicating that as City owned property it is covered just as any other city owned property is and that it is not driving the premium up. She noted that premiums tend to be driven upwards by claims directly made on the City and the occurrence of claims and awards throughout government as a whole industry.

Mrs. Van Horn questioned what costs the taxpayers will be absorbing related to the proposed annexation. Mayor Decker indicated that the City intends to bill the costs to the property owners.

She asked who the Ethics officer is for the City. Mrs. Waizenegger indicated that at present there is not one designated. At present it is the understanding that an ethics officer is not mandated by NYS but rather recommended. Mrs. Waizenegger did review the process used during the financial audit regarding conflicts of interest.

Current Issues:

Ramp – Mr. Farr reviewed the history around the ADA walkway area near the Erie Trackside and the small amount of rainwater that can collect since additional road and crossing work has been done. It was noted that to fully raise the area the cost would be \$3,850. Mr. Farr indicated that a lot of these type of accessways tend to puddle by the very nature of their design. Mrs. Trovei asked if the walkway was still ADA compliant. Mr. Farr indicated that it is. Mrs. Trovei indicated that, as the walkway is still compliant, she would not recommend this spending. The Mayor indicated that if further grant monies are obtained for additional sidewalk work that it could potentially be addressed at that time.

Brush Pile – Mr. Farr informed the committee that the brush pile can no longer be burned, and the pile is now full and will require us to chip it to remove it appropriately as suggested by the DEC and to make it available to citizens. He has received a time sensitive quote from a vendor that is currently doing work in the area of approximately \$11,000. Mrs. Trovei indicated that she will recommend this action to the Council out of contingency funds. This will be required to be repeated every 5-6 years going forward.

Rehabilitation of Franklin Street – Mr. Farr indicated that he did a quick review of the Franklin Street storage building due to complaints from the neighbors. He indicated that to do a facelift to the building he estimates at approximately \$18,000 with the DPW doing some of the work and subcontracting most of it. The Acting City building official noted that he receives comments from homeowners that are cited for repairs that this building should be ticketed too. The mayor asked if this could be done using underutilized snow funds. Mr. Farr said he would review those accounts. Mrs. Trovei indicated that she will take this to the Council as well.

Building Department Vehicle – Mrs. Waizenegger noted that during the process of reviewing vehicle purchases for financing in 2020 that there is a rental vehicle in the building department that she would recommend doing a buy out rather than to continue rent. The committee agreed that she should pursue this action.

IT - Mrs. Waizenegger reviewed the overall IT systems upgrade and noted that the software company is scheduled to come to the next department head meeting. Therefore, any issues should be reported to a department head for the meeting. She also noted that we need to get in the habit of putting in direct support tickets to Spinnertech. She also noted that she is encouraging Spinnertech to send out email blasts as well.

HR RFP – Mrs. Trovei disseminated a draft and has received a couple small edits back. The RFP should be ready for release at the next Council Meeting. Mrs. Trovei reviewed most of the services we are requesting in the RFP for the public present.

Fire Inspector - The Mayor asked to review an old business item regarding the fire inspector as the Fire Chief and the part-time inspector. He noted that the Council is supportive of moving to a full-time inspector in the 2020 budget, but he needs information on the fees to offset the expenses. The current inspector, Bob Brady, reviewed the current work and process. The Mayor stressed the importance of correctly projecting revenues and used the example of sales tax. It was also noted that the civil service test for the inspector is scheduled for October.

Audited Financial Statements – Mrs. Waizenegger indicated that she has received the final draft of the audited financials and will receive the finals tomorrow for filing them as required with various entities. The financials will be reviewed by Alan Walther from Bonadio at the September 18th meeting. Also, as soon as the financials are received, she will get the process of renewing the BAN for the bridge.

Cash Flow – Mrs. Waizenegger indicated that September is always a time when our cash flow is tight due to the timing of the serial bond payments versus receipts of funds. She indicated that she did not get to complete the full cash flow documentation due to the interruption of the IT Upgrade. She will forward it to the members when completed. She noted that the Ban is assisting with the FEMA expenses of 1.7 million and its impact on cash flow. She also noted that the inter-funding borrowing has been cleaned up in August as it is a requirement that the Capital Fund have no interfund borrowing for 30 days per year. She also noted that the NYSDOT has been real cooperative in turning around the claims for the bridge which is helping.

2020 Budget – The target is the month of October to have departmental submissions in to finance and a Mayor’s budget in process. Included in the requests for information from department head are any Capital Note items, Vehicle Replacement needs and Serial Bond requests for consideration.

Old Business - None

New Business – None

Public Comment: Mrs. Van Horn indicated that she does not want the City to issue a Capital Note in 2020 and wants it included in the budget. It was explained that the decision to issue a note or include capital expenses will be made during the budget development process and will be dependent on the overall tolerance for tax increases.

Mr. DeGroat asked how much property the Mayor said he was going to sell on Farnum Street at the council meeting 4 years ago. Mrs. Trovei indicated that she will research this issue as necessary.

A member of the public asked if there will be public budget meetings. Mrs. Trovei indicated that the budget workshops will be scheduled after the Mayor submits his budget to the Council.

Mr. DeGroat asked if the City attorney has forwarded to the Council members a letter, he sent to him requesting a purchase of City property. Mrs. Trovei indicated that he has not forwarded any request to her.

Executive Session: None

The meeting was adjourned at 7:40 pm. Next month’s meeting – September 18th at 6:00pm.