

**City of Port Jervis
Finance/Insurance Committee
Minutes for Meeting January 15, 2020**

Present: Committee Members, Kristin Trovei, Lisa Randazzo, Dominick Santini and Gerald Oney Jr.. Also, in attendance were: Councilmembers Timothy Simmons, Stanley Siegel, Maria Mann, Mayor Kelly Decker, James Farr City Engineer and City Clerk Treasurer Robin Waizenegger.

Excused: none

Finance meeting opened at 6:00 p.m. Chairperson Kristin Trovei opened the meeting with the pledge and invited any member of the public to speak.

Public Comment – None

Cash Flow: Mrs. Waizenegger indicated that a payment was received from NYSDOT that included some long overdue Marchiselli funds, but those funds will be going back out immediately to the bridge contractor. She noted that cash flow will be tight until City Tax collections commence in earnest in April of 2020. She believes that she can get us through without issuing a Revenue Anticipation Note but it will be tight, and it will be critical that the bridge work be slower aka less funds being disbursed. She noted that while the office is very busy handling cash receipts for County Taxes none of those monies are ours and are Trust and Agency funds.

Insurance Renewals – Mrs. Waizenegger indicated that the renewal application has been done and submitted to VFIS for renewal. We went out for bids last year and will be renewing with the existing carrier this year.

2020 Serial Bond – Mrs. Waizenegger stated that she wants to add to this agenda item the 2020 Capital Note. She distributed a copy of the 2020 Capital Note requests (Page 23 of the Budget). She stated that approval of this smaller note should be done soon to have it financed no later than early April. The committee reviewed the list and had questions on two items. The security camera at the filtration plant and the True Narc Test Kit which will be referred to the department heads and the committees for clarification. Input from the committees should be relayed to the finance committee for their February meeting with possible Council vote in late February.

Mrs. Waizenegger gave the committee a listing of the serial bond requests from the departments totaling \$4,733,900. As there is no retiring debt to offset the cost of this new issuance the payment costs will have to be added to the budgets in the next year. Depending on principal and interest rates and final issuance it was estimated that the impact will be in a range of 2.1-3.2% increase to the tax rate. It was noted that timing for the bond will be June or July because the rating agencies will want the 2019 financials for rating purposes. Mrs. Waizenegger noted that we are still significantly under our debt limits per NYS calculations. The members will take the serial bond requests back to their committees for review to finalize the bond requests.

Mrs. Waizenegger reviewed the items requested for the Clerk and Assessor as there is no other committee but this one to address these items. She noted that unfortunately there are issuance costs and she has estimated the increased city share of the bridge project warning that there are still a lot of unknowns. She also noted that there has not been a re-assessment since 1989. Committee members agreed that a re-assessment is long overdue.

Old Business:

Engineering /Survey for Beach Road, Ryan Street and Reservoir Spillway – City Engineer James Farr informed the committee that at the Beach road site there was a catch basin installed to the brook in an attempt to assist the property owner and he visited at several heavy rain events and there was no accumulation of water or washout. Since then the private owner has dumped a load of fill material from the bridge project under the trestle on the up-stream side of the

catch basin such that the new material may make the catch basin not functional. As this is private property and the actions of a private owner Mr. Farr recommends that the City take no action as it is the responsibility of the property owner. Committee members questioned the modifications to the natural water flow and involvement of outside agencies. It was recommended by the committee that no action be taken as the liability is on the private property owner due to his construction of a berm.

With respect to Ryan Street and the Auchmoody property. It was explained that water drainage off Ryan Street through Sutton Garden Apartments' parking lot out the back through a drainage pipe that discharges in the rear of the development to a relatively flat area and it meanders through and eventually drains into a culvert under Culvert Street and into Cole Brook. The issue is at the flat section of property where there is no defined drainage it ponds and becomes stagnant. The area of natural runoff is problematic to the property owners re: smells and mosquitos. Mr. Farr indicated that a remedy cost to dig a trench would be \$30,000 if done informally in-house and double or more if bid externally. It is undetermined if the City has any liability for this issue and that it is private property. The Mayor noted that the DPW has no time available in the upcoming construction season due to the sewer project. The committee put the issue on hold for more information as to responsibility for the drainage.

Mr. Farr reported on the reservoir spillway that a lot of areas are in need of attention and reconstruction however the estimated cost of repair is currently 5.4 million dollars. Accessibility is also an issue with making any repairs. Also, it was noted that many homeowners have added to the spillway walls themselves. Mr. Farr indicated that the spillway is not in danger of immediate collapse but that there needs to be a long-term plan. The only way to get monies immediately is if a major storm event does major damage in order to get FEMA funding. It was noted that it may be cheaper to buy the 8 homes that are adjacent and tear them down. The Mayor and Council will continue to look for funding resources.

Vehicle Plan - The vehicle purchases were authorized at the 1/13 Council meeting.

Property Auction Update – Mrs. Waizenegger reported that last property to a back-up bidder has been paid for and the paperwork is being completed. She reported that the auction company was very good pre-sale and at the sale, but they failed to process to subsequent paperwork well requiring multiple times having to re-do the paperwork.

Tax Lien Update – 110-112 Jersey in currently in tax lien and the owner has offers to deed it over to us instead of having it go through the whole tax foreclosure process. We have ordered the title searches and if it comes up free from liens the City counsel advises that we could consider such a transfer. If it is not free of liens, we would not want to do that.

223 Jersey has an offer to purchase from the adjacent property owner to merge with their property for a driveway. Mrs. Waizenegger presented an estimated market value from the assessor and the condition of a large tree on the property. The lot is not buildable on its own. The committee debated the offer and gave the City Clerk Treasurer a counter-offer to present subject to Council approval at the 1/27 meeting. It was noted that historically the City has typically sought out adjacent owners for resales of vacant non-buildable lots to add to their existing parcels and increase their property value and usefulness.

Mr. Simmons indicated he had to leave for another meeting.

Annexation – The Mayor brought up the contract with Barton & LoGiudice which has been forwarded to council members and will be up for approval at the next Council Meeting. He asked if there were any issues before Mr. Simmons left. No issues were raised.

29-31 Front Street – Mayor Decker informed the committee that the foreclosure action and deed transfer is complete on 29-31 Front Street and the City owns the building. He is seeking guidance on how to process a sale of the building. He stated that he has two interested parties. Mrs. Waizenegger proposed an RFP process for the rehabilitation and development of the building versus just advertising the sale of the building. That way a party would have to come to the table with development plans. The committee, full council and city attorney will have to review the method of marketing the building. Mrs. Waizenegger suggested using the CDA Director's expertise in pulling something like this together. It was

noted that time is of the essence to prevent further deterioration of the building and continue the revitalization of downtown.

Tax Lien Update continued - An offer of purchase was relayed to the committee with respect to 89 Hammond from the adjacent property owner who came in today. The committee reviewed the offer along with maps of the current properties and sent a counter-offer back for Mrs. Waizenegger to negotiate.

There are two properties from the 2017 Tax liens that are occupied. They are 38 Railroad Circle and 39 Church Street Unit 21. Mrs. Waizenegger stated that 38 Railroad are tenants of the former owner and are being cooperative. The occupants of Unit 21 are the former owner and 4 other persons of unknown relationship to the owner plus a pet ferret and are not likely to be cooperative and the condition of the property is likely to be worse. The tenant indicated that there are maintenance issues in the condo. Also, the condo comes with a homeowner's association. Mrs. Waizenegger will be attending the HOA meeting on Sunday 1/19/2020. She has already been informed that there are major issues with the HOA.

Mrs. Waizenegger informed the committee that the property owner adjacent to 1 Grandview which we own from the 2017 tax lien sale has asked permission to place a construction debris dumpster on the front lawn of 1 Grandview temporarily for a few days sometime this spring as he will be renovating the adjacent property and does not have sufficient room to place a large dumpster without blocking the street. The committee indicated that they have no issue with this temporary use as the city property is vacant. A certificate of insurance will be required.

Water Meter Replacement Update – Software testing for the upload of data to the billing system in the Clerk's office is completed. Training on the new software is set for March 3rd and 4th. The ordering of PC's and/or tablets for reading is being done by DPW and hopefully we will be able to read meters electronically again for the 2nd Q billing as doing it manually was painful.

HR Recap – Due to the contractual negotiation for HR service this item will be deferred to executive session.

New Business:

Surplus Vehicles/Equipment - Mrs. Trovei confirmed that we are receiving information from the departments regarding surplus vehicles and equipment to sell them at a future date. We do not have all the department information yet.

Executive Session: The committee adjourned to executive session for the purpose personnel issue in the building Department and Human Resource contractual negotiation. Meeting adjourned at 7:35pm

The meeting was reconvened at 8:08 pm.

The Mayor requested that the City increase the annual contribution to the Upper Delaware scenic byway from \$250 per year to \$500 per year. The committee did not have any major objections but referred it to the Council for a vote.

The Mayor reviewed with the committee the purpose of the contract with the Orange County land trust for the purchase of watershed property via the Trust which will be at no cost to the City.

The meeting was adjourned at 8:12 pm. Next month's meeting – February 19th 6:00pm.