

City Council Finance Committee Meeting Notes

Tuesday, October 28, 2014

7:00PM

Hurley Building

Present: Finance Committee members: Taylor, Terwilliger, White
Council members: Boni, Bucci, Mayor Polimeni
City Staff: City Manager Forrest, Assistant City Manager Goodwin,
Clerk/Treasurer Abdallah, City Attorney Smith, Public Works Director
Sprague, Watershed Program Manager Olvaney

1. Property Tax Freeze Credit

Robin Johnson, Ontario County Real Property Tax Director, outlined the 2014 NYS legislation that impacts municipal tax levies, including the City of Canandaigua, for the 2015-2019 calendar/fiscal years. For the first two years, the provisions allow for rebate checks from NYS to qualified owners of principal residences essentially equal to the increase in their municipal property taxes from each municipality (town, city, county, school district, and special independent districts) provided that 1) the municipality's property tax levy stays within the allowable tax levy cap and 2) the municipality has no override legislation in place for each of the two years. Year 2 requires, in addition, that the municipality has an approved efficiency plan in place to reduce costs through inter-municipal cooperation with neighboring municipalities. For the City, the plan must be submitted to NYS by June 2015. If in compliance, City of Canandaigua owners of principal residences will receive City rebates from NYS in October 2015 and October 2016.

The following three years of the program, 2017-2019, will require demonstrated savings on the part of municipalities referenced to the 2014 levy in order to comply. Details are not fully defined at this time.

Action Taken: None, this was an information-only topic.

2. Recommended 2015 Budget

City Clerk/Treasurer distributed and reviewed the highlights of the City Manager's 2015 proposed budget – covering the three major funds (General, Water, and Sewer) as well as the other smaller funds, including the Capital Reserve Fund associated with the General Fund. For all three major funds, the proposed budget is based on status quo – continue services at 2014 staffing and service levels.

For the General Fund, it was proposed that spending increase 1.69% (driven by inflation) and to support this level of spending, a property tax levy increase of 3.98% and associated property tax rate increase of 2.13% would be necessary. This proposed levy increase is equal to the City's 2015 property tax levy cap. Water Fund spending is proposed to increase 1.64% but the budget can be supported with no increase in the water bill rate. Sewer Fund spending is proposed to decrease 12.18% but to support the budget, the sewer bill rate will need to increase 8.40%.

Action Taken: None. Council will consider and shape the ultimate 2015 budgets in a series of four budget workshops during the month of November and will present a final draft to City Council at the regular City Council meeting on Thursday, December 4.

3. Budget Amendment Request for Code Enforcement Vehicles

City Manager Forrest and City Clerk/Treasurer Abdallah proposed the purchase of two new compact vehicles for our code enforcement officers through NYS contract at \$16K each. It was stated that the current vehicles, both former Police Department vehicles, are now out of service and no longer road-worthy, no longer worth the cost of ongoing repairs. Funding would come from the City's capital reserve fund. Average annual mileage was estimated to be about 2,000 miles/year each. The model presented was to operate the vehicles for about 3 years, then trade in for new.

Committee members questioned the wisdom of new vehicle purchase vs. alternatives such as leasing, personal auto use with reimbursement, limiting the fleet to one vehicle, and consideration of the purchase/lease of green vehicles.

Action Taken: None. Committee asked staff to consider the alternatives offered vs. the original proposal and report back.

4. Switchback Trail

Watershed Program Manager Olvaney and Public Works Director Sprague presented a proposed remediation plan to better protect City residents from the increased traffic noise and visual privacy degradation resulting from the creation of the new trail adjacent to Routes 5 & 20, east of Middle Cheshire Road. The proposal is to plant about 40 spruce trees at a 10-15 ft. spacing and 100-200 willow cuttings at a 1-2 ft. spacing along the southern perimeter of the switchback portion of the trail. Cost of materials for the former is about \$100/tree and no cost for the latter, as the willows will be harvested from the Town's Outhouse Park. It is proposed that the Town of Canandaigua and City of Canandaigua partner in providing in-kind labor. The work is proposed to be carried out in the March-April 2015 timeframe.

A possible additional interim action to provide additional shielding while the new plantings have time to grow is to add privacy screening to the existing chain-link fence at a cost of about \$1.25-\$1.50/foot for about 200 feet.

Allocation of out-of-pocket costs to the Town and City is yet to be determined. Also, a \$1,000 NYS DOT grant may be available.

Prior to committing, the City will convene a group of interested City-Town residents to review the plans and offer recommendations. Mayor Polimeni will convene the citizen's committee.

Action Taken: None, pending review by the citizen's committee and final discussions/agreements with the Town of Canandaigua.

5. Canandaigua Lady Mooring Permit

City Manager Forrest reviewed a request from the owner of the Canandaigua Lady to again moor the boat adjacent to the northwest section of the City Pier for the 2014-2015 winter at the cost of \$500, same as in previous years.

Action Taken: Committee agreed 3-0 to approve this request, subject to the same conditions as in previous years, and recommend its approval by the City Council in the form of a resolution at its next meeting.

6. Water Treatment Chemical Bids

Public Works Director Sprague recommended approval of the following lowest responsive bids for the purchase of chemicals for the 2015 year: Sodium hydroxide solution at \$2.15/gal from Amrex Chemical, PACI solution at \$1.77/gal from Kemira Water Solutions, Chlorine at \$0.375/pound from Jones Chemicals, and hydrofluorosilic acid at \$3.744/gal from Slack Chemical Co.

Action Taken: Committee agreed 3-0 to approve this request and recommend its approval by the City Council in the form of a resolution at its next meeting.

7. Reassignment of HUD Mortgage

City Attorney Smith reviewed a request to reassign the HUD mortgage at the former Steamboat Landing property from its current assignee, Sarah-Frank LLC, to a new assignee, Finger Lakes Resort LLC, which is jointly owned by David Genecco and Robert Murphy. This request reflects the change in ownership of the new hotel-conference center project from Mr. Genecco to the new partnership. It was noted that mortgage payments are up to date. Such a change will still need HUD approval following the City's approval.

Action Taken: Committee agreed 3-0 to approve this request and recommend its approval by the City Council in the form of a resolution at its next meeting.

The meeting was adjourned at 8:50PM. There is no Finance Committee meeting scheduled for November 2014 as the month of November will be spent in a series of workshops developing the 2015 City budget.

Respectfully submitted,

James Terwilliger
Finance Committee Chair