

**MINUTES OF THE MEETING OF THE COUNCIL OF THE CITY OF WATERVLIET
THURSDAY, NOVEMBER 18, 2010 AT 7:00 P.M.**

The meeting was called to order by Mayor Michael P. Manning at 7:00 P.M.

Roll call showed that Mayor Michael P. Manning, Councilwoman Ellen R. Fogarty and Councilman Nicholas W. Foglia were present.

Also present from City Administration were: Mark Gleason; General Manager, Yorden C. Huban; Corporation Counsel, Bruce A. Hidley, City Clerk and Clerk to the Council, Robert A. Fahr, Director of Finance, Mark Gilchrist; Assessor/Bldg. Inspector, Police Chief Ron Boisvert and Captain Scott Skinner

A motion was made and seconded to dispense with and accept the minutes from the previous City Council Meeting.

REPORT OF OFFICERS AND COMMITTEES

ITEM #1 – Mark Gleason, General Manager presented the budget for the fiscal year 2011 to the Watervliet City Council. Additionally, Mr. Gleason showed a power point presentation to those in attendance related to all aspects of what the 2011 budget entails. Mr. Gleason stated that the 2011 budget never lost sight of the tough economic times our residents are enduring. The City’s Administration has constructed a budget that continues its commitment to Public Safety, succeeds in building a more business friendly climate, commits to exploring new non-tax avenues for revenue and expands on the City’s award winning cost cutting programs. Mr. Gleason noted that the City of Watervliet residents are benefiting from past wise decisions made by the City Council. The City Administration continues to do more with less, to stay within budget and hold fast during hard times. The 2011 Budget expenses area as follows:

EXPENSES

Public Safety	-	\$4,980,998.00	6% Increase
Highway/DPW	-	\$ 414,553.00	9% Decrease
Recreation	-	\$ 220,848.00	11% Decrease
Debt/Borrowing	-	\$ 708,515.00	
Administration	-	\$1,539,002.00	
Insurances	-	\$1,687,831.00	5% Increase
General Govt. Items	-	\$ 512,402.00	
Refuse Removal	-	\$ 465,620.00	4% Decrease

TOTAL **\$10,529,769.00**

Mr. Gleason further explained that the Administration is very concerned about Public Safety. That is where over 47% of the budget goes towards. This proves to be a budget increase from 2010 to 2011 of \$323,473.00 or a 3% increase. This is a 3% increase with retirement costs increasing 21% and the 2011 health increase of over 6%.

REVENUES

Sales Tax	-	\$2,915,000.00	3% Decrease
Non Property Taxes	-	\$ 554,000.00	8% Decrease
Per Capita Assistance	-	\$1,234,891.00	5% Decrease
Recoveries/Grants	-	\$ 349,500.00	24% Increase
Property Taxes	-	\$3,854,578.00	
Permits/Fees/Fines	-	\$ 247,800.00	
Misc./Other	-	\$ 136,000.00	
Transfers/Fund Balance	-	\$1,238,000.00	
TOTAL	-	\$10,529,769.00	

Mr. Gleason explained that the two largest revenue sources are Property Tax and Sales Tax. **The City of Watervliet Administration is proposing a 1.5% tax increase for 2011.** The 1.5% tax increase will cost the average homeowner in Watervliet \$18.70 in 2011 which averages out to \$1.56 per month. This rate is based on a home assessed at \$80,182.00. The 2011 budget has a fully staffed Public Safety forces. The City is growing its award winning ambulance service and is expanding the innovative techniques for protecting our residents. The Administration is working hard to be a business friendly City. The City obtained stimulus funding for the reconstruction of 19th Street saving the homeowners over \$400,000.00. The Economic Development is paying off with great dividends. Mr. Gleason provided examples such as the Woodburning Warehouse who obtained \$50,000.00 from the Façade Grant Program, Mac's Drive In who obtained \$18,000.00 from the Façade Grant and Guiseppe's Pizza who received \$43,000.00 in a zero interest Micro Enterprise Loan for energy efficiency upgrades. Mr. Gleason discussed new revenues. The first was the new solar boathouse, this will generate energy to assist with the cost of lighting and rental of the boathouse, the second is a projected 11% increase from the expansion of the ambulance service, third will be the selling of the City's recyclables and fines to absentee landlords. This is a quality of life issue and a new revenue stream. The 2011 budget cost cutting programs included the following. The City is in the process of not only getting paid for our recyclables the City is also in the process of negotiating to paying \$2 to \$3 less for tipping fees, this could be an \$18,000 swing, the Mayor is trying very hard to site an Anaerobic Digester, the digester takes organic solid waste and turns it into natural gas and compost. If the City can take just 25% of the food out of our garbage the City can save \$51,000 in tipping fees, along with the power cast savings once the solar power in Hudson Shores Park a savings of nearly \$11,000 in power costs once the Seniors and Firehouse solar power is completed, fourth the equipment thru the Police Asset Forfeiture Program. The Public works Department is already in possession of two trucks. This program has probably saved the City nearly \$45,000 in new vehicle charges. Mr. Gleason stated that there are 2011 budget items which is beyond our control such as. Sales Tax Revenues, State Aid and Non Property Tax which is the Mortgage Revenue.

The Sales Tax due to a drop in the population count along with slumping sales forecast for the next year the revenue will decrease by 3%. The City Administration is very realistic with the problems and budgeted the costs we feel will be realized. Due to the financial problems New York State is involved with the City budgeted a 5% decrease in State Aid. The non-property tax revenue dictates that the City cut the Mortgage Tax Revenue by 50%. The Economic Development Office is currently working on a Job Retention Grant for Carr Hardware furthering the City's posture to assist small businesses. Mr. Gleason explained that the City will maintain our healthy Reserve Accounts. The City will eventually have to tap into these accounts for future budget transactions. In 2005 the City had a negative fund balance, since that the time the City Administration had to make some very difficult decisions safe guarding the Fund Balance. In 2010 the fund balance will be over \$1.1 million. Mr. Gleason then asked the City Council to approve the 2011 budget at the December 16, 2010 Council Meeting. Mr. Gleason also noted that a Public Hearing will be held on Thursday, December 2, 2010 for public comment. Mr. Gleason discussed the 2011 Water Department Budget. The budget for 2011 will be \$2.8 million dollars. There will be no increase in residential water rates. The highlight for this year is the Wiswall/Grotto/Ball Place Water Main Replacement Projects. The City completed these projects using budgeted funds and State Grant Funds. Mr. Gleason discussed the 2011 Sewer Budget. The budget for 2011 will be \$1 million dollars. There will be no sewer rate increase. There will be a \$500,000.00 payment to the Albany County Sewer District. The most important project was the completion of the Lower Dam. The Dry River System is fully NYSDEC compliant. The 2011 budget will be available on the City's website on Monday, November 22, 2010. Additionally, hard copies may be obtained thru the City Clerk's Office. Mr. Gleason thanked the following staff who contributed to this years budget process, Robert A. Fahr, Director of Finance, Pam DiNuzzo, Deputy Director of Finance, Bruce A. Hidley, City Clerk and Phyllis Carroll, Administrative Assistant. Mayor Michael P. Manning thanked Mark Gleason for all his hard work and effort in putting together the 2011 budget. Mayor Manning stated to the public that this is just the proposed budget. There may be some items which the Council will need to keep their eyes on such as Sales Tax, Stimulus Funding and other last minute items.

OLD BUSINESS

NONE

NEW BUSINESS

ORDINANCE NO. 1868 – An Ordinance of the City of Watervliet, New York providing that the Code of the City of Watervliet, Chapter 260, “Vehicle and Traffic”, Section 260-33.7 be amended. Before voting Yorden Huban, Corporation Counsel explained that next four Ordinances will amend language to Chapter 260 to make the law compatible to remove archaic language in one of the sections. Mr. Huban noted that the Council was provided with copies of the respective Ordinances in advance. Upon motion of Councilwoman Fogarty, seconded by Councilman Foglia, this Ordinance was approved and adopted.

ORDINANCE NO. 1869 – An Ordinance of the City of Watervliet, New York providing that the Code of the City of Watervliet, Chapter 260, “Vehicle and Traffic”, Section 260-33.8 be amended. Upon motion of Councilman Foglia, seconded by Councilwoman Fogarty, this Ordinance was approved and adopted.

ORDINANCE NO. 1870 – An Ordinance of the City of Watervliet, New York providing that the Code of the City of Watervliet, Chapter 260 “Vehicle and Traffic”, Section 260-32 (E) be amended. Upon motion of Councilwoman Fogarty, seconded by Councilman Foglia, this Ordinance was approved and adopted.

ORDINANCE NO. 1871 – An Ordinance of the City of Watervliet, New York providing that the Code of the City of Watervliet, Chapter 260 “Vehicle and Traffic”, Section 260-35 (A) be amended. Upon motion of Councilman Foglia, seconded by Councilwoman Fogarty, this Ordinance was approved and adopted.

Before reading Resolution No. 8639, Bruce A. Hidley, City Clerk provided the Council with a copy of the proposed Local Law No. 4-2010 which will be voted on after a Public Hearing is held.

RESOLUTION NO. 8639 – The Council of the City of Watervliet hereby authorizes Bruce A. Hidley, City Clerk to advertise once in the official newspaper that the Council will meet on Thursday, December 2, 2010 in the City Court Room, #2-15th Street, Watervliet, New York at 7:00 P.M. for those persons who wish to be heard with reference to Local Law No. 4-2010 adopting amendments to Article 7, of the New York State Agriculture Law Part T of Chapter 59 of the Laws of 2010. Before voting Bruce A. Hidley Clerk explained that the New York State Legislature passed a law requiring all municipalities who currently administer dog licenses to act upon a Local Law which would allow the municipality to accept responsibility of dog licensing and assume collection of all of the fees.

Mr. Hidley noted that the New York State Department of Agriculture and Markets will no longer have any administrative function for dog licensing in NYS. Upon motion of Councilman Foglia, seconded by Councilwoman Fogarty, this Resolution was approved and adopted.

RESOLUTION NO. 8640 – The Council of the City of Watervliet hereby approves the financing of Phase 3 of the Energy Project with Honeywell International Inc. and further approves Mayor Michael P. Manning to execute the Energy Performance Contract, Municipal Leasing/Purchasing Agreement with Municipal Leasing Consultants for the financing of Phase 3 Energy Project. Before voting Mark Gleason, General Manager explained that this is the solar panels that the City will be placing on the J. Leo O'Brien Facility and the Firehouse. Mayor Manning noted that the cost of the solar panels will be absorbed thru stimulus funding. Upon motion of Councilwoman Fogarty, seconded by Councilman Foglia, this Resolution was approved and adopted.

RESOLUTION NO. 8641 – The Council of the City of Watervliet hereby approves the second amendment to the License and Use Agreement between the Arsenal Business and Technology Partnership, LTD and the City of Watervliet for a period of one year commencing on December 1, 2010 and ending on November 30, 2011 and further authorizes Mayor Michael P. Manning to execute the same. Before voting Mayor Manning explained that this is the rent for the office space utilized by the City in the Arsenal Partnership Building. Mayor Manning noted that the City has a lot of interaction with the Partnership and this serves as an excellent meeting space. Upon motion of Councilman Foglia, seconded by Councilwoman Fogarty, this Resolution was approved and adopted.

RESOLUTION NO. 8642 – The Council of the City of Watervliet hereby authorizes Bruce A. Hidley, City Clerk to advertise once in the official newspaper that the City of Watervliet is seeking proposals from firms qualified in providing assistance in conducting Lead Assessment in compliance with the requirements of the U.S. Environmental Protection Agency on Friday, December 10, 2010 at 10:00 A.M. in the City Clerk's Office. Before voting Mayor Michael P. Manning explained that this is a requirement that goes along with the upcoming CDBG grants to have certified Lead Assessment people. Upon motion of Councilwoman Fogarty, seconded by Mayor Manning, this Resolution was approved and adopted. Councilman Foglia abstained from voting.

RESOLUTION NO. 8643 – The Council of the City of Watervliet hereby authorizes Bruce A. Hidley, City Clerk to advertise once in the official newspaper that the City of Watervliet will hold a Public hearing on Thursday, December 2, 2010 at 7:00 P.M. in the Watervliet City Court Room for those persons who wish to be heard with regard to the Estimate of Revenue and Expenditures for the fiscal year 2011 commencing January 1, 2011. Upon motion of Councilman Foglia, seconded by Councilwoman Fogarty, this Resolution was approved and adopted.

APPROPRIATIONS AND ACCOUNTING

Robert A. Fahr, Director of Finance explained to the Council that he will have a couple of budgetary transfers for the Council's approval for the December 2, 2010 City Council Meeting. Mr. Fahr also indicated that he will also have several Bond Resolutions for adoption. This is preparation of the City's January 2011 bond issue. This will take our short term debt into long term and some new additional borrowing.

Before moving into the Comment Period Mayor Manning explained that the City voted at the last meeting to allow the City to apply for the EPA Green Partnership Program. Mayor Manning stated that based on the City's renewable energy production that the City has been accepted into that program. Mayor Manning noted that now that the City has been accepted into the program it puts the City into a stronger grant recipient position of the work on going in the City.

PUBLIC COMMENT PERIOD

Before entertaining a motion to adjourn Mayor Manning strongly recommended that anyone in the public review other municipal budgets before our Public Hearing. Mayor Manning recommended that the public look under line items that our budget listed as out of our control. Our City's budget reflects realistic numbers that goes with the economy and state fiscal crisis. The City does not want to be wrong on the bad side of the budget.

There being no further comments, Mayor Manning closed the Public Comment Period.

There being no further business to come before the Council a motion was made and seconded to adjourn the meeting, the meeting was adjourned at 7:50 P.M.

Respectfully Submitted,

Bruce A. Hidley
City Clerk and Clerk to the Council