

**CITY COUNCIL BUDGET SESSION
CITY OF WATERTOWN
May 7, 2021
4:00 p.m.**

Mayor Jeffrey M. Smith Presiding

Present: Council Member Sarah V. Compo
Council Member Ryan J. Henry-Wilkinson
Council Member Lisa A. Ruggiero
Council Member Leonard G. Spaziani
Mayor Jeffrey M. Smith

Also Present: Kenneth A. Mix, City Manager

City staff present: Scott Weller, Vicky Murphy and Patrick Keenan

DISCUSSION

Parks and Recreation Department – Page 143

City Manager Mix began the discussion explaining that this department has the same six accounts, but they were organized differently this year. He explained that they were separated based more on function, noting this department's functions are to maintain facilities and to run programs and events. He gave details of each new account and how it correlated with the previous year's account. Noting it makes sense to do the reorganization of the accounts, he said the downside was that it makes it difficult to compare these accounts to the previous year. In regard to staffing changes, he pointed out that the temporary wages had increased for more trail maintenance at Thompson Park. He also stated that Parks and Recreation was taking on additional mowing and the maintenance of restrooms, which had been done by DPW staff in the past.

Council Member Ruggiero asked if there was an account clerk added to the administration account.

Mr. Mix replied that the proposed budget had no new administration positions, but he did note that Council had already added the account clerk position by readopting the current budget. He explained this was part of the reorganization when the Assistant Superintendent position was eliminated.

Mayor Smith mentioned the equipment requested by this department and pointed out that they would all be paid for with current funds versus bonding, which makes it a onetime cost instead of a recurring cost of the interest payments.

Mr. Mix commented that many of the equipment items in the proposed budget were supposed to be in last year's budget but were delayed due to the COVID-19 pandemic.

In response to Council Member Ruggiero's inquiry about the copier request, Superintendent of Parks and Recreation Scott Weller explained that all the publications, flyers and binders for any Park and Recreation program is printed in-house and he added that it is becoming difficult to obtain parts for the old copier.

Mr. Mix mentioned that it is one of two copiers in the City that is a color copier, so it is used for high volume printing by other departments as well.

A discussion took place regarding trash cans within Thompson Park and the Carry In/Carry Out policy and whether it provided a cost savings to the City. Mr. Weller explained that he does hear from both sides of the issue, noting that some people are against it and some people are for it, but confirmed it does save staff time.

Referring to page 150, Council Member Ruggiero pointed out there was an increase in the temporary wages to \$80,000.

Mentioning this was now a maintenance account for several facilities due to the reorganization of the accounts, Mr. Weller explained the increase was for \$10,000 for restroom maintenance, \$5,000 for playground maintenance and \$30,000 for trail maintenance in addition to the usual \$35,000, which is budgeted for this account.

The water/sewer amount of \$48,000 was explained, for the public's benefit, and the need for the General Fund to pay the Water Fund and Sewer Fund for these services, since they are enterprise funds and separate from the General Fund.

While reviewing the Recreation Programs and Events account starting on page 165, Council Member Ruggiero asked about the July 4th Concert in the Park expenses.

Mr. Mix explained that those expenses will have been incurred in the current budget, so it is not in the proposed budget.

Council reviewed the pools account which started on page 168, and Mayor Smith pointed out that all the expenses for repairing the Alteri pool appear here.

In response to Council Member Ruggiero's question regarding the lifeguard chairs expense appearing on page 171, Mr. Weller explained that the \$7,800 was for four lifeguard chairs. He also explained to Council Member Ruggiero that the temporary wage line of \$87,000 was for lifeguards and pool gate attendants and noted that if the City was to change the operating hours of the pool from 8 hours to 6 hours, like it did last year, it could save approximately \$10,000.

A detailed discussion over the expense of \$50,000 to demolish the Flynn pool occurred, which led to a conversation regarding the repairs needed for the Flynn pool and a debate on whether the City needs three pools.

Council Member Ruggiero argued that the pool demolition should be taken out of the proposed budget and the pool left as is for now, which would allow the \$50,000 to be applied to something else in the budget or cut in order to decrease the tax rate.

Council turned to the Arena account on page 173 and Mayor Smith reviewed the various ways the Arena generated revenue for the City. An overview was given of the events that are currently scheduled or pending based on what the State's COVID-19 restrictions and what is allowed.

Turning back to pools, Council Member Compo suggested charging large outside groups for the use of the City pools. This led to further discussion of charging for the use of the pools by everyone and whether there should be a City vs non-City rate. It was noted that an attendant, making minimum wage, was already stationed at the gate to track numbers due to COVID-19 restrictions so there would be no additional staffing expenses. Mr. Weller was directed to develop a fee schedule based on the numbers from last year, knowing that it would be hard to come up with it in time for this proposed budget, but it could be a plan for the future.

Bond Rates

Mayor Smith mentioned that the bond rate that was received in the past week was lower than what was planned when the proposed budget was being built.

Mr. Mix advised that the bond rate was 0.79%, which is an approximate savings of \$60,000.

Mayor Smith asked that the lower bond rate savings be applied to capital projects so that the overall amount bonded for is less.

Water Fund – Page 196

Water Superintendent Vicky Murphy provided an overview of the Water Fund, stating that there will be no rate increases and that there were no staffing positions added.

Mayor Smith stated the biggest cost in this area is for purification of the water and asked if staff has looked at any other way to treat the water at a lower cost.

Ms. Murphy explained the current system for treating the water as well as a pilot system which is being tested and uses carbon to treat the water. She said that they may have a consultant study this further.

Mayor Smith mentioned that the electricity used by the plant is quite high and suggested investigating other options.

Ms. Murphy reviewed a study that was done recently as well as other things that have been looked at to power the plant. She responded to Council Member Ruggiero's question about the Arc Flash Study on page 206, stating it is a safety item which defines where all the electric lines go and the corresponding breakers. She added that the Waste Water plant started this initiative this year and it is in their budget as well.

Mayor Smith asked if there was any consideration to moving the Water Department's administration back to City Hall.

Mr. Mix replied that he wants to look at centralizing some of the clerical staff and office work for some departments in the coming year, which might lead to potentially bringing the clerks back to City Hall. He added that Ms. Murphy prefers to remain at the plant so that she is closer to the facilities and that staff.

Mentioning General Municipal Law Section 94, Mayor Smith advised that he discovered the City could get revenue by taxing the water treatment facility property as if it was a privately owned company. He said this could generate approximately \$100,000 for the General Fund.

Mr. Mix said it is a little less depending on the tax rate.

Ms. Murphy agreed it was a good idea, but water rates may have to go up.

Mr. Mix advised that staff would look into it further.

Turning to capital projects, Mr. Mix commented that many projects may be paid for by American Rescue Plan funds and the projects listed on page 320 were reviewed.

Sewer Fund – Page 222

Ms. Murphy provided an update on the Sludge Disposal Modification Phase 1B, stating that it is winding down, and that Phase 2 is still beginning. She confirmed for Mayor Smith that the City still pays to get rid of the material but would like to transition into getting some money for it.

Mayor Smith summarized that the sewer rates will not increase, and it appeared that most projects will be paid for without bonding.

Ms. Murphy added that the department will remain at the same number of employees.

Regarding the Sanitary Sewers account starting on page 229, Superintendent of Public Works Patrick Keenan indicated the City is still working on the separation of storm water and sanitary sewer. In response to Mayor Smith's question of whether there were any issues in the collection system, he indicated that staff is studying this using smoke testing in the western outfall. He explained this will identify significant sources of inflow.

Mayor Smith explained the separation of storm water means that less goes through the system and into the plant to be treated, which then costs the City less.

Mr. Mix added that the separation of storm water also helps during major storm events and prevents overflow. Further discussion took place regarding a major storm event which happened after the reconstruction of the Arsenal Street Bridge and there was flooding in the Cedar Street area. It was noted that the storm water lines have been separated from the sanitary sewer in that area.

Conversation turned to the number of properties within the City that have septic tanks and whether the City can install sewer in these areas. Mayor Smith stressed that if there is going to be road construction in any of these areas then the City should consider installing sewer lines and connecting these properties.

Council Member Ruggiero wondered if any of the American Rescue Plan funds could be used for this.

Mr. Mix stated the City should receive guidance for the use of the American Rescue Plan this week so it might be possible to use the funds towards that.

Capital projects listed on page 328 were quickly reviewed.

Mr. Mix informed Council that a cost analysis study will be done which will charge the Water and Sewer Funds for the resources and time that is used from other departments, such as the City Manager, Engineering, Human Resources, and Comptroller.

Turning to the Hydroelectric Production account on page 121, Mayor Smith questioned the current operation and maintenance contract and when it will expire. He asked if the City gets a report and if items are maintained regularly.

Ms. Murphy replied that she is starting to consider the next contract and that the City receives regular reports on the status of maintenance.

General Government Support Accounts – Page 19

Turning to the General Government Support Accounts, Council reviewed the following departments and made no changes: City Council, Mayor, City Manager, City Comptroller, Purchasing, Assessment, City Clerk, Law and Civil Service.

Regarding the City Comptroller account on page 29, Council Member Ruggiero asked when the financial software would be replaced.

Mr. Mix indicated that it is in the capital budget for next year and noted that it could cost between \$600,000 - \$1,000,000. He said that staff will review software packages this year which allows the IT department to finish up some big projects before implementing the new financial software.

Regarding the Assessment account on page 35, Mayor Smith asked if there would be cross training of clerical staff between departments such as Assessment, Water and City Comptroller.

Mr. Mix noted there is not a clerical position in the Assessment Department, but this will all be evaluated as centralization is investigated next year.

Regarding the Law account on page 46, Mr. Mix explained to Council Member Ruggiero that the increase is due to a small increase in the hourly rate as well as some significant lawsuits that are still pending.

Work session ended at 5:49 p.m.

Ann M. Saunders
City Clerk